



**International Labour Organization
Decent Work Country Programme**

**THE DECENT WORK COUNTRY PROGRAMME (DWCP) FOR FYR
MACEDONIA - 2010-2013**

FINAL INTERNAL REVIEW

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ACRONYMS AND ABBREVIATIONS

ALDS	Alternative Labour Dispute Settlement
BCM	Business Confederation Macedonia
CEACR	Committee of Experts on the Application of Conventions and Recommendations
DWCP	Decent Work Country Program
DWT/CO	Decent Work Technical Support Team/Country Office
EO	Employer Organizations
ESA	Employment Service Agency
ESC	Economic Social Council
ILO	International Labour Organization
ILS	International Labour Standards
MLSP	Ministry of Labour and Social Policy
N/A	Non Applicable
NAP	National Action Plan
NEA	National Employment Agency
OEM	Organization of Employers of Macedonia
RBSA	Regular Budget Supplementary Account
SSO	State Statistical Office
TOR	Terms of Reference
TU	Trade Unions

I. EXECUTIVE SUMMARY

1. Program Background

First Decent Work Country Program (DWCP) for FYR Macedonia for the period 2010-2013 was developed through extensive tripartite consultative process that included ILO and its country constituents in the country. The DWCP was signed in June 2010. Three priorities are identified in the DWCP for the period 2010-2013:

1. Capacity of government institutions and the social partners is strengthened to improve the governance of the labour market;
2. Measures to reduce the informal economy are designed in consultation with social partners;
3. Improved working conditions are in place, with the active involvement of the social partners.

For each priority, selected number of outcomes to be achieved (in total 11) and outcome indicators were defined to support the measurement of the progress toward addressing each of the three priorities.

2. Review Background

With this review, six of the eleven outcomes¹ will be examined through extensive desk review and interviews with the representatives of the social partners relevant for the achievement of the outcomes. The review aims to get feedback from the constituents for improving program delivery, inform future programme development and ensure internal and external accountability.

The review will provide summary of results and achievements for each of the eleven outcomes, identify and document lessons learned and good practices, the level of effectiveness under each DWCP priority and recommendations for next steps. The review covers all activities carried under the DCWP from 2010 until the beginning of 2014, excluding the work reviewed in March 2012. The focus of the review will be on progress made for each of the priorities resulting from ILO contributions.

Specialists and management of the ILO DWT/CO Budapest, ILO Regional Office for EUROPE and Central Asia, technical departments at the ILO Headquarters, donors and tripartite constituents in FYR Macedonia are the main clients of this review.

3. Review Methodology

Methodology is based on extensive desk review of all produced documents as part of the DWCP and interviews with representatives of the social partners relevant for the

¹ The current review excludes the work reviewed in March 2012 (RBSA-funded CPOs in 2010-2011). "Review of the RBSA project in the former Yugoslav Republic of Macedonia". The findings of March 2012 RBSA evaluation report are revisited, including the lessons learned and recommendations to determine if they have been relevant and applied.

outcomes examined in the review. Meetings were organized with the ILO National Coordinator as well. When measured the achievements according to defined outcome indicators, three-level scale is utilized: achieved, partially achieved, not achieved. Presentation of preliminary findings for the stakeholders is organized and based on the comments from ILO and its constituents, final report will be prepared.

There are two limitations for this review to be considered: small number of interviewed stakeholders and lack of detailed documentation on some of the implemented activities and deliverables of the program.

4. Summary of Findings

The review examined six outcomes (Priority 1 – 4; Priority 2 – 1; Priority 3 – 1) to measure if they have been achieved and to what level.

Outcome 1.1: Capacity and services of the ESC with more appropriate representativity criteria in place *are improved*.

With ILO technical assistance, new agreement for establishment of Economic and Social Council (ESC) was negotiated. ESC has been established in 2010, based on the defined criteria regarding representativity in the legislation and it represents advisory body for the Government and the Parliament. Seven ILO Conventions are ratified by the FYR Macedonia on initiative of ESC. Nineteen sessions of the ESC has been held by the end of 2013.

