# Independent Evaluation of the ILO's Country Programme to Ukraine: 2000-2006

International Labour Office September 2007

> Prepared by Iskra Beleva

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# **Preface**

This evaluation report was prepared by independent consultants with no previous involvement in the ILO's country programme to Ukraine. The lead evaluator was Iskra Beleva, who was supported by several staff from the ILO Evaluation Unit. Responsibility for the content and presentation of findings and recommendations rests with the evaluation team. As such, the views and opinions expressed in the report do not necessarily correspond to the views of the ILO, its members, or implementing partners.

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#### **List of Abbreviations**

AFL-CIO American Federation of Labor and Congress of Industrial

Organizations

AIDS Acquired Immunodeficiency Syndrome

CCA Common Country Assessment

CFTUU Confederation of Free Trade Unions of Ukraine

DECLARATION Programme for the Promotion of the Declaration on the

Fundamental Principles and Rights at Work (ILO)

DWCP Decent Work Country Programme

EU European Union

EVAL Evaluation Unit (ILO)

FPU Federation of Trade Unions of Ukraine
FTUU Federation of Trade Unions of Ukraine

GDP Gross Domestic Product

GTZ German Agency for Technical Cooperation

HIV Human Immunodeficiency Virus

SKILLS Skills and Employability Department (ILO)

ILO International Labour Office/ International Labour Organization

MIGRANT Department for International Migration (ILO)

ILO/AIDS Programme on HIV/AIDS and the World of Work (ILO)

INTERPOL International Criminal Police Organization
IOM International Organization for Migration

IPEC International Programme on the Elimination of Child Labour

(ILO)

ITC Turin International Training Centre Turin (ILO)

KVPU Confederation of Free Trade Unions of Ukraine

MDG Millennium Development Goals

MLSP Ministry of Labour and Social Policy
NCSP National Council of Social Partnership

NGO Non-governmental organisation

NKPU National Confederation of the Trade-Union Organizations of

Ukraine

OSCE Organization for Security and Co-operation in Europe

PAF Programme Acceleration Funds (UNAIDS)

PRSP Poverty Reduction Strategy Paper

RBTC Regular Budget Technical Cooperation

RO Europe Regional Office for Europe and Central Asia (ILO)

SAP-FL Special Action Programme on Forced Labour

SIMPOC Statistical Information and Monitoring Programme on Child

Labour of the ILO

SLI State Labour Inspectorate

SMARTWork Strategically Managing AIDS Responses Together in the

Workplace

SRO Sub-Regional Office (ILO)

ULIE Ukrainian League of Industrialists and Entrepreneurs

UMDG Ukrainian Millennium Development Goals

UN United Nations

UNAIDS Joint United Nations Programme on HIV/AIDS

UNDAF United Nations Development Assistance Framework

UNDP United Nations Development Programme

UNFPA United Nations Population Fund

UNHCR United Nations High Commissioner for Refugees

UNICEF United Nations Children's Fund

USA United States of America

US\$ US Dollars

VOST All Ukrainian Union of Workers' Solidarity

WHO World Health Organization

# 1 Executive Summary

Consistent with its policy and strategy concerning independent evaluations of ILO country programmes, the ILO has evaluated its programme of support to Ukraine. This report presents analysis, findings and recommendations of the independent evaluation, conducted in early 2007. The report is based on a desk-based portfolio review of projects and other documentation, detailed interviews with key international and national constituents, development and implementing partners in Ukraine.

The purpose of the Ukraine country programme evaluation is to provide an independent assessment of approaches taken, progress being made against country-level strategies and outcomes, and to identify lessons learned to inform future strategy development and improve the effectiveness of the Decent Work Country Programme (DWCP) finalised in 2005. The evaluation, which focuses on ILO's programming approach and activities, includes recommendations to help focus outcomes and improve organisational effectiveness.

The country programme evaluation emphasized documenting experiences from Ukraine over the period 2000-2006. The study involved a review of the full portfolio of project documentation including evaluations, interviews with ILO constituents, staff and external partners at global and national levels, and with those whom ILO has targeted for support at project levels. Key aspects covered were:

- 1. The ILO's strategic positioning in Ukraine, its niche and comparative advantage;
- 2. Tripartite partnership and the ILO approach to developing a shared agenda;
- 3. The focus and composition of the ILO programme;
- 4. Evidence of the direct and indirect results of ILO's contributions;
- 5. The efficiency and adequacy of ILO organisational arrangements;
- 6. Knowledge management and sharing.

The evaluation of ILO activities in Ukraine from the point of view of decent work suggests the following main conclusions and recommendations.

### 1.1 The ILO's role and relevance in Ukraine

#### 1.1.1 Main conclusions

National constituents as well as international partners unanimously confirm the adequacy of ILO presence in Ukraine and the very important niche it has – the tripartite structure that supports groups at through their workplace. They further indicate their high regard for the ILO, and their understanding and interest in its activities (also international and external partners). The decent work agenda, however, could be more clearly outlined and advocated at multiple organisational levels, since

<sup>&</sup>lt;sup>1</sup> For those countries where Decent Work Country Programmes are recently established, the evaluations review prior work as part of ILO support to the country in promoting decent work.

this Agenda is not well known by local partners, international partners, and project participants.

The ILO has been flexible and responsive to demands in the studied period, but the very dynamic and unpredictable political changes might still impose significant constraints on its flexibility.

#### 1.1.2 Recommendations for the ILO

- The decent work approach as a coherent framework should be given more emphasis in the future, as well as its better dissemination through more Ukrainian-language information (including an ILO DWCP web site in Ukraine). The main aim should be to increase awareness among a larger circle of players at different levels.
- More attention should be paid to long-term strategic support that may help solve today's pressing issues but also unveil future horizons for social and labour development. This holds true for skills development, vocational training, and methodologies for forecasting social and labour developments, or other areas where ILO has good knowledge and well recognised expertise.
- The Decent Work agenda should continue to be the focus of ILO activities in Ukraine and the scope of topics should be expanded to include social insurance and social protection and labour market flexibility.

# 1.2 The role and effectiveness of the national tripartite constituents in promoting decent work

#### 1.2.1 Main conclusions

Tripartite participation and partnership in promoting decent work has been somewhat erratic and internal problems have interfered with the consolidation of the social partners around the Decent Work agenda, with highly varied levels of activity at national development planning forums and networks. The still unresolved issues surrounding criteria for representativity of both trade unions and employers' organisations is one clear factor. The position of the state as an employer somewhat c confuses their role as an independent tripartite body, with the result that trade unions were often over-represented while employers were under represented. Several employers' organisations have hesitated to fully engage in the DWCP programme because they did not participate in the programme design. Both trade unions and employers are to a certain extent passive regarding the decent work agenda in that they rely mainly on the ILO's initiatives.

#### 1.2.2 Recommendations for the ILO

- The ILO should encourage the more active involvement of employers' organisations and trade unions in decent work by providing more information about what other European Union countries do in this respect.
- The ILO can develop activities for attracting all employers, including in the small and medium enterprise sector, to participate in the decent work dialogue.

• The ILO should target capacity development for social dialogue at branch and enterprise level.

# 1.3 The focus and coherence of the country programme's design and strategies

#### 1.3.1 Main conclusions

Several generalisations can be made with regard to the ILO's technical interventions during the period 2000-2006. First, the projects and activities have been directly or indirectly focused on the decent work agenda – rights at the work place, productive employment, social protection, voice and representation. Further, the DWCP (2006-2007) reflects a consensus between the country and the ILO on decent work priorities and areas of cooperation. The expectations of the policy makers in Ukraine regarding the ILO expertise and advocacy on labour legislation, social dialogue and tripartism were fully met; the problems followed primarily from political confrontations between the policy makers. The DWCP, as well as ILO activities before 2006 displayed an effective balance between operational activities and advocacy and policy.

With regard to continuity, the DWCP is the continuation of previous successful cooperation and has built upon the achievements and lessons learned. However, to some extent projects are fragmented and detached from larger concerns of constituents and some pilot projects' achievements have not been sustained or replicated. This weak link between the projects brings into question the degree of continuity of the ILO activities in Ukraine.

#### 1.3.2 Recommendations for the ILO

- In the project design phase, draft approaches are needed that merge with previous and parallel interventions and strengthen practices to assess capacities of ILO partners and to ensure sustainability of outcomes.
- Further progress is needed in working in partnership with ILO constituents and the UN at design and implementation stages.
- There is a need for more widespread and substantive discussions on results being achieved, better dissemination of results, and more regular feedback on ILO's effectiveness. More attention should be given to the follow-up of completed projects and activities to enhance sustainability, both by the ILO and constituents.

# 1.4 Evidence of the direct and indirect use of the ILO contribution and support at national level

#### 1.4.1 Main conclusions

The ILO's projects and activities in Ukraine during the period 2000-2006 have defined clear outcomes and results against which they can be assessed. The performance reporting and the evaluations, have addressed direct outcomes, but much of the validation has been at the output level. Besides the quantitative direct results

there are a number of qualitative effects that are difficult to measure but have important impact on capacity building and infrastructure development for decent work. These are, for example, application of knowledge obtained during seminars, training courses and discussions; development of networks between the different specialists and institutions; the dialogue between opposition trade unions and members of different political parties.

Indirect results also affect the individual level- unemployed people having an improved employment status and professional opportunities. The prevention of HIV/AIDS at the work place, apart from the economic effects, has a significant social impact on the entire society. The same is valid for child labour, which is a problem that concerns not only the people directly involved in these activities, but also the society as a whole and its tolerance of violations of children and human rights.

The ILO has influenced thinking and actions related to attitudes and policy changes, not only through the tripartite structures, but also by tapping into the wider civil society structures for discussions on key socio-economic issues.

ILO's participation in UNDAF 2000-05 and 2006-10 has not, so far, led to higher visibility and programme links with the UNDAF plan. The ILO's work remained somewhat separate despite the obvious UNDAF focus areas related to decent work. Recent changes in the UNDAF approach are likely to improve the situation.

#### 1.4.2 Recommendations for the ILO

- The ILO should better document outcome-level results, and develop a more regular dissemination strategy, involving publications in Ukrainian language.
- While delivery of outputs to resources spent is impressive, the ILO should explore a more flexible resource approach that allows for re-distribution of resources during implementation to respond to changing situations or emerging opportunities.
- The ILO should promote more the positive experience of the pilot projects as a
  basis to mainstream initiatives more widely in the country, and to ensure that
  the feedback is used for further improvements.
- The ILO should use the mid-term review in 2008 to strengthen decent work as an important theme in UNDAF.

# 1.5 The efficiency and adequacy of organisational arrangements to deliver the ILO programmes in Ukraine

#### 1.5.1 Main conclusions

The efficiency and adequacy of organisational arrangements to deliver the ILO programmes in Ukraine depend on many factors among which the available resources and the extent of centralisation of project performance have been quite important. The higher the centralisation of organisational processes, the lower is the flexibility of work organisation. Due to this the Ukrainian experience points out that the SRO is a more proper level for project coordination than headquarters technical units. There is

still a need to consolidate ILO organisational practice in supporting DWCP since internal capacities, while adequate, can be further strengthened. The role of the National Coordinator and the high calibre of ILO local staff has been of great importance for the ILO's successful work in Ukraine during the studied period.

#### 1.5.2 Recommendations for the ILO

- The Europe region should consider extending the programming period of DWCPs from two to four or five years, and leave open the flexibility to align with UNDAF programming timelines.
- In collaboration with technical headquarters and national staff, the SRO can work on developing an more fully integrated work plan, resource plan and results matrix for the ILO's programme in Ukraine to cover the remaining period of 2007 and the new biennium 2008-09.
- There is a need for more efficient and effective monitoring of DWCP implementation.

### 1.6 Knowledge management and sharing

#### 1.6.1 Main conclusions

During the studied period the ILO knowledge management and sharing was impressive, with more than 100 ILO publications translated and published in Ukraine. Translation of the ILO conventions (1500 copies) in Ukrainian language has been highly appreciated, with a second edition published because of the high interest. The ILO publications have been distributed to the Presidential and Parliament libraries, central and regional libraries— all over the country. The global trends in the development of labour markets and social agenda as studied by the ILO have been regularly presented in mass media and on special briefings. However, financial constraints limit opportunities to translate and publish too many of the ILO's core documents, which would be very useful for Ukraine. Since the level of knowledge of foreign languages in Ukraine is not high, information needs to be translated.

#### 1.6.2 Recommendation for the ILO

The main recommendation in this field is related to the provision of additional information in the ILO concepts, strategies and good practices for the decent work agenda in Ukrainian language.

Picture 1: Market vendors



© Vladimir Dimitroff

#### 2 Introduction

## 2.1 Context: ILO's country programme evaluation

This report presents findings and recommendations of the independent evaluation of the ILO's country programme of support to Ukraine. The evaluation was managed by the Evaluation Unit in close coordination with the ILO Regional Office for Europe and Central Asia (RO Europe) and the ILO Sub-Regional Office (SRO) in Budapest. The evaluation also benefited from tripartite national constituent input. The evaluation team consisted of an external evaluator to act as team leader, an ILO evaluation officer from EVAL and a representative for RO Europe who acted as resource person. The report is based on a desk-based portfolio review of projects and other documentation, detailed interviews with key international constituents, 80 interviews with national constituents, development- and implementing partners during the field mission that took place in Kiev over the period 12-23 February 2007.

# 2.2 Purpose of the evaluation

The purpose of the evaluation was to provide an independent assessment of the ILO's country programme of support to Ukraine, noting progress made and lessons learned, and to inform further country-level programming in the Ukraine. The evaluation considers areas in which the ILO's collaboration has been effective supporting national decent work efforts, what should be pursued in the future, and where improvements need to be made. This may include reinforcement or changes in priorities, approaches, tools, and organisational practices. The evaluation had a further intent to provide an ex-post assessment of major initiatives undertaken during the evaluation period, and to determine how longer term impact can be more effectively planned.

### 2.3 Scope of the evaluation

The evaluation timeframe is 2000 to 2006. This period covers a time of considerable political and economic volatility in Ukraine. The evaluation focuses on the ILO's strategic positioning in the country, its approach to setting an ILO agenda, as well as the composition, implementation and evolution of ILO national programming as it relates to the decent work agenda. Finally, lessons learned related to ILO management and organisational effectiveness are noted.

The evaluation formulates recommendations regarding:

- The ILO role and relevance in Ukraine, its niche and comparative advantage, and partnership approach;
- The role and effectiveness of the national tripartite constituents in promoting decent work;
- The focus and coherence of the country programme's design and implementation;

<sup>&</sup>lt;sup>2</sup> See Annex 2 for Terms of Reference

- Evidence of the direct and indirect use of ILO's contributions and support at national level;
- The efficiency and adequacy of organisational arrangements to deliver the ILO's programme in Ukraine; and
- Knowledge management and sharing.

Annex 3 lists scoping criteria and related questions for each aspect listed above.

#### 2.4 Methods

The evaluation abides by UN norms and standards for evaluation. It involves several stages and levels of analysis:

First, there was a desk-based portfolio review of project and other documentation, key performance criteria and indicators, to compare and assess developments and performance over time for the main programme technical areas. Attention was given to implementation under major components, methods, target groups and their perceptions of major progress and significant achievements. Project documents, evaluation reports, studies and other publications on ILO's work in the Ukraine constitute the bulk of materials reviewed.

Findings from the desk review were complemented with detailed interviews of key international and national constituents, development partners and implementing partners. ILO staff working in the field and Geneva on Ukraine activities were consulted, as well as current and past project staff in the Ukraine.

The evaluation methodology included in-depth case review during a mission to the Ukraine for information gathering. Interviews, focus groups, and open discussions were among the tools used during the meetings with the different national constituents and programme beneficiaries. Assessment of outcomes and ILO contribution vis-à-vis national actors are considered factors outside ILO influence, as well as actions of ILO partners. A total of ten phone interviews with local partners from Donetsk, Kherson, Chernivtsy and Cherkasky were conducted and present opinions about projects' outcomes and efficiency at regional level. Cross-cutting issues of gender, poverty reduction and social inclusion are taken into account in the evaluation, as well as the coherence across ILO action.

#### 2.5 Limitations

The major limitation of the evaluation is the relatively short period of time available for field research. The evaluation of seven years of ILO activities in Ukraine from the view of the decent work agenda, requires more time for focusing the attention of international and national constituents on this specific issue so that they reconsider the outcomes of the ILO's diverse and complex work in the period from this particular angle. The specificity of such an evaluation also demands sufficient time for the evaluator to assess the projects and activities and their contribution to a continuing process with mid and long run effects.

## 2.6 Report layout

The remainder of this report presents in brief the country context so as to outline the main challenges to decent work. It describes the relevance of ILO activities in Ukraine regarding the decent work agenda and main ILO partners. The report concentrates on the priority areas of decent work by studying in more detail the relevance of the outcomes for the decent work situation in Ukraine, drawing a number of recommendations for each priority. The report concludes with main findings and recommendations for future ILO activities in Ukraine.

# 3 Development Issues for Ukraine

#### 3.1 Overall context

Ukraine is an Eastern European country, bordering the Black Sea and located between Poland, Romania and Moldova to the West and Russia to the east. The country is large by European standards, with a population numbering 46.7 million people as of July 2006. Ukraine is an independent state since 1991. The Constitutional reform took effect on 1 January 2006. According to this reform Ukraine is a Parliamentary-Presidential Republic. In 2005, Ukraine was given the status 'market economy' by the EU and the USA.<sup>3</sup>

The Soviet economic and social framework has provided reassuring continuity and certainty for many citizens – employment security, housing, widespread access to free health, education and other public services, and a high level of female participation in government and in the labour market. To many, the need for fundamental political and economic reforms was not apparent.

The collapse of the Soviet Union and the end of The Soviet State Planning Commission (GOSPLAN) meant that coordination between the Republics on matters of policy making, economic planning and political discourse had practically disappeared. The breakdown of the payment and trade systems accompanied that and further disrupted traditional business and political relations. In addition, tensions between the eastern and western parts of Ukraine, and in Crimea, on a development strategy began to emerge.

Being independent, the country leadership faced the immense task of forging a robust nation state. At the same time, Ukraine was embarking upon a transition to a market economy, and the political and civil society structures were in a state of flux. Liberal democratic thinking was in its formative stages, new political parties were searching for a political platform, and civic institutions, each with a variety of agendas, were only beginning to emerge. Although the independence referendum indicated massive public support for Ukraine to chart its own course, this did not at all signal a consensus on the economic system to be followed.

Much has been done during the last decade and since 2000, when Ukraine has sustained more upward economic and social trends. However, the world of work in Ukraine is still facing deficits in all four areas of decent work – rights at work, employment opportunities, social protection and social dialogue as well as European decent work standards.

#### 3.2 Economic development

As pointed out above, Ukraine has changed considerably since its independence in 1991. After a decade of significant transitional social-economic and political turbulences since 2000, the economic environment improved significantly by

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<sup>&</sup>lt;sup>3</sup> Ukraine, Country Brief, 2006

speeding tax and land reforms, slashing subsidies to oligarchs and levelling the playing field.

**Positive economic growth.** The period under evaluation (2000-2006) was characterised by positive and relatively stable economic growth. After a significant decline in the previous decade, between 2000 and 2004 Ukraine registered positive economic growth of 5.9 per cent in 2000, 9.2 per cent in 2001, 5.2 per cent in 2002, 9.6 per cent in 2003 and 12.1 in 2004. Since 2005 the growth slowed down to 2.7 per cent in 2005 but again recovered to 7 per cent in 2006 as a result of changes in international gas and metal prices. Despite the high growth, the GDP level remains well below that of the pre-transition GDP level (1989). However, the positive features over the long-run are seen in the improved quality of growth in terms of economic diversity and orientation.

The registered GDP growth was due to a number of external (world price movement, changes in exchange rates, the revival of Russian economy) and internal factors (privatisation, private sector development, fiscal discipline, increases in foreign direct investment, protection of property rights, better public sector accountability, advance in regulatory reform) that contributed to improved macroeconomic performance.

**Increasing foreign investments.** As a result of the economic stability, foreign investments increased more than three times – from US\$ 496 million in 1999 to US\$ 1.7 billion in 2004.<sup>7</sup> This contributed to increasing job opportunities, keeping unemployment relatively low and increasing households' income.

**Private sector progress.** The private sector accounted for about 65 per cent of GDP in 2003 and the share of employed people was about 70 per cent in 2005. Over 9,500 enterprises were privatised through voucher privatisation launched in early 1995. Small scale privatisation has been virtually completed and in less than a decade the employment in the country moved away from the large-scale establishments towards medium and small enterprises. This created some problems regarding decent work conditions and provisions and calls for regular monitoring and control. The most important concern is the low investment in human capital and low level of protection of workers, including through increasing informality of employment.

#### 3.3 The social environment

The social development during the studied period has been influenced by a number of negative features, some of which apply for most of the European countries, others for transition countries, and some only for Ukraine.

**Declining population.** The Ukrainian population has declined dramatically since 1991. Between 1991 (52.0 million) and 2006 (46.7 million) it dropped by 9.8 per cent due to low birth rates (8.82 per 1000 population), high mortality (14.39 per 1000 population) and negative net migration rate (-0.43 migrants per 1000 population).<sup>8</sup>

<sup>6</sup> The World Bank, Ukraine, Country Brief, 2006

<sup>&</sup>lt;sup>4</sup> State Statistics Committee of Ukraine and UNECE database

<sup>&</sup>lt;sup>5</sup> Ukraine, Country Brief, 2005 and 2006

<sup>&</sup>lt;sup>7</sup> Economic Survey of Europe, 2005, N2, Appendix Table B17

<sup>&</sup>lt;sup>8</sup> CIA – The World Fact Book – Ukraine, www.cia.gov/publications/factbook/print/up/html

After 2000, the decline became more moderate, but the annual changes remained negative. Urban population declined more than the rural population.

Table 1: Total present population in Ukraine (in thousands)

Years	Total	Change to previous year in per cent	Urban	Rural
2000	48 923.2	-1.02	32 951.7	15 971.5
2001	48 457.1	-0.95	32 574.4	15 882.7
2002	48 003.5	-0.94	32 328.4	15 675.1
2003	47 622.5	-0.79	32 146.5	15 476.0
2004	47 280.8	-0.72	32 009.3	15 271.5
2005	46 929.5	-0.74	31 877.7	15 051.8
2006	46 710,8	-0.99	n.a.	n.a.

Source: State Statistics Committee of Ukraine and own calculations

(http://www.ukrstat.gov.ua/)

**Poverty levels.** Poverty is a concern for Ukraine, as in many transition countries. During the first decade of the transition (1999) poverty increased and affected almost 30 per cent of the country's population. During that period high inflation reduced the 2000 real wage levels to 30 per cent of the 1989 levels. However, much of these losses has since been recovered. 10 The Governmental activities for poverty reduction resulted in a decrease by nearly 6 per cent in the period 2002-2003, lowering poverty coverage to 25 per cent of the population. However, poverty is quite unevenly distributed across regions and households. The profiles of the poorest people include rural inhabitants, families with many children and elderly people. Of the households living in poverty in 2001 51 per cent had multiple children and another 37 per cent included persons over pension age.11

The increasing inequality from a regional point of view should be taken into consideration when decent work programs and activities are evaluated, as the proper targeting of resources and efforts are an important criterion for international support. The increasing dichotomy between rural and urban areas in Ukraine, as in other transition countries, should be studied not only in terms of better job opportunities, but also with a view to access to and quality of education and health services.

<sup>&</sup>lt;sup>9</sup> World Bank, Country Assistance Strategy for Ukraine for 2004-2007, Sept 29, 2003

<sup>&</sup>lt;sup>10</sup> Ukraine Public Information Notice, , IMF January 2007

World Bank, Country Assistance Strategy for Ukraine for 2004-2007, Sept 29, 2003, p.6, box 2

Picture 2: Street vendor in Ukraine



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**Deteriorated health and educational status.** Starting with relatively good socioeconomic indicators (e.g. relatively high education level, low gender differentiation, relatively well developed healthcare, etc.), during the economic depression of the 1990s Ukraine faced a worsening in population welfare. The main problems related to maternal and infant mortality, adult health, emergence of tuberculosis, and HIV and AIDS, as well as a drop in enrolment in lower secondary education (from 96.8 per cent in 1995 to 92.9 in 2001) and in pre-school (from 51.4 per cent in 1995 to 43.9 in 2001).

**Increasing emigration.** Different estimates present the number of Ukrainian emigrants abroad – from 2.5-3.0 million people to 5.0 million people, but not less than 10 per cent of the population of working age.<sup>12</sup> The upward tendency of human trafficking raises social awareness and prompts discussions about causes and vulnerability of some groups to trafficking, in particular women, who present nearly half of the emigrants. As the majority of migrants are illegal, they are exposed to exploitation and hazardous work.

The political changes and the civil society development. The period 2000-2006 has been characterised by dynamic political changes that reflected the speed and to some extent the direction of the reforms undertaken. In 2000, for the first time after independence, a degree for cooperation among the president, the prime minister and

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<sup>&</sup>lt;sup>12</sup> The first figure is an expert estimate of the Ministry of Labour and Social Policy and the second is cited in a Report of the Supreme Rada of Ukraine Ombudsman, Report of the Results of the National Seminar "Enhancing Trade Unions' Capacity to Combat Human Trafficking and to Eliminate the Worst Forms of Child Labour, Kiev, October, 2005

the parliament was reached. In 2002 parliamentary elections were held and the reform process was slowed. The presidential elections took place in 2004, followed by the "Orange Revolution". Dynamic changes in the cabinet were registered during 2005-2006. The dynamism in the political life was an obstacle to the consistency of the undertaken economic and social reforms.

At the beginning of the transformation in Ukraine, the civil society was relatively weak, characterised by low involvement in civil affairs and dependence on the central authorities for financial and organisational resources. The situation has changed and consultations on Government policies are becoming more frequent, as is the involvement of citizens in local and national matters. Nonetheless, Ukraine is a country acknowledged for its functioning democracy, with an active civil society and freedom of the press.

### 3.4 Ukrainian labour market and social dialogue

#### 3.4.1 Labour market imbalance

Financial stability, increasing investments flows, single-digit inflation and moderate fiscal balance created a favourable environment for the development of the decent work agenda regarding job opportunities and job quality. However, transition reforms from the 1990s affected employment negatively with job closures and real wage decreases. Despite the positive employment growth rate after 2002, although very modest at between 0.4 per cent and 0.7 per cent per year to 2004, in 2005 it increased by 1.9 per cent pushing the 2005 employment level to 85.5 per cent of the 1989 level.

There are concerns regarding job opportunities, since labour supply remains relatively high. Between 1991 and 2005 the total population fell by 9.85 per cent, while the working age population diminished by a mere 2.1 per cent during the same period. Meanwhile, managers of industrial enterprises believed that they could cut 16-17 per cent of the available production workers with the enterprises still producing the same level of output.

Registered unemployment in Ukraine was relatively low and declining after 2000 during the studied period – from 4.2 per cent (2000) to 3.5 per cent (2005). The unemployment rate, using the ILO definition, grew to 11.6 per cent of the labour force in 1999 but has been steadily declining ever since and fell to 7.2 per cent in 2005. This unemployment rate approximates the European Union average (15 countries). The share of employment in the informal economy is very high and increasing, moving from 10.5 per cent in 1999 to 18.4 per cent in 2005 of total employment, according to labour force surveys. This means that the situation of a large part of the population of working-age is non-transparent regarding decent work criteria (e.g. working conditions, level of payment, social protection and social security). Moreover, it should be noted that the Ukrainian population witnessed little positive change in its employment opportunities per se. Its falling unemployment rate is largely a function of the above mentioned negative population growth pattern rather

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<sup>&</sup>lt;sup>13</sup> Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom

<sup>&</sup>lt;sup>14</sup> State Statistical Committee of Ukraine

than of the creation of new jobs. Moreover, while the unemployment rate has been declining, the number of long-term unemployed grew almost tenfold.

Since 2000, a steady growth of real wages has been recorded, resulting in a positive trend towards reduced income inequality among different socio-economic groups. Importantly, for the first time in 2003, the share of wages in disposable income exceeded the share of income from other sources. However, the monetary increase in wages and salaries has not been able to compensate for the loss in purchasing power caused by inflationary processes and the 1990s fall in industrial output. Therefore, when calculated in 1991 prices, real wage growth was at the level of 51.8 per cent over the period from 1991 to 2004.

Over 16 per cent of low paid workers earned less than US\$ 2 a day, which means that in 2004 the salary of low paid workers in Ukraine was significantly less than the established minimum wage. Using the local definition of poverty, about a quarter of the population was below the poverty line.

Since human capital is an integral part of a knowledge-based economy, training and education are important forms of investment and for improving skills and increasing the likelihood of future employment and remuneration. In comparison with the European Union, Canada and the United States, Ukraine has the lowest incidence of employer-sponsored/organised training. Job-related training and education for Ukrainian women is a major concern. According to the 2004 UEFLS<sup>15</sup> 2004, only 2.2 per cent of women participated in any kind of job-related training as opposed to 40.8 per cent reported in the 1995 UEFLS.

Working hours and underemployment statistics point that almost every ninth employed person works more than 49 hours per week. <sup>16</sup> The primary reason for that is the desire to earn more money. At the same time there is underemployment; a declining but still important share of workers have to accept administrative leave and working hours temporarily shortened at the insistence of their employers. Vulnerability of some groups is clearly outlined by statistics and case studies.

Many unemployed persons in Ukraine are women. A number of young women who have lost hope of obtaining well-paid, gainful employment in Ukraine, are attracted to advertisements proposing jobs in foreign countries. However, when they accept the jobs and arrive in those countries, it often turns out that they were deceived about working conditions and are forced into sexual and economic exploitation.

In addition, in recent decades reconciling work and family life has become a growing public policy concern in many countries. It has always been a gender equity issue, since women throughout the world have always had the main responsibility for family care and household work. According to the Ukrainian Modular Decent Work Survey (UMDWS) 2003, over 30 per cent of employed women aged 20-49 years with children below 5 years of age indicated that they found it rather difficult to combine work with family responsibilities and another 16 per cent responded that it was difficult for them to combine these responsibilities. Consequently, almost every

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<sup>&</sup>lt;sup>15</sup> Ukraine Enterprise Labour Flexibility and Security Survey

<sup>&</sup>lt;sup>16</sup>According to Ukrainian Labour Force Survey-based Modular Decent Work Survey, 2003

second employed woman in this age group experienced difficulties in striking a balance between work and family life. In addition, there are significant regional unbalances regarding unemployment and precarious working conditions.

### 3.4.2 Evolution of social dialogue in promoting decent work

In Ukraine, the regulations on social partnership and collective bargaining are covered by the Presidential Decree on "The National Council of Social Partnership to the President of Ukraine" from 1993. The process of formation of territorial councils of social partnership is practically completed, as they are already created in all regions of Ukraine, except the Donetsk region.

#### Box 1: The two important decrees for tripartism in Ukraine

Presidential Decree No. 34 of 8 February 1993 on the National Council of Social Partnership: Provides for the list of persons to compose the National Council of Social Partnership (22 members for the Government, 22 members for the Employers' associations and 22 members for the Trade Unions).

Presidential Decree No. 151 of 27 April 1993 setting up the National Council ("Rada") of social partners: Sets up a National Council of social partners to promote industrial and tripartite relations.

The social climate during the last decade has improved noticeably. The Ukrainians have felt freer and independent regarding protection of their rights and interests. This is reflected in the industrial relations. Even with in the conditions of existing collective labour disputes between trade unions and the Cabinet of Ministers the parties make every effort to continue social dialogue. The position of the President of Ukraine is to aim at the development of social dialogue, and its new institutes at the national and local levels are of great importance.

Ukraine has a collective bargaining coverage rate of approximately 70 per cent. At the same time, however, unions are faced with enormous challenges of both structural and organisational nature. Ukraine experienced a spectacular decrease in the number of strikes in recent years, from 247 in 1992 with 57,600 workers involved to 4 in 2004 with just 1,000 workers involved. Concurrent with this decline in strike activity, the last decade also witnessed a rapid rise in the number of working poor, continued erosion of the social security system and a deterioration of working conditions in such accident prone industries as construction and mining. Thus, for example, in the Ukrainian mining industry the incidence of strikes fell from 97 in 1995 to 1 in 2004 in spite of its high fatal injury rates and the fact that more than 60 per cent of working people do not have the right to pensions or benefits in the case of invalidity.

The level of practical social partnership and dialogue remains very low at the national, branch and regional level. It is very often related to different conceptions about the content of social dialogue, consultations and bargaining. The effectiveness of collective agreements is considered to be extremely low.<sup>17</sup>

<sup>&</sup>lt;sup>17</sup> Strengthening Social Dialogue in Ukraine, Project document, (see later).

# 3.5 Key development issues and governmental commitment to the decent work agenda

The key development issues during the period 2000-2006 evolved in line with the socio-economic development. The approval of laws creating a legal base for ratification of international labour conventions were the main ILO issues within the studied period. As a result, 10 conventions (C.129, C.131, C.132, C.135, C.140, C.150, C.156, C.159, C.173, and C.182) have been ratified since 2000. Other issues were related to capacity building of social partners and mainly of labour inspection, violations of trade unions' and employers' rights as well as the rights of children.

After the "Orange Revolution" in 2004, the main issues focused on promotion of democracy by strengthening social dialogue, development of strong employers' organisations and trade unions, promotion of employment opportunities through vocational education, and promotion of social security reforms via further legal reforms, as well as ratification and implementation of ILO Conventions. Therefore, despite the changes in priorities, the decent work idea has been strongly presented in the portfolio of ILO activities in Ukraine.

The priority of the decent work agenda and the Ukrainian government commitment has been clearly underlined by the Prime Minister in his speech at a meeting of the Board of the Ministry of Labour and Social Policy (February 2007), where he said that "Global strategy of decent work for all declared by the ILO a couple of years ago and approved by the UN and EU Council of Ministers should be an important guiding line of our social policy". The governmental position in this respect was supported by a memorandum, signed in February 2007 between the Ministry of Labour and Social Policy and their Belgian partners on joint activities with a special focus on the decent work agenda. Main points in this memorandum included:

Social dialogue continues to be an important aspect of the decent work agenda. Ukraine maintains functioning dialogue between the government and the social partners, which is partly facilitated by the tripartite council for social partnership, but a number of capacity and system challenges have worked to undermine the effectiveness of social dialogue in Ukraine. Political wrangling and setbacks have worked to slow down progress in this field.

The country has faced a dramatic decline in the overall population, accompanied by employment shrinkage. The increase of economic activity is another key issue of the present labour market development. The raising of employability of the disabled is a special focus of interest.

Minimum wages for a large share of the population fall at or below minimum subsistence levels. Labour productivity has also fallen by half from 1990 levels. Due to this increase of wages, including a minimum one is a topic of high priority for the Government.

By increasing labour market flexibility and stimulating the competitiveness of Ukrainian enterprises, Ukraine intends to respond to globalisation challenges. There is need, however, to improve enforcement of legislation protecting workers at the

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<sup>&</sup>lt;sup>18</sup> Excerpt from the speech of Victor Yanukovych, Prime Minister of Ukraine, Kiev, 8 February 2007.

workplace and at the same time strengthen employment security outside the workplace through assistance in re-employment and decent income support during job search. This process brings pressures to capitalise on human resources so as to avoid employment decreases and emigration of the working age population.