Outcome 1.2: Value of employers' and workers' organizations to existing and potential membership through the provision of new or better services *is increased*.

Employers' organizations are providing services to their members for building their capacities in areas important for the growth of the enterprises, but also training on topics that are of interest for their members. Trade Unions take active participation and demonstrate leadership in initiating the ratification of ILO Conventions, but also are engaged in initiating changes in the national legislation based on the ratified ILO Conventions.

Outcome 1.3: An effective labour dispute settlement system *is not established*

ILO implemented numerous activities and provided remarkable technical support to different stakeholders, such as training, guides, manuals, expertise to the working group for amending the legislation related to settlement of labour disputes. However, due to changes in the Government, this process is delayed.

Outcome 1.4: Capacity of tripartite constituents to ratify and apply international labour standards and to fulfil reporting obligations *is strengthened*

Social partners demonstrated their capacities to engage in consultations within the ESC regarding the ratification of ILO Conventions. Proposals for changes in the legislation to reflect the ratified Conventions followed that were adopted by the Parliament. All scheduled reports for 2014 to be submitted by the Government to ILO have been sent.

Outcome 2.3: Decent work opportunities for youth through knowledge and action *are improved*

First ever NAP for youth employment is developed and its implementation started in the second half of 2012 as result of ILO activities for building the capacities of the national stakeholders. Studies and analysis has been prepared to address different aspects of youth employment policies. More than 20.000 young people from all over the country benefited from the implementation of variety of actions planned in the NAP in 2012-2013. Reviews of the NAP have been conducted on annual level and findings are utilized to make modifications and improvements in the NAP targets and activities.

Outcome 3.4: Capacity of social partners regarding minimum wage setting and arrangements for working time *is improved*

For the first time FYR Macedonia regulated minimum wage to ensure security of income for most vulnerable groups of workers as a result of the ILO technical advice and assistance. Decent working time is promoted among social partners and educational materials are provided in Macedonian language.

5. Conclusions and Recommendations

General conclusions and recommendations regarding the implementation of the DWCP are provided below. The specific conclusions and recommendations for each of the outcomes are located in the main findings section. Complete list of the recommendations is provided in Appendix 1. Wherever possible, ILO should encourage and support the social partners, in particular the Government to seek funding for the implementation of the recommendations from the Instrument for Pre-Accession Assistance (IPA) funds available to FYR Macedonia as a candidate country.

DWCP with its defined priorities and outcomes contributed to significant changes in the area of decent work. The program is very relevant for the country context and assists the social partners to face the challenges with ultimate goal to improve the work conditions for the people in the country. Valuable manuals, guidelines, assessments, studies and other type of materials contributed toward improved capacities of the social partners. Majority of them are translated in Macedonian language, but it would be even more useful if all documents are provided in Macedonian language.

Interventions envisioned with the program are effectively implemented, through selecting the most appropriate mode of assistance (workshop, training, technical expertise, support on the job, study visits). The level of effectiveness of the interventions envisioned in DWCP largely depends on the political will for collaboration and implementation of activities in the defined timeframe by the social partners, in particular the government institutions.

In addition, the visibility of the outcomes achieved would be increased if more structured documenting of the individual interventions is done by ILO. For instance,

implementation report from a single intervention including all relevant documents from that intervention, or semi-annual or annual progress reports of the DWCP implementation, would be very helpful for ILO to follow the progress, but also for all social partners to understand if there is a bottleneck that needs to be overcome for achieving the outcomes of the program. ILO uses numerous manuals and guidelines developed in other occasions that are relevant for the country context, thus contributing to the efficient use of resources. Translations in Macedonian language increase the probability that these documents will be accessible to larger group of stakeholders and beneficiaries of the decent work program.