Migration and trafficking, as well as eradicating the worst form of child labour are issues that need further efforts and actions.

HIV/AIDS problems are of special concern to Ukraine because of the high level and the multiple negative effects on the economic and social development.

In response to the main socio-economic challenges, the government has designed national strategies encompassing the three broad policy areas of labour, (creation of a conducive environment for job creation) rural development (boost productivity and land reform), and social protection (reform of pensions, strengthening social assistance programs).

#### 4 The ILO in Ukraine

# 4.1 The role and relevance of the ILO in Ukraine regarding the decent work agenda

Ukraine has been an ILO member-State since 1954. During this period it ratified 60 ILO Conventions, including 16 after independence in 1991. Since 1 June 1996, an ILO National Correspondent has represented the ILO in Ukraine.

For the period 1998-2001, the co-operation between ILO and Ukraine was based on the Programme "Active Partnership Policy: Country Objectives for Ukraine". This programme was the first practical experiment in the field of tripartism in Ukraine. This document ensured consistency, co-ordination, and complementarity of national activities, ILO projects, as well as sustainability of achieved results. In fact this acted as an action plan until the end of 2001.

No official framework document was followed in the period 2000-2005 and the cooperation between ILO and Ukraine was built on individual projects targeting technical support delivered by ILO Budapest Subregional Office, Europe Regional Office, ILO-Headquarters and the National Correspondent. Nevertheless, the mutual links have been quite intensive including consultations, technical support, projects and seminars.

In 2004 the Ministry of Labour and Social Policy, in consultation with the social partners, prepared a draft co-operation programme on ensuring decent work in Ukraine for 2005-2006. The first Decent Work Country Programme (DWCP) was drafted in 2005. The Co-Chairman of the National Tripartite Socio-Economic Council signed the DWCP with the ILO on 3 March 2006. It covers cooperation areas for the period of 2006-2007 and includes three main priorities:

- Deepening of democratisation through social dialogue;
- Employment promotion;
- Harmonisation of national legislation with the ILO international labour standards and the European standards.

Since 2000, a total of 20 ILO projects<sup>19</sup> have been completed or are on-going in Ukraine, including those co-funded by other UN Agencies. The total amount of the projects is nearly US\$ 10 million. These projects have been directly focused on the decent work agenda, studying different aspects of peoples' fundamental rights, access to employment, wages and work security, and labour conditions in accordance with European standards. There are also projects and activities with focus on the prevention of child labour and trafficking in women. All these projects are relevant to the national priority goals.

In more detail, ILO activities in Ukraine supported national efforts towards labour legislation reform, promotion of the social dialogue development and improvement of collective bargaining system, labour statistics reform, social budget model

<sup>&</sup>lt;sup>19</sup> The List of Projects is presented in Annex 3

development, employment policy improvement and employment promotion for the most vulnerable groups of the population, in particular, professional rehabilitation and employment of disabled, introduction of flexible modular vocational training programmes for the unemployed population, elimination of the worst forms of child labour, prevention of human trafficking with the purpose of labour and sexual exploitation, prevention of HIV/AIDS at the work place, socio-economic security survey of workers, as well as other issues.

### 4.2 The ILO, the national constituents and the international partners

#### 4.2.1 The national constituents

These are the Ministry of Labour and Social Policy (MLSP), the employers' organisations, and the workers' organisations. The official tasks of the Ministry are directed toward acute social problem solving such as:

- Reforming of remuneration of labour and provision of pensions systems
- Implementation of the State Programme on Employment
- Overcoming poverty
- Conception on further reforming of remuneration of labour
- National programs on medical social labour rehabilitation of disabled persons
- Labour protection and safe vital activity
- State programs to address support of needy layers of the population
- Introducing a system of social insurance as a new level of social protection of the Ukrainian population in market conditions.

The Ministry of Labour and Social Policy in Ukraine has been headed by Mr. Papiyev Mykhaylo Mykolayovych since August 2006. Within the last 6 years, three different persons headed this Ministry, but their positions have alternated five times. This means that no minister stayed longer than 2 ½ years continuously in power.

#### 4.2.2 Employers' organisations

The first organisations of entrepreneurs were established at the beginning of the 1990s. The Ukrainian League of Industrialists and Entrepreneurs (ULIE) was playing a leading role for a long time. This League was also the initiator in establishing the Confederation of Employers of Ukraine in October 1998.

Today, the most powerful employers' organisation is the "Federation of Employers of Ukraine" which comprises more than 400 sectoral and regional employers' organisations. The second organisation by importance is the "All-Ukrainian Association of Employers". Both high-level state and political leaders head these organisations. However, there is a delicate issue concerning the protection of employers' organisations' independence against state interference. It is not against the law that state and political leaders head employers' organisations, but the independence of employers' organisations' nevertheless seems to be threatened in such cases.

A peculiarity of the Ukrainian law on employers' organisations is a provision that the full name of an employers' organisation "must contain the word 'employer' or its derivatives". Only employers' organisations meeting this condition can be registered under the law and thus qualify to participate in social dialogue and collective bargaining. The Federation of Employers of Ukraine, which initiated this text, felt that this provision was necessary in order to clarify the profile of employers' organisations as actors in the labour and social field, as opposed to organisations of entrepreneurs chiefly pursuing economic policy objectives. In practice, this provision has led to certain frictions. For instance, the Union of Leaseholders and Entrepreneurs of Ukraine, an active participant in collective bargaining for many years, cannot be registered under the law on employers' organisations. This organisation does not wish to change its name and therefore submitted a complaint to the ILO Committee of Experts on the Application of Conventions and Recommendations, which requested the opinion of the Ukrainian Government in connection with the implementation of ILO Convention No. 87, ratified by Ukraine. It is expected that the new version of the law, which is presently under preparation, will repeal this controversial provision.

Likewise, some employers' organisations in Ukraine consider that legislation for trade unions is more favourable than legislation for employers' organisations. State registration is easier and shorter for trade unions than for employers' organisations and the State authorities are not entitled to refuse registration of trade unions. In addition, workers' organisations gain legal personality from their constitutive assembly and adoption of their statutes.

#### 4.2.3 Workers' organisations

Since the beginning of the 1990s, the trade union movement in Ukraine is very dispersed and complex. 106 national sectoral trade unions and trade union associations are legalised in the Ministry of Justice. The total trade unions' membership is approximately 14 million, which comprises 70 per cent of employees. The largest traditional association is the Federation of Trade Unions of Ukraine.

Federation of Trade Unions of Ukraine (FTUU). The Federation of Independent Trade Unions of Ukraine was established after Ukraine became independent on October 6, 1990. The Federation of Independent Trade Unions of Ukraine was a successor of the Ukrainian Republican Council of Trade Unions. In November 1992, at the 2nd (Extraordinary) Congress, the Federation of Independent Trade Unions of Ukraine was renamed in the Federation of Trade Unions of Ukraine.

Today, the FTUU with its origins in the Soviet era, has 12 million members and is an umbrella organisation. It is an all-Ukrainian voluntary association of trade unions that have the status of all-Ukrainian trade unions and associations of trade union organisations of the Crimea, regions and the city of Kiev. As of September 1, 2006 the Federation of Trade Unions of Ukraine consists of 44 all-Ukrainian trade unions and 26 territorial associations of trade unions.

The aim of the FTUU activities is to express and represent interests and protect rights of its member organisations, coordinate their collective actions, promote unity of the trade union movement, represent and protect labour and socio-economic rights and

interests of trade union members before the state and local authorities, in relations with employers and their organisations and associations and also with other citizens' associations.

#### The FTUU main tasks are

- protection of labour
- socio-economic rights and interests of trade union members
- social protection of trade union members and their families
- legal protection of trade union members
- strengthening of its influence on political life and formation of the civil society
- improvement of the social partnership system: trade unions, employers, state
- development of cooperation with other trade unions and their associations
- equality of rights and opportunities for men and women
- strengthening of the FTUU as the most representative trade union centre in Ukraine
- widening of FTUU international relations.

At the international level, FTUU is affiliated to the International Confederation of Free Trade Unions and General Confederation of Trade Unions. In addition, FTUU is participating in the UN Global Compact.

The National Confederation of Trade Unions. The National Confederation of the Trade-Union Organizations of Ukraine (NKPU) is a national trade union centre in Ukraine. It was founded on November 26, 2004 and claims a membership of 1.5 million. The NKPU was formed as a breakaway union from the Federation of Trade Unions of Ukraine.

Confederation of Free Trade Unions of Ukraine (CFTUU). CTUU was founded in 1997 and combines 18 trade unions with a total of 148,000 members. Sectors include mining, shipping, air transport and railways. The Confederation of Free Trade Unions of Ukraine (KVPU) is a national trade union centre in the Ukraine. It is affiliated with the International Confederation of Free Trade Unions. The Confederation of Free Trade Unions of Ukraine is one of the most active democratic associations, known for its consistent fight for the freedom of association rights.

All Ukrainian Union of Workers' Solidarity (VOST). The VOST unites 65,000 members. The International Confederation of Free Trade Unions (ICFTU), the Confederation of Free Trade Unions of Ukraine (CFTUU) and the Federation of Trade Unions of Ukraine (FPU) addressed on October 2004 a complaint before the Committee on Freedom of Association. The complainants allege interference by the Ukrainian authorities and employers of various enterprises in trade union internal affairs, dismissals, intimidation, harassment and physical assaults on trade union activists and members, denial of facilities for workers' representatives and attempts to dissolve trade unions; the case (No.2388) is still active.

#### 4.2.4 ILO international partners

ILO collaborates with almost all UN partners represented in Ukraine – UNDP, UNAIDS, UNICEF, UNHCR, WHO, IOM, as well as with the World Bank, EU, INTERPOL, the Friedrich Ebert Foundation, Capacity Building International (InWEnt), GTZ, and OSCE.

# 4.3 Relevance of ILO interventions in Ukraine according to the national constituents and the UN partners.

#### 4.3.1 The national constituents

The opinion of the tripartite national constituents (government, trade union organisations, employers' organisations), implementing partners, local partners, and NGOs, is unanimously positive about the relevance of ILO activities in supporting the decent work agenda in Ukraine. The ILO strategy development in accordance with the Ukrainian priority issues in decent work reflects to a high extent the systematic and consistent process of adjustment of both partners' interests – the ILO and the Ukrainian Government. Another important point is that both sides in this co-operation consider the joint activities as a continuous process.

The ILO Decent Work agenda as well as the DWCP 2006-2007 are accepted by the national constituents, and they support the activities under this agenda and programme. Even more, tripartite participation and partnership at a national level is clearly outlined. The national constituents support the programme and take responsibilities for ensuring the expected outcomes. Their support implies presence and participation in all activities, projects, and discussions in working groups at different levels (Parliament, project groups, oblast level, and municipalities).

The national constituents characterise ILO activities in Ukraine as highly professional, with significant effects in coordination of interests. According to the trade unions, the lessons learned on how to reach compromise in social dialogue are of high importance for building the new legislative basis of labour relations. However, many of the interviewed national constituents share a common concern about existing limitations, e.g. organisational capacity and available funds, and outline the need for further changes in the legal basis so as to create the frame for the decent work programme implementation.

Although the Decent Work programme is well accepted at a national level, there is no clear evidence that it is well known and accepted at local and enterprise levels. According to some opinions shared in the interviews, tripartism is less developed there and the dissemination of decent work ideas is hindered. The ILO local partners and participants in projects or activities have sufficient information about the project or activity, but they do not link them to the broader decent work agenda.<sup>20</sup> This situation points to the need for capacity building at all levels. Another limitation is that the relevance of ILO activities depends to a high extent on the unstable political situation impeding effort, sequence and continuity.

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<sup>&</sup>lt;sup>20</sup> Ten interviews with local partners from different parts of Ukraine were conducted during the field mission.

A further point to be considered refers to strategic prospects of Ukrainian development and ILO strategic actions. Some constituents point out that the ILO activities have been largely oriented to ad-hoc socio-economic key issues and less to development prospects. This point is interesting and is worth discussing as far as ILO activities in Ukraine (as everywhere in the world) stem from particular governmental requests. Thus, the ILO strategy reflects the Ukrainian policy priority focused more on democratic development problems and less on long term strategic issues. The lack of a long-term governmental strategic frame and the political instability are the main reasons.

#### 4.3.2 Partnership approach

Many positive features of this collaboration were outlined in the interviews with the international partners and some recommendations are also drawn.

The positive features include the agreement strategy between the partners applied in Ukraine. A good example in this respect is the approach taken through the project "Employment, Vocational Training Opportunities and Migration Policy Measures to Prevent and Reduce Trafficking in Women in Albania, Moldova, and Ukraine," (November 2003-November 2005).<sup>21</sup>

The good practice builds on the applied partner approach. The ILO cooperates with the UN team and the UN agencies by discussing their interests in the above mentioned project following the global task recommendations. The ILO collaborated also with the UNDP and the World Bank on division of labour to avoid duplication in activities and apply proper indicators. The international partners evaluate highly the ILO success in building an effective tripartite network that allows reaching target groups at their workplace.

The work efforts are complementary and are also among the positive examples of cooperation between UN agencies in Ukraine. Thus, for example, staff of the project to promote fundamental principles and rights at work participated as consultants in a Swedish-funded project on labour market dialogue (2005); the national ILO staff also provided consultations for the UN partners on different projects or activities.

Some problems were identified as well. One aspect discussed with the UN partners is the lack of proper conditions in Ukraine to accept the international technical assistance and to effectively implement the designed projects. According to some partners the country was not ready to implement some projects in 2003, e.g. HIV/AIDS problems at the work place, but since then a positive movement was made. The country partners started identifying and understanding the depth of the consequences of this problem and the importance of undertaken activities. Furthermore, the international partners had to convince the national partners to recognise their responsibilities regarding the organisation and the proper distribution of available funds.

The limited capacity, including human resources, is identified as another problem of the mutual activities of the international partnership. The ILO staff should be

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<sup>&</sup>lt;sup>21</sup> Interview with Sabine Beckmann/ P. Rai – Geneva, 17-19 January 2007

increased according to the international UN partners. They provide arguments that for the studied period the staff of the other UN agencies has increased significantly while that of the ILO did not change despite the increasing number of projects and activities.

The third point relates to the limitation placed on UN activities in general resulting from political turbulences and the very dynamic changes of actors in the co-operation slowing down project performance and influencing negatively work efficiency.

## 4.3.3 The ILO's programming framework (2000-2006)

The evaluation of the ILO activities and its relevance in Ukraine should consider that activities largely depend on the existing programming framework.

The ILO and the Ukrainian Millennium Development Goals (UMDG). A broad national debate took place in 2003 to adjust the Millennium Development Goals (MDGs) to the Ukrainian reality. The country's main goal was to preserve its achievements and safeguard against the risk of further social and environmental degradation under the pressure of economic and social transition. Several goals have been set for the future.

## The MDGs for Ukraine:

- Poverty reduction
- Quality life-long education
- Sustainable environmental development
- Improved maternal health and reduced child mortality
- Reducing and slowing down the spread of HIV/AIDS and tuberculosis
- Gender equality

The ILO's contribution to the UMDG includes several projects and a number of activities in the field of developing statistical indicators on measuring poverty and decent work, vocational training for unemployed people and development of modular forms for vocational training at work place, prevention from HIV/AIDS at work place, elimination of the worst forms of child labour, etc. Some of the projects and activities are ongoing.

**UNDAF 2001.** The ILO was closely involved in the preparation and implementation of the United Nations Development Assistance Framework (UNDAF) 2001 by implementing projects and activities in the field of better governance, development of social services and creation of proper legal frameworks.

The United Nations Country Team in Ukraine prepared a UNDAF for Ukraine in December 2001. This Framework was based on national priorities, strategies, and programmes articulated by the Government and on the commitments of the State to the achievement of the Millennium Summit Goals. The UN assistance was based also on the competence and comparative advantages of UN agencies to make strategically important interventions.

The goals and objectives identified by the Government and fully supported by the UN system in a long run (to 2015) are directed to the following areas:

- Poverty reduction
- Social services
- Governance
- Environment
- HIV/AIDS

**ILO and UNDAF 2006-2010.** The UNDAF represents the blueprint that has been agreed with the Ukraine Government for UN support to Ukraine in the coming years. Individual UN Agencies will use the UNDAF as the broad basis for their subsequent programming exercises.

One of the UNDAF goals is to address the needs of vulnerable groups who have been adversely affected by the transition. The UN system strategy will be to concentrate its efforts on adapting country human capacities to meet the needs of a modern economy and on further development of institutions that govern and provide services to effectively meet the needs of the people.

To support the efforts needed to become a modern, democratic and European state, the United Nations Country Team (UNCT), in close cooperation with the Government of Ukraine, non-resident UN Agencies, civil society stakeholders, academics and the international community, has prepared a United Nations Development Assistance Framework (UNDAF) for Ukraine. The UNDAF establishes a common strategic framework for the United Nations system in Ukraine over the period 2006-2010 and is a collective, coherent and integrated response by the United Nations system, both to the national priorities set out in the government's action endorsed by Ukraine's legislative body, the Verkhovna Rada, on 4 February 2005, and to the MDGs, the commitments, goals and targets of the Millennium Declaration, and international conferences, conventions and human rights instruments of the UN system. Individual UN Agencies, funds and programmes will formulate their County Programme Documents and Annual Work-plans for the five-year period 2006-2010 in a manner, which supports and reinforces this UNDAF.

The four UNDAF priority areas are:

- Institutional reforms that enhance outreach, to enable all people to fulfil their human rights;
- Civil society empowerment, to enable all people to access services and enjoy their rights;
- Health care and health services with a special focus on raising quality and accessibility;
- Prosperity against poverty, reducing poverty through effectively targeted development and entrepreneurship.

The only priority area in which the ILO does not participate is 'health care and health services with a special focus on raising quality and accessibility'.

## 4.3.4 ILO's Decent Work Country Programme

The DWCP for 2006-2007 is based on the real needs and priorities of the Ukrainian Government and the social partners. The consultations held between the ILO and the Government of Ukraine, Secretariat of the President of Ukraine, leaders of trade unions and employers organisations in March 2005 identified the three main priorities for Ukraine – deepening the democratisation process through strengthening social partners and social dialogue; promotion of more and better employment opportunities for men and women; and a closer alignment with EU standards – on which the ILO assistance in Ukraine should be focused. After detailed work on the DWCP draft in the SRO Budapest and in the ILO headquarters in Geneva, the changes were agreed with all ILO constituents in Ukraine, which made it possible to sign the Memorandum of Understanding on DWCP on 3 March 2006 in Kiev. The work towards achieving the vast majority of the DWCP outcomes is already under way with funding both from RBTC and donors. The resource mobilisation for other important projects such as promotion of the Wage Guarantee Fund; HIV/AIDS at work; social inclusion and employability promotion of persons with disabilities, is going on.

Considering the lessons learned during past cooperation, the ILO aims at reinforcing constituents' capacities and enlarging the influence of the Office's Decent Work policy in line with the Ukrainian Development Goals. The strategy includes work with close involvement of the constituents and widespread promotion of the assistance provided by ongoing projects. In addition, more emphasis is put on sharing experiences among neighbouring countries or countries with similar problems through technical cooperation. Within the overarching theme of "Decent Work for All" the ILO concentrates on three country programme priorities in Ukraine in this biennium, which should be seen as long-term goals:

## Priority 1: Deepening the democratisation process through strengthening social partners and social dialogue

The ILO will assist the Ukrainian government and social partners in the establishment of an efficient institutional structure of social dialogue at three levels: national, sectoral including public services, and regional, ensuring greater respect for the principle of freedom of association. An equitable representation of women and men at all levels is necessary.

## Priority 2: Promotion of more and better employment opportunities for men and women

The ILO continues to be active at several levels providing guidance and assistance to constituents in the creation and preservation of decent work for men and women, in cooperation with its partners at the subregional level. The approach is to increase the capacity of both policy makers and social partners to better analyse trends in national employment and labour market developments and help them elaborate, advocate and implement effective strategies for the promotion of decent employment and equal labour market opportunities for both men and women.

## Priority 3: A closer alignment with European Union standards

The primary responsibility of the government is to establish a legal framework that is in line with international and European labour standards. The ILO will assist the government and social partners in completing the reform of labour legislation and improving the conditions of its enforcement.

Other areas of work include trafficking and child labour.

# 5 How Effective was ILO Support within Decent Work Priority Areas?

As mentioned before, the ILO did not develop a formal decent work country programme until 2006; before this time the programme was designed through a dialogue over priorities shared by the Office and national constituents, which included consideration of the feasibility and appropriateness of various areas and forms of collaboration. The ILO's work since 2000 has clustered around several major themes within the decent work agenda. These are loosely defined as 1) deepening the democratisation process through strengthening social dialogue; 2) promotion of employment; 3) improving social protection and working conditions

For the assessment of the ILO activities in Kiev, the projects were clustered around the above pointed three core decent work themes. The assessment was based on an analysis of the programme's documents, including the existing evaluations, as well as on key interviews with project staff and national partners.<sup>22</sup>

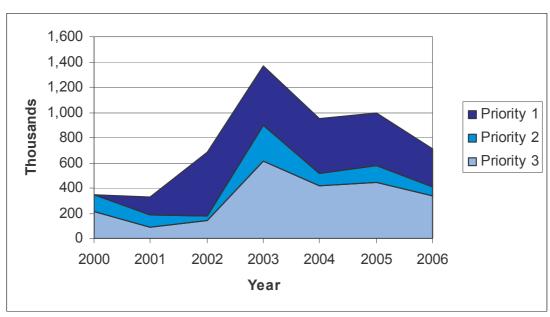


Figure 1: Expenditure of ILO extra-budgetary technical cooperation funds by priority (in US\$)

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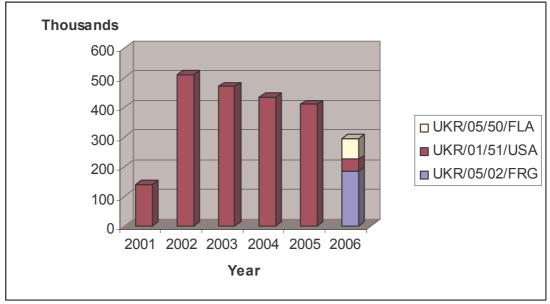
<sup>&</sup>lt;sup>22</sup> The people who were interviewed included the project staff, the social partners, the Governmental officials and NGOs, as well as international partners and ILO HQ staff.

## 5.1 Priority 1: Deepening the democratisation process through strengthening social partners and social dialogue

Table 2: Project in promoting the democratisation process

Time frame	Technical sector	Expenditures in US\$	Project code	Project title
2001- 2006	Dialogue	2,012,000	UKR/01/51/USA	Promoting Fundamental Principles and Rights at Work
2006- 2007	Dialogue	187,000	UKR/05/02/FRG	Consolidating the Legal and Institutional Foundations of Social Dialogue in Ukraine
2006- 2007	SECTOR	70,000	UKR/05/50/FLA	Social Dialogue in the Civil Service

Figure 2: Project expenses for priority area 1 (in US\$)



### 5.1.1 Main action taken

In compliance with the projects' aims the ILO commitments in this area were related to raising support for the legal reform of the labour relations, strengthening social dialogue, freedom of association and collective bargaining. To reach these aims, the ILO initiated 3 projects and supported a number of activities in the period 2000-2006 as described below.

In October 2001, following the request of the Ukrainian Government and social partners, the ILO initiated a **technical cooperation project "Ukraine: Promoting Fundamental Principals and Rights at Work" (UKR/01/51/USA; 2001-2005; US\$ 2,300,161),** which aimed to stimulate labour law reform, an effective and efficient functioning of the labour inspection system, and to practice freedom of association and collective bargaining. Gender mainstreaming firstly was a separate

aim of the project but it was absorbed in each of the three main goals. The work done is presented in more detail below.

**Labour law reforms.** The ILO has provided technical assistance to labour legislation reform since 2001. The National Council of Social Partnership approved the draft labour code, developed by a tripartite committee assisted by the project, on 17 July 2003. It was sent by the Prime Minister of Ukraine to the Parliament on 29 August 2003, and supported by an overwhelming parliamentary majority in the first reading on 5 December 2003.

The work on the labour code continued with the ILO facilitating and promoting the establishment of a tripartite workgroup under the Parliamentary Committee of Social Policy and Labour. The work on the draft labour code included evaluation of changes introduced by the Parliamentary Committee in preparation for a second reading in Parliament.

The draft was ready for the second reading when the Ukrainian Parliament passed a no-confidence motion in Prime Minister Viktor Yanukovych in November 2004, and a crisis over the disputed presidential poll continued. The social partners, not having majority in the Parliament, did not want to risk loosing the draft law as a result of a parliamentary defeat, so the date for the second reading was delayed. The ILO further reviewed the draft and comments were given in mid spring 2005 with the second reading finally taking place in May 2005. The Parliamentary working group is now seeking to harmonise the draft with several collective labour law issues contained in Chapter / Book VI of the Code. The elections in March 2006 and the following changes in the Cabinet delayed the approval of the Labour Code. In the beginning of 2007, the working group continued to work on the harmonisation of some texts after new consultancies with the ILO in late 2006 and early 2007, within the new project (UKR/05/02/FRC).

The ILO has assisted with other legal advice, and helped to prepare a new draft of the law on collective agreements and developed a new concept of the draft law on social partnership. They have also worked on the draft laws on Employers' Organisations and Social Partnership.

Reform of the Labour Inspection System. With the help of the Declaration project, the State Labour Inspectorate (SLI) successfully lobbied for the ratification of the ILO Labour Inspection Convention No. 81, and the ILO Labour Inspection (Agriculture) Convention 129. The ratification of these Conventions was an important step forward for the Ukraine and, in the view of the Head of the SLI it is directly attributed to the project work. The ILO helped develop and implement a nationwide computer system to monitor labour law violations and improve the efficiency of the SLI. Training in operating the system was provided to the inspectors. The ILO also organised a highly successful study tour to Poland for key members of the SLI. A total of 16 courses were organised on subjects related to labour inspection and 682 instances of participation by labour inspectors were registered. The ILO continued in the later stages of the project to initiate steps aimed at establishing information and consultancy desks within the Territorial Labour Inspectorates.

Promoting the principle of freedom of association and collective bargaining. Master collective bargaining agreements were developed with ILO support on a tripartite basis. The agreements became a good reference for social partners in collective bargaining. The ILO commissioned important sociological research on a representative sample of the social partners in Ukraine, which was completed in April 2004.

The ILO conducted many workshops, seminars, and trainings on collective bargaining and freedom of association. However, at times, because the ideas within this segment were new and the trade unions and employers' organisations were relatively weak, this objective was somewhat challenging to both ILO staff and the stakeholders. Moreover, the conflict between the old 'communist-origin' trade unions and the 'new' trade unions was at times a political challenge. The ILO organised training of trainers' activities for employers' organisations and trade unions in organising, management, freedom of association and collective bargaining.

The ILO worked closely with other UN agencies and bilateral donors involved in the promotion of reforms in the area of industrial relations. These relationships became a means of bringing into the Project more new people and material resources – in particular, work with the AFL-CIO in relation to the training of trade unions and the Swedish Initiative Labour Market Dialogue.

Gender Mainstreaming. The ILO sought to ensure that gender-related elements were contained in the three main strands of the project. Non-discrimination clauses were included in the draft labour code. The SLI introduced monitoring and prevention of gender related violations at workplace in their daily practice. The ILO finalised and published in April 2004 the Ukrainian version of the ILO publication "Gender equality: A Guide to Collective Bargaining". Gender non-discrimination was included into the materials of the "training of trainers" seminars for employers and trade unions.

The main achievements of the Project are listed in the fact sheet:

- More that 2000 amendments done in the Labour Code. 23
- 62 national and regional conferences, training workshops, round table sessions were held during the Project implementation with overall attendance of around 5000.
- 30 publications on issues of international labour law were prepared and released
- 12 tripartite workshops were set up to draft laws, carry out researchers, and prepare master collective agreement involving over 100 participants.
- 55 international and 180 national consultants in industrial relations and labour law were involved in the project implementation.
- Over 20,000 visits of the project's website were registered.

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<sup>&</sup>lt;sup>23</sup> Interview with Ludek Rychly in Geneva 17-19 of January 2007

The wide range of activities cited above undoubtedly contributed to the achievement of the targets as far as many institutions and people were involved in the process of preparation of the new legal frame. A number of people were trained to understand and support the need for a new legal labour framework and the need for social consensus in labour relations. However, if the evaluation considers the final results, the Government did not approve any new law. The main reason lies outside the ILO's operational realm and is heavily connected with the political instability and lack of consistency within the governing parties.

Being an important part of the ILO-Ukraine Decent Work Country Programme for 2006-2007, the present project on consolidating the legal and institutional foundation of social dialogue in Ukraine" (UKR/05/02/FRC, January 2006-January 2008, EUR 660,000) contributes to the implementation of the wider ILO decent work agenda in Ukraine.

The project objectives are focused on promoting a modern system of industrial relations in Ukraine based on a genuine cooperation and coordination among the three social partners and a sound legal framework. Specifically, the project aims for

- A new labour code that is in conformity with ILO conventions prepared with the full involvement of the tripartite social partners;
- An effective labour inspection system; and
- Improved practices of freedom of association and collective bargaining.

The work done within the first year made progress toward the harmonisation of the Ukrainian labour legislation with international and EU standards (technical consultations on the draft law of Ukraine, preparation of publications related to international standards and European Commission law); better enforcement of the labour law; sound legal framework for social dialogue and in the area of creation of effective institutional structure of social dialogue.

This evaluation has found that the activities further support the deepening of the social partners' and Government's legal knowledge, as well as that of the society as a whole in the sphere of freedom of association, collective bargaining and social dialogue as a basis of the practical use of the acquired knowledge.

The project "strengthening social dialogue for employment policy development in Ukraine" (UKR/05/50/FLA; US\$ 181,378) has aimed at strengthening social dialogue in the design, implementation and monitoring of employment policy in Ukraine, with particular attention to promoting a balance between flexibility and security, within the ILO framework of Decent Work.

The intention of Ukraine to join the European Union and the free trade zone under the conditions of globalisation of different countries' economies defines the most important national priority – to ensure competitiveness of the national economy.

The ILO has conducted activities to strengthen the capacity of the National Council of Social Partnership in formulating employment policy with focus on "flexicurity" and to strengthen the skills and attitudes of social partners in the field of negotiation with a focus on "flexicurity".

The International Training Centre of the ILO has provided training and consultancy services. The National Constituents rely to a high extent on this project since through it they intend to continue the efforts on building efficient social dialogue and further development of competitive labour market policy. According to the National Constituents the foreseen training will be very useful for them because of the insufficient knowledge about the international experience.

In addition, a number of practical activities have been carried out: in support of the Draft Code, laws have been drafted on social partnership amendments to the Laws of Employers' Organisations and the Law on Collective Agreements. Within the coming months, the support of the Ministry of Labour would be crucial in backing and accelerating the Parliamentary process of the new Labour Code and other abovementioned pieces of legislation. Decent work indicators have been developed; the Trade Union Law was promoted (sent to ILO for consultation at present), and the Freedom of association and right to collective bargaining component of the Project has been strengthened through international exposure and "training of trainers" activities for the representatives of social partners – employers' and workers' organisations.

#### 5.1.2 Main achievements

Summing up activities in the first decent work area –"Deepening the Democratisation Process through Strengthening Social Partners and Social Dialogue" – the evaluation can state that the work was indispensable and relevant to the Ukrainian priority for starting the process of building up the legal base of the new labour relations. All stakeholders and outcomes suggest that the strategy adopted, particularly the placing of tripartism and dialogue at its heart, was appropriate and well executed.

One of the major achievements of the ILO's interventions in the sphere of deepening the democratisation process through social dialogue has been the establishment of a relatively satisfactory tripartite structure; know-how about what to do and how to do it as well as knowledge about modern labour legislation, social partnership and dialogue.<sup>24</sup> The work with all major stakeholders, including the government, trade unions, employers, the Labour Inspectorate, national bodies responsible for labour relations, parliamentarians and the academic community was an essential part of the the activities' success.<sup>25</sup>

There is an evidence of the substantial impact on all target groups, in particular the tripartite group of government, trade unions and employers. They all have participated in the numerous training events and conferences (as participants and organisers). They have received – and often participated in the development of – publications, research materials and other documents. The tripartite group has been fully involved in the process of drafting the labour code, the trade union law and the law of collective agreements and of employers.

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<sup>&</sup>lt;sup>24</sup> Interview with Slava Egorov in Geneva 17-19 January 2007

<sup>&</sup>lt;sup>25</sup> This conclusion as well as the following one had been drawn in the final evaluation report. See Steve Gibbon, Ergon Associates, Wael Issa – ILO, Final Evaluation, December 2005

A very important aspect of the strategy is that the ILO team managed to act as a "bridge" between the ILO, the donors and the Ukrainian constituents. Moreover, the activities became an important auditory for wider social debate and creative discussions between social partners and civil society, a place where useful contacts were established and further activities planned.

#### 5.1.3 Issues and constraints

Although the activities provided in this area have achieved much, there were many constraints to achieving the outcomes originally planned, some of more general importance, and others more technically oriented. Some of them are:

The lack of political will affects the practical progress. Six years after the start of the first project none of the draft laws have been approved by the Parliament, which points out the negative impact of the turbulent political situation by impeding the practical progress of the hard work done on drafting several laws.

Weak National Council of Social Partnership (NCSP). The NCSP, created in 1993, to play the role of advisory/deliberative body under the President of Ukraine, is being criticised by the social partners for its passivity and failure to become a real forum for social dialogue and decision-making. There are many reasons for this, among which one can mention the weak clarity as to its mandate and objectives and mode of functioning. Many leaders and governmental officials note that at present the newly established tripartite Social and Economic Council seems to be sometimes trapped by the contradictions of the present political situation and the constitutional debate on the respective powers and competencies of the President and the Government. It is expected that the newly established NCSP under the auspices of the Ukrainian President will become a true forum for tripartite constituents and a sort of a labour law and industrial relations laboratory, which will make up and propose the necessary actions. However, the mandate, the structure and the mode of operation of the NCSP has to be reviewed regularly, and its members and secretariat trained and exposed to European models of social dialogue.

Weaknesses of trade unions. The present conflict between the trade union organisations in the area of trade union property also contributes to the small practical progress of the work done. The existing struggles do not allow the consolidation of the trade union organisations in protecting decent work for workers.

Weaknesses of employers' organisations. The politisation and the personal rivalries as well as the struggle for wealth redistribution gives the employers' world quite a poor reputation. Employers' organisations at local level are not well structured and presented, and some trade unions complain that they do not have partners to convey social dialogue at that level. The industrial relations changes of the managing directors for political reasons also impede the continuity of work in employers' organisations. Small and medium enterprises are still only weakly presented in the employers' organisations.

**Inadequate legal base of the Labour Inspection.** All partners recognise the fact that after passing the laws, their efficient enforcement would be decisive and constitute an even harder task to implement. In this respect the role of the SLI would be of high

importance. However, employers are very dissatisfied with the existing number of labour inspections, levels of corruption, and repressive measures, which hamper the competitiveness of the Ukrainian economy. On the other side, the Labour Inspectorate reported that the legal base for their operation needs updating and this will take time.

### 5.1.4 Lessons learned

The ILO's interventions have high consistency and have worked step-by-step in building the new legal base of labour relations. However, according to some of the stakeholders, the new draft laws require a general revision of the legal framework of labour relations and related laws. In some cases the continuity was also not synchronised enough regarding labour inspection functions.

As far as efficiency and effectiveness is concerned one more point needs special attention. The proper design of projects at the very preliminary stage according to its initial form was, "a bag filled with good wishes". The period of transformation of these good wishes into an operational plan, relevant to the needs of the national constituents took about six months. Thus, it is recommended to design projects and activities as closely as possible to real operational activities. Meanwhile, there is another aspect of the same problem – the need for a flexible approach when the work plans are designed and implemented. Short and medium term, not long-term, work plan design is recommended mainly because of the unpredictable external environment.

The progress and the efficiency have benefitted from the local team members' technical expertise. The interviewed people suggested that the practice of involving local, high quality specialists in ILO activities should continue in the future.

One more general comment regarding the efficiency of the ILO activities in this area is that the technical assistance has been a useful tool and will continue to be, but the symbiosis between the mobilised local Ukrainian human capacity and international funds should not be neglected either. Some of the interviewed persons have the feeling that the local capacity is fully involved in the ILO activities.

# 5.2 Priority area 2: Promotion of more and better employment opportunities for men and women

Table 3: Projects in employment promotion

Project time frame	Technical sector	Project expenses in US\$	Project code	Project title
1997 – 2005	Skills	349,000	UKR/96/006/01; UKR/99/007/08; UKR/02/008/01	Intrduction of flexible vocational training programmes for the unemployed
1995 – 2003	Соор	197,000	UKR/95/006/01	Crimea integrated development programme

<sup>&</sup>lt;sup>26</sup> Interview with project team member – 19.02. Kiev

2003 – Migrant 310,000 RER/05/04/IRI 2006 RER/02/11/IRI	to a lock on a contract the analysis of
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**Thousands** 300 □ RER/05/04/IRL & 250 RER/02/11/IRL 200 150 ■ UKR/95/006/01 100 50 ■ UKR/96/006/01; 0 UKR/99/007/08: UKR/02/008/01 -50 2000 2002 2004 2006 Year

Figure 3: Project expenses for priority area 2 (in US\$)

## 5.2.1 Main means of action

The main ILO approach within this priority is to increase the capacity of both policy makers and social partners to better analyse trends in national employment and market developments and help them elaborate, advocate and implement effective strategies for the promotion of decent employment and equal labour market opportunities for both men and women. Four projects and several activities contributed to the development of the decent work agenda in Ukraine in the period after 2000. These are shown in table 3 above.

Flexible vocational training. The Government of Ukraine, United Nations Development Programme (UNDP) and the ILO have collaborated on establishing flexible vocational training programmes for the unemployed" (UKR/96/006; UKR/99/006-007; UKR/02/008; US\$ 1,600,000). It aimed at contributing to national capacities for managing innovative vocational training approaches based on modular methodology, which were developed by ILO specialists. By vocational training of unemployed people the initiative was to contribute to the solution of an acute problem of unemployment in Ukraine, implemented over 8 years and through three phases.

#### 5.2.2 Main achievements

Based on an end of project report, achievements were made in the following directions:

- Creation of the infrastructure for the introduction of modular training in Ukraine;
- Training and certification of national trainers; creation of the normative and legislative base for modular training implementation;
- Development of modular training and methodological materials;
- Development of competency standards;
- Small business development support;
- Introduction of modular training approach to vocational rehabilitation of the disabled; and
- Implementation of modular vocational training programmes.

During the country programme evaluation mission in 2007, the evaluator interviewed six people directly involved in the initiative, and visited the Ukrainian Inter-branch Modular Vocational Training Centre, The National Centre for Vocational Rehabilitation of Disabled; The Inter-ministerial Training and Attestation Centre of Institute of Electro-Welding named by E.O. Paton and the Training Centre "Lybid". During the visits, the evaluator was able to verify how the modular system works in practice after the project end and how it has further developed. The conclusion is that the achievements in the final evaluation are correct and impressive in terms of work done and outputs. The objective of the project had been achieved with high indicators. It should be noted that the modular training supports increasing employability of people and their job placement or their business activities. From this point of view, the project still has a direct impact on creating conditions for decent work.



Picture 3: Ukraine – Vocational education training for IPEC direct beneficiaries

#### 5.2.3 Issues and constraints

It is not realistic to consider that the implementation of the modular system in some professional areas (137 in number) and in a number of regions can influence significantly, and in the short term have a noticeable effect on the employment level. The system is useful and well accepted since it is flexible enough to react to workers' (unemployed persons') needs. A question not yet answered is how to move from a successful pilot initiative to a nation wide and policy-based approach to adult vocational education and training. Another is the extension of the methodology to enterprise-based training.

Some sceptical views were shared with regard to the ability of the created centre to go further with upgrading of the modular system. Tough this was not confirmed during the mission in Kiev. The project implementation provides lessons learned for future initiatives:

- The initial plans to implement directly the modular method in Ukraine failed, and the local experts had to adapt it to the Ukrainian training system.
- The coordination among the established centres was a weak point and deteriorated after the end of the project thus limiting the opportunities for an efficient network
- The existing system of the workforce certification lacks flexibility and independence from training institutions, which provide vocational training. In

particular, there is a general discredit toward qualification received by workers themselves in the informal sphere.

- The modular system could not solve the very hot issue of the existing mismatch between the work force qualification and the real market needs.
- After the project end, the status of the existing training centres is unclear and the problem remains even today.

#### 5.2.4 Recommendations

It is necessary to explain more actively the advantages of modular vocational training system with application of modular training packages, developed by the Project, and raising awareness of the benefits of competency-based approaches (which incorporate prior learning). It is also necessary to exceed the publishing activity in order to provide a great number of pedagogical specialists with methodological guidelines and recommendations, and materials summarising the advanced experience with the purpose of its active practical application.

The achieved level of modular training introduction in Ukraine needs improvement in the cooperation between the various partners for support of vocational training and its adaptation to the swift-flowing processes on the labour market. Primarily, this concerns the adequacy of support for modular training and also deep monitoring and evaluation of its effectiveness, considering gender aspects in the workforce training as well as issues connected with marginal groups. Better coordination among institutions is also needed since the requirements regarding qualification change dynamically and the branch ministry is in charge of their updating.

Some of the interviewed people recommended that future ILO activities should concentrate on strengthening national institutions to provide skill development within enterprises and on 'how to start you own business' since they consider these areas quite undeveloped.

**Vocational training to counter human trafficking**. After conducting a case study focused on migration and human trafficking (2001) that identified as the main reason for migration the low level of wages, the ILO launched a project in 2003 to support employment, vocational training opportunities and migration policy measures to prevent and reduce trafficking in women in Ukraine among other countries (RER/02/M11/IRE; RER/05/04M/IRE; EUR 1,400,000).

The project named "elimination of the human trafficking from Moldova and Ukraine through labour market based measures" (GLO/06/58/UKM) within the AENEAS Programme supported by the European Commission is another leverage related to decent work area for more and better employment opportunities for men and women. This project, still at start-up stage, will build on the achievements of the previous one for the period 2006-2008.

## 5.2.5 Main achievements

In general, the initiatives have contributed to high-level discussions on the development of a comprehensive state policy on labour migration within the

framework of parliamentary hearings, conferences and roundtables, organised at the national and regional level. Overall, the work built on the aspects of labour migration related to trafficking in women and identifying the labour migration and employment policy measures that allow to reduce the scale of trafficking in women from the Ukraine.

In particular, activities conducted and consultations prompted the inclusion in the General Agreement between the Cabinet of Ministers of Ukraine and all-Ukrainian employers' and workers' organisations for the years 2004-2005 (concluded in April 2004) provisions relating to the social protection of Ukrainian citizens working abroad and control over the private employment agencies among others. The Ministry of Labour and Social Policy of Ukraine carried out restructuring and introduced a monthly updating of its database on licensed private employment agencies placed on the Ministry's official web site – the database contains information on the licensed agencies for mediation of job-placement abroad, with their contact details, and the number and date of license issuance.

Representatives of the trade unions and employers' organisations were brought into the development of the national anti-trafficking programme and discussions on regulation of labour migration as prevention of trafficking.

The work clearly outlined the problem of the lack of decent working conditions and low wages in particular; it enhanced public awareness, the direct involvement of the tripartite structures in discussing working conditions and low wage levels, as well as the recognition of their responsibilities is a progress resulting from the initiative. The attempts to identify instruments for problem solving and more precisely to introduce a model employment service, which works with people at risk of emigration, are further positive steps. The joint efforts of NGOs and governmental structures as well as trade unions and employers' organisation are an important achievement as a means of cultivating decent work attitude of the main actors of the democratic society.

Other activities performed within the area of more and better employment opportunities for men and women as a part of decent work agenda are:

- Expert reports on legal acts (employment law and unemployment law);
- Crimea project on integrated development;
- Technical support to improve the development of employment services and
- Technical support to labour statistics and global trends in employment development

## 5.2.6 Issues and constraints

The ILO has concentrated its work on the Government and the institutional structures and this is good, but its efforts should be accompanied or supported by other international partners with actions targeted at all people in the society and with relevant information policy. The information campaign has to be focused more on the final target groups, i.e. people, who intend to emigrate and are not informed about the terms and conditions of work abroad.

There is also a need to keep a flexible approach during implementation, so as to be able to react properly as conditions change and require re-allocation of funding.

The transferability of information has been impeded by the lack of a website and resources for wide dissemination of obtained knowledge.

## 5.2.7 General observations across above projects:

It is difficult to present general issues and constrains when the diversity of projects and activities is so large. However, we must say that all projects and activities have been relevant to the Ukrainian reality and the ILO decent work strategy. The diversity appears from the fact that in Ukraine ILO focuses its efforts on the one hand on a very traditional and important topic—vocational education and training and its impact on improving employability of men and women, and on the other hand, on quite specific target group: women and men in trafficking. However, both topics are of high importance and the projects are successful (some of the projects are still continuing).

Some general problems can be summarised:

When elections take place, officials change and staff must begin a new building up of relations with stakeholders. Social culture within the country can also have a negative effect on the way the work develops.

There is some unwillingness and lack of interest of government, workers' and employers' organisations to work on reducing trafficking in women. In Ukraine the government did not want to ratify some conventions on migration. Without political will and commitment it will be difficult to accomplish all objectives.

Another problem is the high turnover of people in the governmental organisations (from 40 people, 15 were replaced on the skill project). This fact causes inconvenience and impediment and often necessitates further staff training.

With regard to sustainability, much remains to be done on the matters of raising awareness, increasing knowledge on labour and migration policies within the target groups and providing more training and information to the victims and potential victims of trafficking. At this point, it is unlikely for the projects' benefits to be sustained after the withdrawal of external support.

Translated training manuals and publications are now available, but it is always a matter of will to coordinate and adapt these materials to local circumstances.

## 5.3 Priority area 3: Closer alignment with European Union Standards

Project time frame	Technical sector	Project expenses in US\$	Project code	Project title
2004- 2006	SES	226,000	UKR/99/011/08; UKR/02/006/08; UKR/37/237/01; UKR/47/887/01	Measuring poverty: Development of indicators of people's socio-economic security in Ukraine

2003- 2004	ILO/AIDS	46,000	UKR/03/01/UNA	Catalytic activity in the world of work (HIV/AIDS)
2005- 2007	ILO/AIDS	723,000	INT/02/45/GTZ	Implementing HIV/AIDS workplace policies and programmes
2000- 2003		23,000	UKR/99/01/IBR	
2003- 2006	IPEC	73,000	RER/02/01/FRG	Prevention and reintegration programme to combat trafficking of children for labour and sexual exploitation in the Balkans and Ukraine
2002- 2007	IPEC	327,000	RER/03/50/USA, RER/03/11/GER, RER/02/11/FRG	Combating trafficking in children for labour and sexual exploitation in the Balkans and Ukraine
2001- 2006	IPEC	660,000	UKR/01/50/USA	National programme for the prevention and elimination of the worst forms of child labour in the Ukraine
1999- 2001	IPEC	139,000	UKR/97/12/071	Report on the state of the working child in the Ukraine
1999- 2001	IPEC	41,000	UKR/97/12/072	SIMPOC in the Ukraine

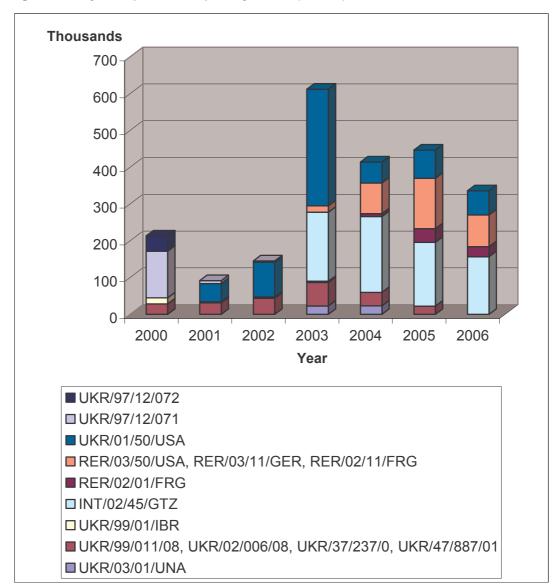


Figure 4: Project expenses for priority area 3 (in US\$)

## 5.3.1 Main means of action

In recent years, Ukraine has made important progress in refining its statistics and in making them appropriate for a modern market economy. However, it was recognised that a national system of statistical indicators had to be developed. Ukraine needed a system of labour market and social statistical indicators to guide policy formulation and to enable policy-makers and analysts to monitor labour market performance, patterns of deprivation and patterns of socio-economic security ("human security") among enterprises, workers, their families and their communities.

The project "measuring poverty: development of socio-economic security indicators in Ukraine" (UKR/99/011; UKR/02/006; UKR/37/327/D01/11) 1999-2004 inter alia, developed new systems of indicators on human security and assisted national authorities in developing their own social and labour market indicators. In this connection the ILO, in collaboration with the UNDP in Ukraine, launched a project

on statistical indicators with the State Statistical Committee of Ukraine. The programme responded to the request of the Ukrainian State Statistical Committee to develop instruments (surveys) on social security.

Specifically, the initiative involved surveys on people's basic security and labour flexibility. These surveys served to measure a) the income level, standard of living and poverty rates among different strata of the Ukrainian population, b) gender inequality, c) the relationship between education levels and income levels and d) employment and unemployment indicators at the regional level.

A step-by-step approach was taken to develop a national information base on the level and structure of social income. This is vital for identifying earning structures and patterns of labour costs. Outputs noted are:

The inititative also surveyed the public opinion in the areas of basic security, labour market security, employment security, income security, skills security, representation security, social justice, work security and social activity and developed a set of indicators to monitor socio-economic dynamics in Ukraine.

#### 5.3.2 Main achievements

The concept of social income has been developed by the ILO and it essentially recognises that in any economy and society the total individual income consists of the value of wages and benefits, provided directly by firms or enterprises for whom individuals work, state benefits and services, provided at the national or local level, privately-supplied insurance-based benefits, and income in the form of access to communal and family-support systems. In short, it is not sufficient to measure earnings or income on the basis of money wages alone. In Ukraine, as in most countries, the level and structure of social income is unknown, and developing a system for monitoring the level and structure of income should be a major long-term objective.

According to the interviewed authorities<sup>27</sup> from the State Statistical Committee of Ukraine, the usefulness of the indicators, established within the ILO projects, is confirmed by the large number of institutions which use these indicators from all levels of the state hierarchy: the Parliament, ministries, other state institutions, research institutions, trade unions, employers' organisations, etc. The formulation of the state social policy, the planning of the labour market development and the state policy on poverty reduction are fully based on these social indicators.

The continuity of the work includes monitoring of the programme on poverty measurement, on social policy, on women and family and child labour.

#### 5.3.3 Issues and constraints

The governmental focus on decent work requires further development of decent work indicators, including new indicators on flexibility and security in the labour market, and regular monitoring of the social indicators; also funds for surveys to assess the

<sup>&</sup>lt;sup>27</sup> Interview with Nadia Grigorovich, Director, Labour Statistics Department, 20 February, 2007

needs of skilled labour and migration, and development of a proper methodology for studying these problems.

## The project "Development of the Model of Socio-Economic Impact of HIV/AIDS in Ukraine" (INT/02/45/GTZ) 2005

The ILO has worked with the Centre for Perspective Social Studies of the Ministry of Labour and Social Policy of Ukraine to develop and use a model of the socioeconomic impact of HIV/AIDS. It contains 5 modules: demographic, labour force, income loss, cost increase, and socio-economic impact of HIV/AIDS. The forecast is made until 2014 based on two scenarios – optimistic and pessimistic – about consequences of HIV/AIDS for the labour market, the state budget, special purpose funds, enterprises and households. The model is workable and live, and open for changes and updates. The development of the Model contributed very much to the perception of the importance of HIV/AIDS issue from the point of view of its social and economic consequence by the ILO tripartite partners. The model was presented at a number of different meetings, both national and international, including the first Eastern European and Central Asian AIDS Conference held in May 2006 in Moscow. The proposals for its improvement and publication have been approved by the ILO/AIDS and the work will be done in 2007 with the funding from GTZ.



Picture 4: An HIV/AIDS conference in Ukraine

#### 5.3.4 Main achievements

For the first time in Ukraine, the education sector has been targeted in the context of HIV/AIDS and the world of work. The ILO carried out the first study in the education sector, covering among other issues the questions related to HIV/AIDS and the world of work. More than 150 representatives were trained in HIV/AIDS related issues as well as in methodologies used in conducting trainings.

Good cooperation and partnership has been established with the Central Institute of Postgraduate Pedagogical Studies as well as with its branches in Chernivtsi and Kyiv regions, regional education workers' unions and regional education department; cooperation with Olena Franchuk's Foundation has been continued.

Two region's concepts on HIV/AIDS prevention in the education sector have been developed and adopted, and provide a good basis for further activities at the regional level.

One outcome of these activities is the ILO's involvement in the development of the Memorandum of Intention on the Comprehensive Prevention Programme on Alcohol, Drugs and HIV/AIDS in secondary schools, which will be signed by the Ministry of Education, Ministry of Health, UNICEF, ILO, UNFPA and other stakeholders. Workplace policy is a part of this future programme and consultations on the ILO involvement in the development and implementation of this programme have been held.

The initiative has become sustainable, largely through follow-up by the Education Workers' Union of Chernivtsi region.

A final inititative focused on the development of a model of local cooperation for local authorities, employers, trade unions and NGOs, as well as private sector involvement to strengthen national response to the HIV/AIDS epidemic in Ukraine (ILO/UNAIDS/PAF, 2007). The initiative will be launched for February – December 2007 upon agreement of UNAIDS.

Other activities performed in this area are comparative studies on national legislation and its relevance to ILO conventions in the field of social security; co-operation with the Council of Europe on studying international experience and relevance to the European Social Security Code; development of the Governmental Road Map on harmonisation with European standards in the field of social security; support in the development of recommendations in the field of social security; capacity building of the tripartite constituents in the field of social security; and ILO expert support in reforming the system of pension insurance and social security.

#### 5.3.5 General observations

All ILO activities in the field of HIV/AIDS prevention in the world of work have been relevant and correspond to the interest and priorities of the country and the partners. They are very timely in view of the rapid spread of the epidemics as well as the fact that most people living with HIV are in their productive age, and taking into account the ILO's unique role and mandate of dealing with the world of work.

Throughout these activities, good cooperation and partnership was maintained with other UN agencies, such as UNDP, UNAIDS, UNHCR, WHO, UNFPA, as well as other international organisations, like Public Services International (PSI).

The ILO collaborated with UNFPA to publish "HIV/AIDS Prevention and Access to Voluntary Counselling and Testing Services at Work: Strategy of Tripartite Partnership" in Ukrainian. This publication is very useful for the tripartite constituents. It is very practical and contains recommendations for actions at the national, regional and local level. This publication could be a good basis for the development of the National Tripartite Cooperation Strategy on HIV/AIDS prevention, which was initiated by the Federation of Trade Unions of Ukraine and supported by the Federation of Employers of Ukraine.

The cooperation with other development projects, working on the same issues, should be mentioned (e.g. with SMARTWork project, funded by the Academy for Educational Development (AED), USA, which was based on the ILO principles of working with the tripartite constituents with the aim to develop and implement HIV/AIDS workplace prevention policies and programmes).

The ILO Code of Practice on HIV/AIDS and the World of Work was translated and published in Ukrainian. According to many partners it is widely used by them while organising activities on HIV/AIDS.

## 5.3.6 Targeted action against child labour

One of the negative consequences of the economic transition period has been the children's involvement in the Worst Forms of Child Labour, including trafficking. Unemployed parents, low salaries, and consequent family poverty are major reasons for parents and children to look for ways of supplementing family income with child labour.

The disappearance of Soviet era social norms left a "value" void conducive to the increase of Worst Forms of Child Labour. Also, the specificity of child labour in the former Soviet space was based on a concept of "labour for education". During the soviet times, it took the form of a large scale production strategy based on non-renumerated and sometimes hazardous child labour.

However, education for work was integrated in the education system and was therefore supervised. During the transition period the notion of the positive value of labour for the development of the child has remained and has been further exploited for commercial purposes.

## 5.3.7 Main ILO actions

The research undertaken in 2002 by the Centre for Social Expertise and Forecasts of the Institute of Sociology at the Ukraine Academy of Sciences (Statistical Information and Monitoring Programme on Child Labour (SIMPOC) in the Ukraine, UKR/97/12/072) to profile the causes and conditions surrounding child labour interviewed 1,297 working children. 69 per cent of children in rural areas and 52 per cent of children in urban areas wanted to work in order to support their families. The majority of working children justified their willingness to work by the desire to have

their own money (45%) and by the difficult financial situation in their families (33%). Only 14 per cent of the children see their labour activity as a means of getting professional experience. As children move into adolescence and also desire to be independent and to see the world, they are particularly vulnerable to being recruited by traffickers. Two-thirds of the surveyed children under this study said they had themselves looked at possibilities to relocate in order to earn a living. Most of the activities performed by children are: street trade, agricultural work, constructions and other activities on the informal sector. The worst forms of child labour are common and on the rise: forced labour, prostitution, drug selling and sale and trafficking of children. According to the result of a baseline survey in four pilot regions, 21 urban children (3%), and 87 rural children (15%) were forced to work by family members.

The core ILO conventions on child labour issues have been ratified by Ukraine, which include the ILO Convention No. 138 on the Minimum Age for Employment, ratified in March 1979 and the ILO Convention No. 182 on the Worst Forms of Child Labour in October 2000. The Memorandum of Understanding between the ILO, represented by IPEC, and the Ukrainian Government was signed in June 2002. To assist the Government in implementing the provisions, the ILO launched a Country Programme of support on prevention and Elimination of the Worst Forms of Child Labour" (UKR/01/50PUSA).

The main action programmes developed and implemented in 2001-2006 had the following focuses:

- Institutional capacity building of the Ministry of Labour and Social Policy and the Ministry of Family, Children and Youth through training of trainers;
- Local community involvement through training of community leaders, school inspectors, social workers, administrators, and teachers, school psychologists (Vinnytsia, Kherson, Donetsk and Kyiv regions);
- Enhancing the capacity of trade union organisations to combat the worst forms of child labour;
- Increasing the knowledge base of the target groups in the selected four regions (Donetsk and Kyiv regions – street children; Vinnytsia region – rural children; Kyiv and Kherson regions – children in the sex-trade).
- Setting up a monitoring/tracking system for monitoring, evaluation and gathering of systematic feedback on former working children;
- Analysing the legal framework for child labour;
- Increasing the knowledge base on trafficking children.

Since 2003, the ILO's additionaly supports through its sub-regional project technical assistance against the exploitation of children (including trafficking) in Central and Eastern Europe (PROTECT CEE) RER/03/50PUSA; RER/06/50/USA). The activities focus on the following areas:

 Capacity building for the improvement of care of victims of trafficking and direct support for their long-term reintegration;

- Support for the existing community-based youth centres to reduce vulnerability to trafficking, identify potential victims, and facilitate social inclusion of returnees;
- Establishment of a child labour monitoring and referral system;
- Economic empowerment of children at risk / victims of trafficking and their families;
- Support to the labour inspection to participate in the child labour monitoring system.

#### 5.3.8 Achievements

In June 2003 the Government formally approved the national policy concept document "On Prevention and Rehabilitation from the Worst Forms of Child Labour in Ukraine" (Order of the Cabinet of Ministers # 364, issued June 16, 2003). The National Plan of Action, which has followed the National Policy concept document, has been approved by the Cabinet of Ministers in October 2003 (Order # 648, issued in October 29, 2003). The recommendations elaborated within the framework of the IPEC activities were taken into account. Since 2004 the ILO is represented in the National Expert Group on Countering Trafficking in Human Beings, IOM Counter-Trafficking Advocacy Group, and in the UN Inter Agency Task Forces on MDGs (Poverty alleviation, Education, Gender equality).



Picture 5: Youth volunteer advocates for a world without child labour



Picture 6: For a world without child labour, June 2006

#### 5.3.9 Issues and constraints

**Family situation.** The core problem of child labour is related to the economic situation of the families and the ILO programme itself has not addressed that constraint. Of course the economic situation in general can not be addressed by the programme, but it might be worthwhile to investigate which supporting activities may be designed to contribute thereto, such as in the case of migrating parents leaving behind their children.

**Organised networks.** There is increasing evidence that children are being bought and sold within and across national borders by organised networks, and Ukraine has a high ranking on the list of countries trafficking children. The children are trafficked for sexual exploitation as well as for stealing, begging and drug peddling and a programme combating this worst form of child labour seems justified.

**Gender.** A gender mainstreaming programme to ensure that girls and boys have equal rights and access to preventive and rehabilitation services might be designed as a follow-up programme. Starting with a needs assessment, developing recommendations for a national policy as well as practical guidelines might prove useful.

# 6 The efficiency and adequacy of ILO organisational arrangements for Ukraine

The Ukraine country programme evaluation process included a short self-assessment exercise with the Budapest SRO to identify existing capacities and good practices, as well as opportunities for improvement in implementing strategies and achieving ILO country–level outcomes in Ukraine. The Budapest SRO is the primary source of technical and administrative backstopping to Ukraine. The exercise was complemented by interviews of ILO staff in Ukraine.

## 6.1 General findings

The focus of the exercise was on SRO capacities and current performance in developing country strategies and support to national constituents and other partners in implementing the ILO's national decent work programming, both in the Ukraine and more broadly in the sub region. The exercise focused on their expression of a mission and vision for Ukraine, capacities and practices in developing and implementing a strategy, and management of national partnerships. The exercise also considered current capacities to review and apply performance-related information to innovate and improve. This included consideration current approaches for managing and sharing information on Ukraine DWCP.

**Mission and vision.** The Office and evaluators note that there is a very reasonable expression of the purpose and mission of ILO through Ukraine DWCP, as well as internal coherence by working from a shared understanding of DWCP goals and priorities; capacities with this regard also seem to be improving. Further, Ukraine's DWCP has benefited from the clarity of the National Correspondent in communicating to national constituents and others the decent work mission, vision and purpose.

**Strategy development.** The Office considers there to be moderate and improving capacity to develop country-level strategies, noting progress has been made in managing constituent expectations, which has helped to avoid their scepticism. The staff is a bit less certain that these strategies clearly cascade from mission and vision, and may also be more pragmatically determined, in part by what is opportune given capacities and resources.

Though the Office has fairly good capacities in strategic planning, field-level know-how is uneven, and staff mobility remains a challenge to maintaining a consistent practice. Also, evaluators note that the Ukraine DWCP budget is reasonably integrated with the strategic planning process. In reviewing the Ukraine work plan, however, strategies were found not yet well aligned with sources of funds and some strategies important for constituents have outcomes without adequate resources, though the review exercise was conducted early in the biennium. Major resource mobilisation is needed to address the shortage of funds in these areas.

**Implementation.** The SRO has established a well-understood means of decision-making, and good capacities and performance for implementing decisions. Implementation and work planning are regular and conducted around the country

level. Relatedly, there is also reasonable capacity in designating roles and responsibilities among staff, and working together.

Regarding staff capacity and adequacy, SRO considers there to be only basic Office-wide capacity in managing human resources, starting with incentive systems and staff motivation; and also only basic capacity in human resource planning, which is considered not well linked to strategic planning. Overall staff felt that the constraints could only be addressed through Office-wide progress in revising current practices in the area of performance appraisal, particularly in better differentiating between performance levels. In general the personal performance level is missing in the Office's approach to assessing organisational performance, including at the regional and country level. The limited career development possibilities for national staff were also of concern.

On work planning, goals and targets are somewhat in place but are not in general tightly linked to well defined results. In addition, the implementation and work plans for Ukraine still reflect primarily what the SRO can be responsible for delivering, rather than an integrated work plan for all Office actions. To change this, the Office may well need to develop better prototypes and support integrated headquarters-field work planning as part of implementation management. The SRO is building capacities for improved project proposal development and project management.

National partnerships. There was a general feeling that the Office had good capacity in building and leveraging relationships in Ukraine, most particularly with constituents, and that the ILO was reasonably influential and well known in its core technical areas. Relations with national constituents are considered very strong, but there is need to build more its relationships with donors at country level and partnerships with other UN agencies and international organisations. Ukraine, again, benefits from the presence of a well seasoned ILO National Correspondent, who has been a major force in developing and sustaining national networks. However, as responsibilities for planning and reporting through UNDAF mount, there is a lack of clarity as to how these new functions will be managed at country level.

**Performance review and innovation.** Within the region, there is a general opinion that the field has moderate to good capacities in monitoring its external environment and adapting its programme in Ukraine, and that the SRO and national team support innovation and assessing needs at country level well.

There is general scepticism that the Office overall has much capacity in measuring and tracking performance, particularly data driven approaches, nor is it seen doing an adequate job of applying baselines and benchmarks to its work at country level. This is in part seen by the SRO as stemming from a general shortage in the Office of appropriate tools for performance measurement for field staff to use. Not surprising, many see performance measurement as more time consuming than useful. In particular, they are finding development and use of indicators as complex and difficult to apply, with formulation for DWCP still unclear.

Knowledge management and knowledge sharing. The field staff considers there to be reasonable capacities in knowledge management systems at SRO level as well as adequate information technology and physical infrastructure to support knowledge

management work. The web site is considered comprehensive and containing basic information.

However, while the SRO staff acknowledge good capacities, they see improved knowledge networks and outreach as an area where much more can and should be done. One initiative discussed was the creation of national ILO web sites that could link the Ukraine DWCP to supporting project information. Additional areas where capacities could be improved include ensuring institutional memory at country and technical levels, improving access to information, including in the 19 national languages in the sub region, and visibility of the ILO's work and achievements in the countries through more effective targeting for dissemination, regular work with public media, managing better information requests, and particularly within the Office ensuring that requests and messages become more focused and less ad hoc.

#### 6.2 General observations

The SRO has made considerable headway towards establishing DWCPs as the main vehicle for Ukraine's programme of support. There have been substantive changes to the way people work and the capacities needed for the evolving national programming frameworks. A few additional areas to improve further are noted:

The SRO would benefit from ongoing training and support on how it is expected to bring DWCP vision and operational strategy into alignment. The Office can look for ways of being more systematic in its approach to communicating its mission and vision to constituents through DWCPs, particularly in countries and regions without established practices in results-based management transparency and accountability for attainment of results, and through regular cooperation with public media. Relatedly, constituents would benefit from better but not burdensome guidance on how to engage in DWCPs and UNDAF, and National Correspondents on how to manage a mounting work load.

For enhanced capacities and practices in planning for and assessing performance, the Office needs to roll out tools that are focused and efficient, and that help with decision making. To be effective, these need to incorporate constituent involvement and reinforce accountability among ILO's constituent partners for achieving and sustaining programme results.

### 7 Main Conclusions and Recommendations

The evaluation of ILO activities in Ukraine from the point of view of decent work suggests the following main conclusions and recommendations.

### 7.1 The ILO's role and relevance in Ukraine

#### 7.1.1 Main conclusions

Since the independence of the country (1991), the ILO activities in Ukraine have been well lined up with the country's priorities related to fundamental work principles, promotion of more and better jobs for men and women and in the field of closer alignment with European Union standards by technical cooperation, consultancy, advocacy in the area of development of labour legislation, tripartite institutional and capacity building, vocational training and development of labour and social statistics, and developing monitoring systems for observing specific target groups in the labour market – women and children

National constituents as well as international partners unanimously confirm the adequacy of ILO presence in Ukraine and the very important niche it has – the tripartite structure that allows reaching proper groups at their workplace.

The ILO is regarded with respect by all national constituents and partners (both international and external) at all levels of the social hierarchy. There is an understanding of its activities and great interest. As far as the decent work agenda is concerned it should be more clearly outlined and advocated at all levels, since this frame of the activities is better known by national constituents at high levels but less by local partners, international partners, projects' participants. At the lower level people are more aware of separate projects or activities and less of "decent work". One more finding is that even when there is an understanding of the decent work agenda, the limited resources often impede its wider dissemination (through publishing in Ukrainian language, etc.).

The ILO has been flexible and responsive to demands in the studied period, but the very dynamic and unpredictable political changes might still pose significant constraints on its flexibility.

The ILO has very good communication and relationships with national UN agencies and other external Ukrainian partners in the field of its activities.

## 7.1.2 Recommendations for the ILO

- The decent work approach as a coherent framework should be given more emphasis in the future, as well as its better dissemination through more Ukrainian-language information (including an ILO DWCP web site in Ukraine). The main aim should be to increase awareness among a larger circle of players at different levels.
- More attention should be paid to long-term strategic support that may help solve today's pressing issues but also unveil future horizons for social and labour development. This holds true for skills development, vocational

training, and methodologies for forecasting social and labour developments, or other areas where ILO has good knowledge and well recognised expertise.

• The Decent Work agenda should continue to be the focus of ILO activities in Ukraine and the scope of topics should be expanded to include social insurance and social protection and labour market flexibility.

# 7.2 The role and effectiveness of the national tripartite constituents in promoting decent work

#### 7.2.1 Main conclusions

The role of tripartite participation and partnership in promoting decent work is indisputable. However, there are some internal problems regarding the consolidation of partners around the decent work agenda.

The national constituents are variedly active at national development planning forums and networks, partly from the still unresolved issues surrounding accepted criteria for representativity of both trade unions and employers' organisations.

Trade unions are not consolidated in their efforts towards achieving decent work conditions at all levels. Some areas of activity (e.g. small and medium enterprises) are not yet covered by trade unions. Employers have also not consolidated their interests yet, and the position of the state as an employer somewhat confuses their role as an independent tripartite body.

Both trade unions and employers are to a certain extent passive regarding the decent work agenda in the sense they do not take the initiative but rely mainly on the ILO initiative.

## 7.2.2 Recommendations for the ILO

- The ILO should encourage the more active involvement of employers' organisations and trade unions in decent work by providing more information about what other European Union countries do in this respect.
- The ILO can develop activities for attracting all employers, including in the small and medium enterprise sector, to participate in the decent work dialogue.
- The ILO should target capacity development for social dialogue at branch and enterprise level.

# 7.3 The focus and coherence of the country programme's design and strategies

#### 7.3.1 Main conclusions

Several generalisations can be made with regard to the ILO's technical interventions during the period 2000-2006. First, the projects and activities have been directly or indirectly focused on the decent work agenda – rights at the work place, productive employment, social protection, voice and representation. Further, the DWCP (2006-2007) reflects a consensus between the country and the ILO on decent work priorities

and areas of cooperation. The expectations of the policy makers in Ukraine regarding the ILO expertise and advocacy on labour legislation, social dialogue and tripartism were fully met; the problems followed primarily from political confrontations between the policy makers. The DWCP, as well as ILO activities before 2006 displayed an effective balance between operational activities and advocacy and policy.

With regard to continuity, the DWCP is the continuation of previous successful cooperation and has built upon the achievements and lessons learned. However, to some extent projects are fragmented and detached from larger concerns of constituents and some pilot projects' achievements have not been sustained or replicated. This weak link between the projects brings into question the degree of continuity of the ILO activities in Ukraine.

### 7.3.2 Recommendations for the ILO

- In the project design phase, draft approaches are needed that merge with previous and parallel interventions and strengthen practices to assess capacities of ILO partners and to ensure sustainability of outcomes.
- Further progress is needed in working in partnership with ILO constituents and the UN at design and implementation stages.
- There is a need for more widespread and substantive discussions on results being achieved, better dissemination of results, and more regular feedback on ILO's effectiveness. More attention should be given to the follow-up of completed projects and activities to enhance sustainability, both by the ILO and constituents.

# 7.4 Evidence of the direct and indirect use of the ILO contribution and support at national level

## 7.4.1 Main conclusions

The ILO's projects and activities in Ukraine during the period 2000-2006 have defined clear outcomes and results against which they can be assessed. The performance reporting and the evaluations, have addressed direct outcomes, but much of the validation has been at the output level. Besides the quantitative direct results there are a number of qualitative effects that are difficult to measure but have important impact on capacity building and infrastructure development for decent work. These are, for example, application of knowledge obtained during seminars, training courses and discussions; development of networks between the different specialists and institutions; the dialogue between opposition trade unions and members of different political parties.

Indirect results also affect the individual level- unemployed people having an improved employment status and professional opportunities. The prevention of HIV/AIDS at the work place, apart from the economic effects, has a significant social impact on the entire society. The same is valid for child labour, which is a problem

that concerns not only the people directly involved in these activities, but also the society as a whole and its tolerance of violations of children and human rights.

The ILO has influenced thinking and actions related to attitudes and policy changes, not only through the tripartite structures, but also by tapping into the wider civil society structures for discussions on key socio-economic issues.

ILO's participation in UNDAF 2000-05 and 2006-10 has not, so far, led to higher visibility and programme links with the UNDAF plan. The ILO's work remained somewhat separate despite the obvious UNDAF focus areas related to decent work. Recent changes in the UNDAF approach are likely to improve the situation.

### 7.4.2 Recommendations for the ILO

- The ILO should better document outcome-level results, and develop a more regular dissemination strategy, involving publications in Ukrainian language.
- While delivery of outputs to resources spent is impressive, the ILO should explore a more flexible resource approach that allows for re-distribution of resources during implementation to respond to changing situations or emerging opportunities.
- The ILO should promote more the positive experience of the pilot projects as a
  basis to mainstream initiatives more widely in the country, and to ensure that
  the feedback is used for further improvements.
- The ILO should use the mid-term review in 2008 to strengthen decent work as an important theme in UNDAF.

# 7.5 The efficiency and adequacy of organisational arrangements to deliver the ILO programmes in Ukraine

#### 7.5.1 Main conclusions

The efficiency and adequacy of organisational arrangements to deliver the ILO programmes in Ukraine depend on many factors among which the available resources and the extent of centralisation of project performance have been quite important. The higher the centralisation of organisational processes, the lower is the flexibility of work organisation. Due to this the Ukrainian experience points out that the SRO is a more proper level for project coordination than headquarters technical units. There is still a need to consolidate ILO organisational practice in supporting DWCP since internal capacities, while adequate, can be further strengthened. The role of the National Coordinator and the high calibre of ILO local staff has been of great importance for the ILO's successful work in Ukraine during the studied period.

### 7.5.2 Recommendations for the ILO

• The Europe region should consider extending the programming period of DWCPs from two to four or five years, and leave open the flexibility to align with UNDAF programming timelines.

- In collaboration with technical headquarters and national staff, the SRO can work on developing an more fully integrated work plan, resource plan and results matrix for the ILO's programme in Ukraine to cover the remaining period of 2007 and the new biennium 2008-09.
- There is a need for more efficient and effective monitoring of DWCP implementation.

#### 7.6 Knowledge management and sharing

#### 7.6.1 Main conclusions

During the studied period the ILO knowledge management and sharing was impressive, with more than 100 ILO publications translated and published in Ukraine. Translation of the ILO conventions (1500 copies) in Ukrainian language has been highly appreciated, with a second edition published because of the high interest. The ILO publications have been distributed to the Presidential and Parliament libraries, central and regional libraries— all over the country. The global trends in the development of labour markets and social agenda as studied by the ILO have been regularly presented in mass media and on special briefings. However, financial constraints limit opportunities to translate and publish too many of the ILO's core documents, which would be very useful for Ukraine. Since the level of knowledge of foreign languages in Ukraine is not high, information needs to be translated.

#### 7.6.2 Recommendation for the ILO

The main recommendation in this field is related to the provision of additional information in the ILO concepts, strategies and good practices for the decent work agenda in Ukrainian language.

#### 8 Comment from the Office on the evaluation

The ILO officials in Budapest and Kiev have positively assessed the document on the independent evaluation of the Ukrainian country programme, prepared for submission to the Governing Body. Their comments follow:

The views of the independent evaluator provide us with valuable feedback on the effectiveness and efficiency, the consistency and the sustainability of our programmes and projects in Ukraine.

The recommendations are constructive and timely, especially with a view to preparing the next DWCP.

It is worth noting, however, that a number of recommendations of the report were already reflected in the DWCP 2006-07. This DWCP was developed jointly with the constituents, introducing a results-based approach, and it was the first in the subregion.

In particular, we want to make the following specific comments related to the recommendations of the report:

- Coherent framework, long-term strategic approach and expansion of topics: Coherence is a matter of focusing on one or two thematic topics at the country level and adopting an integrated approach combining the ILO's different technical areas. However, the diversity of requests and priorities set by the constituents do not facilitate this approach. To develop a longer term strategy and expand topics is mainly a matter of available human and financial resources. For greater coherence and strategic results, we will seek to strengthen the interrelations between the different ILO technical cooperation projects and activities, and build upon the lessons learned by replicating good pilot project results and using successful methodological approaches. In this context, we plan to extend the programming period of the new DWCP to cover two biennia, while detailed work plans will be developed on a yearly basis. However, the availability of human and financial resources for a longer period is difficult to predict and to budget, and we will have to be careful in engaging in commitments vis-à-vis the constituents.
- More active involvement of the social partners: The DWCP 2006-07 was designed in close collaboration with the social partners and the Government, and its review will be done together with them towards the end of 2007. However, with a view to sustainability and increased ownership we will seek greater commitment of the social partners. Therefore, more emphasis will be put in the next cooperation cycle on the joint development of indicators of achievement and the setting up of a joint monitoring system of the DWCP. The organisations of the social partners at the regional level have been more involved in recent years, but this should be mainly a task of the national social partner organisations, bearing in mind the limited resources of the ILO. In any case, the size of the country has to be taken into account (Ukraine has 27 oblasts and over 650 cities and regions), as well as the numbers, complexity

and composition of the trade unions and employers' organisations (around 30 trade union associations have All-Ukrainian status and were legalised at the national level, and there are around 100 branch trade unions operating. On the other hand, 14 All-Ukrainian employers' organisations and associations are registered in the Ministry of Justice).

• Visibility: A stronger emphasis will be put on the dissemination of outcomes achieved jointly with the constituents involved. This will be based on an increased awareness of social partners at all levels on the cooperation of Ukraine and the ILO.

### 9 Annexes

### **Annex 1: Ratifications of ILO Conventions**

Table 4: Ratifications of ILO Conventions by the Government of Ukraine, through July 2007

Number	Convention	Year of ratification
C. 2	Unemployment Convention, 1919	1994
C. 11	Right of Association (Agriculture) Convention, 1921	1956
C. 14	Weekly Rest (Industry) Convention, 1921	1968
C. 16	Medical Examination of Young Persons (Sea) Convention, 1921	1956
C. 23	Repatriation of Seamen Convention, 1926	1970
C. 27	Marking of Weight (Packages Transported by Vessels) Convention, 1929	1970
C. 29	Forced Labour Convention, 1930	1956
C. 32	Protection against Accidents (Dockers) Convention (Revised), 1932	1970
C. 45	Underground Work (Women) Convention, 1935	1961
C. 47	Forty-Hour Week Convention, 1935	1956
C. 69	Certification of Ships' Cooks Convention, 1946	1970
C. 73	Medical Examination (Seafarers) Convention, 1946	1970
C. 77	Medical Examination of Young Persons (Industry) Convention, 1946	1956
C. 78	Medical Examination of Young Persons (Non-Industrial Occupations) Convention, 1946	1956
C. 79	Night Work of Young Persons (Non-Industrial Occupations) Convention, 1946	1956
C. 81	Labour Inspection Convention, 1947	2004
C. 87	Freedom of Association and Protection of the Right to Organise Convention, 1948	1956
C. 90	Night Work of Young Persons (Industry) Convention (Revised), 1948	1956
C. 92	Accommodation of Crews Convention (Revised), 1949	1970
C. 95	Protection of Wages Convention, 1949 Excluding Article 11 by virtue of the ratification of Convention No. 173 (acceptance of Part II)	1961
C. 98	Right to Organise and Collective Bargaining Convention, 1949	1956
C. 100	Equal Remuneration Convention, 1951	1956
C. 103	Maternity Protection Convention (Revised), 1952	1956
C. 105	Abolition of Forced Labour Convention, 1957	2000
C. 106	Weekly Rest (Commerce and Offices) Convention, 1957	1968
C. 108	Seafarers' Identity Documents Convention, 1958	1970

C. 111	Discrimination (Employment and Occupation) Convention, 1958	1961
C. 113	Medical Examination (Fishermen) Convention, 1959	1970
C. 115	Radiation Protection Convention, 1960	1968
C. 116	Final Articles Revision Convention, 1961	1970
C. 119	Guarding of Machinery Convention, 1963	1970
C. 120	Hygiene (Commerce and Offices) Convention, 1964	1968
C. 122	Employment Policy Convention, 1964	1968
C. 124	Medical Examination of Young Persons (Underground Work) Convention, 1965	1970
C. 126	Accommodation of Crews (Fishermen) Convention, 1966	1970
C. 129	Labour Inspection (Agriculture) Convention, 1969	2004
C. 131	Minimum Wage Fixing Convention, 1970	2006
C. 132	Holidays with Pay Convention (Revised), 1970 Length of holiday specified: 24 calendar days. Has accepted the provisions of Article 15, paragraph 1(a) and (b).	2001
C. 133	Accommodation of Crews (Supplementary Provisions) Convention, 1970	1993
C. 135	Workers' Representatives Convention, 1971	2003
C. 138	Minimum Age Convention, 1973 Minimum age specified: 16 years	1979
C. 140	Paid Educational Leave Convention, 1974	2003
C. 142	Human Resources Development Convention, 1975	1979
C. 144	Tripartite Consultation (International Labour Standards) Convention, 1976	1994
C. 147	Merchant Shipping (Minimum Standards) Convention, 1976	1994
C. 149	Nursing Personnel Convention, 1977	1979
C. 150	Labour Administration Convention, 1978	2004
C. 154	Collective Bargaining Convention, 1981	1994
C. 156	Workers with Family Responsibilities Convention, 1981	2000
C. 158	Termination of Employment Convention, 1982	1994
C. 159	Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983	2003
C. 160	Labour Statistics Convention, 1985 Acceptance of Articles 7-10 of Part II has been specified pursuant to Article 16, paragraph 2, of the Convention.	1991
C. 173	Protection of Workers' Claims (Employer's Insolvency) Convention, 1992 Has accepted the obligations of Part II	2006
C. 182	Worst Forms of Child Labour Convention, 1999	2000
-		

(Conventions marked in bold are ILO Fundamental Conventions)

Source: International Labour Standards Department, ILO Listing generated by APPLIS on 17 July 2007

#### **Annex 2: Terms of Reference**

#### Terms of reference

# Independent evaluation of the ILO's programme of support to Ukraine

### January, 2007

#### 9.1.1 Introduction

The ILO is conducting an evaluation of the ILO's country programme of support to the Ukraine. The evaluation will be managed by the Evaluation Unit in close coordination with the ILO Regional Office for Europe and Central Asia (RO Europe) and the ILO Sub-Regional Office (SRO) in Budapest. The evaluation will also benefit from tripartite national constituent input. The evaluation team will consist of three persons: an external evaluator to act as team leader, an ILO evaluation officer from EVAL and a representative for RO Europe.

#### 9.1.2 Purpose

The purpose of the evaluation is to provide an independent assessment of the ILO's country programme of support to Ukraine noting progress made and lessons learned to inform further strategy development in Ukraine. The evaluation will consider areas in which the ILO's collaboration has been more and less effective in supporting national decent work efforts, to inform on what should be pursued in the future, and where improvements can be made. This may include reinforcement or changes in priorities, strategies, and organisational practices.

The evaluation has a further intent to provide an ex post assessment of major initiatives undertaken during the evaluation period, to determine how longer term impact can be more effectively planned. The case study will also provides useful insights as to how the ILO's institutional approach to country-level coordination can be understood and further acted upon.

#### **9.1.3 Client**

The principal clients for the evaluation are the ILO's national constituents, international partners in Ukraine and national implementing partners, all of whom support national efforts to decent work and poverty reduction, and who share responsibility for deciding on follow up to the findings and recommendations of the evaluation. The evaluation is also intended for the Office by providing a basis for improved insights as to how to better design, implement, monitor and assess country programmes in the future.

When conducting the evaluation, in addition to the Office (headquarters and field), the tripartite constituents—as well as other parties involved in the country programme and targeted for making use of the ILO's support, will be asked to participate.

#### 9.1.4 Scope

The evaluation timeframe proposed for study is 2000 to 2006. This period covers a period of considerable political and economic volatility in Ukraine. The evaluation will focus on the ILO's strategic positioning in the country, its approach to setting an ILO agenda, as well as the composition, implementation and evolution of ILO national strategies as they relate to the decent work agenda. Finally, lessons learned related to ILO management and organisational effectiveness will be noted.

The evaluation will recommend regarding:

- The role and relevance of the ILO in Ukraine, its niche and comparative advantage, and partnership approach;
- The role and effectiveness of the national tripartite constituents in promoting decent work;
- The focus and coherence of the country programme's design and strategies;
- Evidence of the direct and indirect use of ILO's contributions and support at national level;
- The efficiency and adequacy of organisational arrangements to deliver the ILO's programme in Ukraine;
- Knowledge management and sharing;
- The attached annex lists scoping criteria and related questions for each aspect listed above.

#### 9.1.5 Methodology

The evaluation will involve several stages and levels of analysis:

- A desk-based portfolio review will analyze project and other documentation, key performance criteria and indicators, to compare and assess developments and performance over time for the main programme technical areas.
- A country mission to Ukraine will enable detailed interviews of key international and national constituents, development partners and implementing partners. ILO staff working in the field and Geneva on Ukraine activities, as well as current and past project staff in the Ukraine will be consulted. Travel to selected parts of the country will support more in depth case review.

#### 9.1.6 Outputs

- A full report of findings and recommendations to be presented to the ILO Director General. The content of this report will focus on recommendations to situate the country programme on a sound basis for future action in the current national, regional and global environment.
- Background documentation and analysis on which the findings, conclusions and recommendations are based.

#### 9.1.7 Provisional work plan and schedule

These terms of reference will be finalised by November 2006. The draft report will be written in February 2007, circulated for comments, and then finalised by March 2007. A summary of the evaluation report will be included in the November submissions to the PFA Committee of the Governing Body. This timetable is based on the scope of work and methodology set out above, and resources available for the evaluation.

#### 9.1.8 Proposed time table

Task	Time frame
Preliminary interviews and scoping exercise, draft TORs prepared	October 2006
Internal and external consultations to finalise terms of reference	November 2006
Document review, key stakeholder interviews,	November 2006
Field mission to country	January-February 2007
Draft evaluation report	February 2007
Consultations with constituents, as appropriate	March 2007
Final evaluation report.	March-April 2007

## 9.1.9 Performance criteria and question matrix for Country Programme Evaluation

## The role and relevance of ILO in the Ukraine, its niche and comparative advantage, and UN partnership approach

#### Performance criteria:

- National political, economic and social factors have shaped formulation of Country Programme
- Flexibility and ability to respond to emerging opportunities.
- ILO establishes priorities consistent with its capacities and comparative advantages.
- ILO ensures CCA addresses subjects that are priorities for decent work in the country.
- ILO achieves overall policy coherence between ILO action and the UNDAF
- ILO's country programme links to and supports/influences national poverty reduction strategies (PRSP/ MDGs)

#### Tripartite participation and partnership

#### Performance criteria:

- National tripartite constituents are active in national development planning forums and networks
- National tripartite constituents take ownership of the ILO's country programme

- Tripartite constituents have improved capacities to influence national policy and resources within decent work areas
- Constituents have clear links to target groups.

#### The focus and coherence of programme's design and strategies

#### Performance criteria:

- Programme coherence supporting an integrated approach to decent work.
- Country programme fits within ILO's Strategic Policy Framework and Programme and Budget priorities and strategies.
- DWCP reflects a consensus between the country and the ILO on decent work priorities and areas of cooperation.
- Presents a strategy with main means of action for delivery of ILO support.
- Cross-cutting goals are integrated.
- Current programme is coherent, logic and captures opportunities for reinforcing each other in meeting objectives.
- Partnerships and tripartite constituents build national capacities and support policy change.
- Verification that ILO responds to recognised needs among constituents.
- Resource mobilisation is an integral part of strategies.

## Evidence of the direct and indirect results of ILO's contributions and support at national level;

#### Performance criteria

- The programme has defined clear outcome-level results against which it can be assessed.
- These results are documented and verifiable.
- The outcomes justify the resources spent.
- The secondary effects, either positive or negative, are known and associated risks addressed
- ILO has influenced thinking and action related to policy changes.
- Results are sustainable by partner institutions and at various levels (local, national, regional).
- Expansion and replication of successful demonstration and pilot interventions

## The efficiency and adequacy of organisational arrangements to deliver the ILO's programme in Ukraine

#### Performance criteria:

- The operations of the programme match the programme plan.
- The ILO has operated fairly and with integrity.
- Credible, skilled specialists support the work.
- Resource mobilisation is effectively and efficiently carried out.
- Work processes are efficient and timely.

#### Knowledge management and sharing

#### Performance criteria:

- Monitoring and evaluation is part of the knowledge base.
- Office follows a communication and knowledge management strategy, making effective use of its web site, and other tools for outreach.
- ILO knowledge development used to improve national programmes, policies and benefit priority groups.

### **Annex 4: Key indicators of Ukraine's Economic Development**

Table 5: Key indicators of Ukraine's Economic Development – 1999 to 2006

Indicators	1999	2000	2001	2002	2003	2004	2005	2006
Total Population – numbers (thousand persons)	49 115	48 663	48 241	47 823	47 442	47 101	46 749	46 487
Population Male	22 755	22 530	22 316	22 112	21 927	21 754	21 755	n/a
Population Female	26 360	26 133	25 925	25 711	25 515	25 347	25 174	n/a
Population in employment aged 15-70	19 948	20 175	19 972	20 091	20 163	20 296	20 680	20 737
Employment rate (%population 15-70)	55	55.8	55.4	56	56.2	56.7	57.7	57.9
Unemployment – per cent (ILO methodology)	11.6	11.6	10.9	9.6	9.1	8.6	7.2	6.8
Long term unemployed (over 1 year) (per cent of registered unemployment.)	n/a	n/a	36.8	29	27.7	26	24.1	n/a
Long term unemployed (over 1 year) (per cent of unemployment. based on ILO methodology)	56.4	63.3	62.6	60.5	58	49.7	42.5	n/a
Youth unemployment rate (%labour force 15-24)	26.4	24.2	22.3	19.1	16.7	15.7	14.9	12.6*
GDP growth (per cent previous year)	n/a	105.9	109.2	104.1	109.6	112	102.7	107
Inflation	119.2	125.8	106.1	99.4	108.2	112.3	110.3	111.6

<sup>\*</sup> Data for the first half of 2006

## **Annex 5: Timeline of Projects**

**Table 6: ILO Project Timeline for Ukraine** 

Project Code	Technical Area	Donation	Time Period	ILO Dep't	
UKR/P09073443071	Reporting on the state of the nation's working children	US\$ 179,686	1999-2000	IPEC	
UKR/97/12/072	Statistical Information on Monitoring Programme on Child Labour (SIMPOC) in Ukraine	US\$ 46,894	1999-2001	IPEC	
UKR/01/50PUSA	National programme for the prevention and elimination of the worst forms of child labour in Ukraine	US\$ 1,127,980	2001-2006	IPEC	
RER/03/50P/USA	Combating trafficking in children for labour and sexual exploitation in the Balkans and Ukraine project	US\$ 1,500,000 EUR 600,000 for 6 countries	2003-2006	IPEC	
RER/06/50/USA	Trafficking and worst forms of child labour in Central and Eastern Europe project	US\$ 3,500,00 for 6 countries	2006-2009	IPEC	
UKR//96/006 UKR/99/006-007 UKR/02/008	Introduction of flexible vocational training programmes for the unemployed	US\$ 1,600,000	1997-2005	SKILLS	
UKR/99/011 UKR/02/006 UKR/37/327/D01/11	Measuring poverty: development of socio- economic security indicators in Ukraine	US\$ 392,000	1999-2004	IFP/SES	
UKR/99/02/IBR	Support development of national social expenditures model		1999-2003	SOC/SEC	
UKR/03/01/UN	Catalytic activities in the world of work (HIV/AIDS)	US\$ 51,676	2003-2004	ILO/AIDS	
INT/02/45/GTZ	Implementing HIV/AIDS workplace policies and programmes (development of the model of socioeconomic impact of HIV/AIDS in Ukraine)	US\$ 10,000	2005	ILO/AIDS	
INT/02/45/GTZ	Implementing HIV/AIDS workplace policies and programmes (activities in the education sector of Ukraine)	US\$ 65,000	2006	ILO/AIDS	

INT/02/45/GTZ	Improvement of the model of socio-economic impact of HIV/AIDS in Ukraine and its publication	US\$ 10,800	2007	ILO/AIDS
ILO/UNAIDS/PAF (Project through UNRCS)	Development of a model local cooperation system for local authorities, employers, trade unions and NGOs as well as private sector involvement to strengthen national response to the HIV/AIDS epidemic in Ukraine	US\$ 75,000	2007	ILO/AIDS
RER/02/M11/IRE RER/05/04M/IRL	Employment, vocational training opportunities and migration policy measures to prevent and reduce trafficking in women in Albania, Moldova and Ukraine	EUR 1,400,000 for 3 countries	2003-2008	MIGRANT
GLO/06/58/UKM	Elimination of human trafficking from Moldova and Ukraine through labour market based measures	EUR 748,492 (for 2 countries)	2006-2008	SAP-FL/ MIGRANT
RB project	Promotion of the creation of a vocational rehabilitation system for disabled persons	US\$ 100,000	2001	EUROPE, IFP, SKILLS
RBTC project	Decent work statistical indicators Ukraine	US\$ 35,000	2003-2004	INTEGRA- TION
UKR/01/51/USA	Ukraine: promoting fundamental principles and rights at work	US\$ 2,300,161	2001-2005	DECLARA- TION
UKR/05/02/FRC	Consolidating the legal and institutional foundations of social dialogue in Ukraine	EUR 660,000	2006-2007	DIALOGUE
UKR/05/50/FLA	Strengthening social dialogue	US\$ 181,378	2006-2007	ITC Turin
RB project (RB 01.4493)	Social dialogue in the civil service	US\$ 40,000	2006-2007	SECTOR

#### **Annex 6: Persons contacted**

#### Table 7: List of persons interviewed

# Workers' Representatives Mr. Oleksandr Yurkin, Chairman, Federation of Trade Unions of Ukraine

- 1. Wil. Oleksandi Turkiri, Chairman, Federation of Trade Officins of Oktaine
- 2. Mr. Grygoriy Ossoviy, Deputy Head, Federation of Trade Unions Of Ukraine
- 3. Vasyl Shilov, Director, Department of International Relations, Federation of Trade Unions of Ukraine
- 4. Mr. Mykhaylo Volynets, President, Confederation of Free Trade Unions of Ukraine, Member of the Parliament
- 5. Olexandr Dzulyk, President, All-Ukrainian Union of Workers' Solidarity (VOST)
- 6. Mr. Yuriy Kyrylo, Vice President, All-Ukrainian Union of Workers' Solidarity (VOST)
- 7. Mr. Serhiy Kondryuk, Federation of Trade Unions of Ukraine (FTUU)
- 8. Mr. Bogdan Overkovsky, Federation of Trade Unions of Ukraine (FTUU)
- 9. Mr. Sergiy Ukrainets, Deputy-Chairman, Federation of Trade Unions of Ukraine (FTUU)
- 10. Mr. Anatoliy Akimochkin, Deputy Head, Confederation of Free Trade Unions of Ukraine (CFTU)
- 11. Mr. Olexander Ryabko, Deputy-Chairman, Trade Union of Metallurgists of Ukraine
- 12. Mr. Volodymyr Dudchak, Head, Chernivtsi oblast' Education and Science Workers' Union (by telephone)
- 13. Mr. Volodymyr Pastushenko, Deputy-Chairman, Donersk Regional Trade Union Council (by telephone)

#### **Employers' Representatives**

- Mr. Volodymyr Gryshchenko, First Deputy Head, Federation of Employers of Ukraine
- 15. Mr. Vyacheslav Bykovets, Vice-President, All-Ukrainian Association of Employers
- Mr. Olexiy Miroshnichenko, Executive Vice-President, Confederation of Employers of Ukraine

#### **Government Representatives**

- Ms. Nadiya Zarko, Head of the Secretariat of the National Tripartite Socio-Economic Council under the President of Ukrain; National Project Coordinator, ILO Declaration Project 2001-2006
- 18. Mr. Mykhaylo Papiyev, Minister of Labour and Social Policy of Ukraine
- 19. Ms. Lidiya Drozdova, First Deputy Minister of Labour and Social Policy
- 20. Ms. Natalia Ivanova, Deputy Minister of Labour and Social Policy
- 21. Mr. Mykola Soldatenko, Deputy Minister of Labour
- 22. Ms. Iryna Tuelets, Director, MLSP Legal Department
- 23. Ms. Gulbarshyn Chepurko, Institute of Staff Training under State Employment Centre of Ukraine
- 24. Ms. Lidiya Amdzhadin, Institute of Staff Training under State Employment Centre of Ukraine

- 25. Mr. Viktor Zhukov, Ph.D., Institute of Staff Training under State Employment Centre of Ukraine
- 26. Mr. Petro Protsenko, Director, Inter-ministerial Training and Attestation Centre of the Institute of Electro Welding
- 27. Ms. Galyna Batsula, Director, Production and Training Centre "Lybid"
- 28. Dr. Anatoliy Vieyevsky, Chief Narcologist, Ministry of Health
- 29. Ms. Nina Baranova, Deputy Director, Centre for Perspective Social Studies of the Ministry of Labour and Social Policy
- 30. Mr. Yuriy Marshavin, Rector, Training Institute of Public Employment Service
- 31. Mr. Dmytro Marshavin, Senior Trainer, Training Institute of the Public Employment Service
- 32. Mr. Volodymyr Stupak, Director, MLSP International and Social Dialogue Department
- 33. Mr. Olexander Yakubenko, Head of Division, MLSP International and Social Dialogue Department
- 34. Ms. Nataliya Vlasenko, State Statistic Committee
- 35. Ms. Nadiya Grigorovich, State Statistic Committee
- 36. Ms. Liudmyla Volynets, Director, Department on Adoption and Child Rights Protection
- 37. Mr. Volodymyr Galitskiy, Director, State Employment Centre
- 38. Ms. Natalia Zinkevich, First Deputy Director, State Employment Centre
- 39. Ms. Marina Egorova, Director, International Relations Department, State Employment Centre
- 40. Ms. Ludmyla Yanevych, General cooperation with the ILO vocational training project
- 41. Mr. Valeriy Sushkevich, Deputy Head of the Committee of the Parliament on the pensioners, veterans and disabled, President of the National Assembly of the Disabled
- 42. Mr. Anatoliy Kinakh, Head of the Federation of Employers, Chairman of the Committee on industrial policy of the Parliament of Ukraine, former Primer Minister of Ukraine
- 43. Ms. Tetyana Pertova, Head of Department, MLSP Employment Policy and Labour Migration Department
- 44. Ms. Svitlana Hordiychuk, Head, Extra Curricular Unit, Department of Education in Donetsk region (by telephone)
- 45. Mr. Hennadiy Petrenko, Chief territorial labour inspector, Kherson region (by telephone)
- 46. Ms. Inna Sergeeva, Head, Department on Job Counselling (PES) (by telephone)
- 47. Ms. Galyna Chupina, Director, Chernivtsi Oblast Employment Centre (by telephone)
- 48. Mr. Oleg Gavrilov, Director, State Labout Inspectorate (SLI) Territorial Branch in Cherkassy (by telephone)

#### **ILO Staff**

- 49. Mr. Stanislaw Cieniuch, Chief Technical Advisor, DECLARATION, ILO, Geneva
- 50. Mr. Sergiy Savchuk, National Project Coordinator, ILO, SRO Budapest
- 51. Ms. Tetyana Minenko, National IPEC Programme Manager, ILO, SRO Budapest

- 52. Ms. Sophia Lytvyn, National ILO/MIGRANT Project Coordinator, ILO, SRO Budapest
- 53. Ms. Larisa Savchuk, Focal Point on HIV/AIDS, ILO Kiev
- 54. Ms. Galyna Meshcheraykova, Assistant to the ILO/MIGRANT project (former representative of the UNDP/ILO project on introduction of flexible vocational traning programmes for the unemployed
- 55. Ms. Larysa Savhuk, Focal Point on HI/AIDS and the World of Work, ILO
- 56. Mr. Vasyl Kostrytsya, National Correspondent in Ukraine, ILO Kiev
- 57. Mr. Ludek Rychly, Senior Social Dialogue Specialists, ILO, Geneva
- 58. Mr. James Windell, Labour Economics, Employment Sector, ILO, Geneva
- 59. Dr. Sabine Beckmann, Senior Technical Specialists, ILO Global Programme on HIV/AIDS, Geneva
- 60. Mr. Igor Vocatch-Boldyrev, Cooperative Branch, ILO, Geneva
- 61. Mr. Vladislav Egorov, Senior Labour Law Specialist, ILO, Geneva
- 62. Ms. Gloria Moreno, Specialist on Labour Migration Issues, ILO, Geneva
- 63. Mr. Moucharaf Paraiso, Director, Evaluation Management and Administrative Sector, ILO, Geneva
- 64. Mr. Azfar Khan, MIGRANT, ILO, Geneva
- 65. Mr. Wael Issa, DECLARATION, ILO, Geneva
- 66. Mr. Christian Hess, ACT/EMP, ILO, Geneva

#### **Other Partners**

- 67. Mr. Vasyl Koval, Director General, Ukrainian Inter-Branch Modular Vocational Training Centre
- 68. Mr. Francis O'Donnell, Resident Coordinator, UN System in Ukraine; UNDP Resident Representative
- 69. Ms. Oksana Kusen, Director, NGO "Armada"
- 70. Ms. Anna Shakarishvili, Country Coordinator, UNAIDS Ukraine
- 71. Ms. Lidiya Andrushchak, Programme Officer, UNAIDS
- 72. Mr. Fredric Larsson, Deputy Chief of Mission, Counter Trafficking Coordinator
- 73. Ms. Anna Antonova, Programme Assistant, Counter Trafficking Programme
- 74. Ms. Olga Kalashnyk, Vice-President, International Women's Right Centre "La Strada" Ukraine
- 75. Ms. Lyudmyla Kovalchuk, Vice-President, International Women's Right Centre "La Strada" Ukraine
- 76. Ms. Larysa Kolos, ex-Head of the Department on Gender Policy, NGO "School of equal opportunities"
- 77. Mr. Mykola Avramenko, Director, Centre for Persons with Disabilities
- 78. Ms. Joanna Kazana, Deputy Representative, UNDP
- 79. Ms. Valery Dyvak, Head of the Occupational Safety and Health Department, Central Institute of Postgraduate Pedagogical Studies
- 80. Mr. Oleksand Okis, Director, National Missing Children Services (NMCS)
- 81. Mr. Sergiy Herbeda, Deputy-Director, National Missing Children Services (NMCS)

82.	Mr. Vasyl Rudenko, Director 2001-2006, National Missing Children Services (NMCS)
83.	Ms. Valentina Diomkina, Head, NGO "Donetsk Youth Debate Centre" (by telephone)
84.	Ms. Olena Mykytas, Head, NGO "Uspishna Zhinka" (by telephone)
85.	Ms. Elvira Mruchkovska, Head, NGO "Suchasnyk" (by telephone)

#### **Annex 7: Documents reviewed**

#### General UN, ILO or donor strategies, plans and reviews

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UN, United Nations Development Assistance Framework (UNDAF), 2006-2010

ILO, Multi-bilateral programme of technical cooperation – Ukraine

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ILO, Independent Evaluation of the ILO's Country Programme of the Philippines: 2000-2005

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- ILO, Final evaluation report of the ILO Multi-Bilateral Technical co-operation project, Ukraine: promoting fundamental principles and rights at work, 2005
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- Annex 2, Template for final report
- ILO, Final technical report of the ILO project: Catalytic Activities on HIV/AIDS in the World of Work
- ILO, Report on the training workshop "Promotion of adequate attitude towards the issue of HIV/AIDS. Catalytic Activities on HIV/AIDS Prevention in the Education Sector of Ukraine" Kiev, 2006
- ILO, Report on the two series of ToTs within the framework of the ILO activities on HIV/AIDS prevention in the world of work in the education sector in Ukraine 16-19 October and 13-16 November 2006

Socio-economic impact of HIV/AIDS in Ukraine

Report on the results of the national seminar "Enhancing trade unions' capacity to combat human trafficking and to eliminate the worst forms of child labour, Kiev, 2005

Report on capitalization of the experiences of the Government of Ukraine, UNDP and ILO project "Introduction of flexible vocational training programmes for the unemployed", Kiev, 2005

Enhancing trade unions' capacity to combat human trafficking and to eliminate the worst forms of child labour, Kiev, 2005

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The World Bank, *Country Brief Ukraine*, 2004, 2005, and 2006, available from: http://lnweb18.worldbank.org/eca/eca.nsf/ECADocByLink/Country%20Briefs?Open Document

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