The interventions contributed to establishment of bodies that are part of the system, thus ensuring their sustainability, with ESC being the major example. Also, ratifications of the ILO Conventions promote the need for legislation changes that will improve the working conditions for the people of FYR Macedonia.

There is different level of effectiveness in the implementation of activities related to each of the three priorities, especially taking into consideration that the number of outcomes reviewed for each of the priorities is different. While all four outcomes for Priority 1 were reviewed, in the cases of Priority 2 and Priority 3 only one outcome was reviewed in each. Therefore, the effectiveness among priorities is not comparable. Yet, the level of effectiveness of Priority 1 can be assessed. Twelve outcome indicators were established to measure the progress toward achieving the outcomes in Priority 1. Nine outcomes were fully achieved, one outcome was partially achieved, one was not achieved and for one there were not available information to complete the assessment. The analysis of the available documents and collected data from the interviews shows high effectiveness in the implementation of the activities from Priority 1. The under achieved outcomes depend directly on activities that were not undertaken by the social partners in the country.

Gender issues related to the DWCP were explored by looking into the available documents, but also discussing the issues with the social partners' representatives. While all social partners are aware about the gender issues, their importance and consideration that needs to be given in the implementation of activities are differently understood by the social partners. For majority of the social partners the number of men and women in the activities is the most important consideration of gender issues. The gender is important for equal participation in the activities such as workshops, training events, but the leadership and the decision-making is still predominantly male activity. There is only one women member of the ESC. Federation of Trade Unions revived their women section to encourage women participation in the activities of the FTU, However out of 18 members of the Presidency of the FTU only two are women. All social partners need education about mainstreaming gender issues, particularly in the policies that they affect their constituencies.

General recommendations:

1. Wherever possible, ILO should encourage and support the social partners, in particular the Government to seek funding for the implementation of the recommendations from the Instrument for Pre-Accession Assistance (IPA) funds;
2. The majority of the materials are translated in Macedonian language, but it would be even more useful if all documents are provided in Macedonian language.
3. The visibility of the outcomes achieved would be increased if more structured documenting of the individual interventions is done by ILO.
4. All social partners need education about mainstreaming gender issues, particularly in the policies that they affect their constituencies.

6. Lessons Learned

1. Facilitation of the social dialogue by the ILO is important for building trust among social partners
2. Tripartite functional bodies are powerful mechanism for achieving results and trigger changes in areas of interest for the constituents
3. Regular review and documentation of progress toward defined achievements, as well as modifications of interventions and targets contribute to successful accomplishments

II. INTRODUCTION

1. Decent Work Country Program Background

Decent Work Country Program (DWCP) in FYR Macedonia for the period 2010-2013 was the main instrument utilized by the International Labour Organization (ILO) to support constituents in achieving what represent a national objective. This first DWCP was developed jointly by the ILO DWT/CO Budapest and the constituents in the country. The DWCP was signed in June 2010. The main resources for the implementation of the DWCP were provided from the ILO Regular Budget, technical cooperation projects and from the ILO Regular Budget Supplementary Account (RBSA) in 2010-2011 and 2012-2013.

Three priorities were identified and established for collaboration between ILO and the tripartite constituents in the framework of the DWCP aiming to guide the support provided by ILO. Eleven outcomes were developed for each priority to assist all included parties and in particular ILO to measure the progress toward the accomplishments of the DWCP objectives. A detailed implementation plan, including outcomes, outputs, indicators, was developed as an internal document, along with a Monitoring & Evaluation plan that enabled the Office to organise and monitor its work.

The RBSA projects of 2010-2011 were already evaluated in March 2012 covering five of the eleven outcomes. In Table 1, outcomes that will be reviewed in this report are presented in bold.

Table 1: DWCP Priorities and Outcomes 2010-2013

Country Priority Areas	Country Programme Outcome (CPO)
1. Capacity of government institutions and the social partners is strengthened to improve the governance of the labour market	1.1 Improving capacity and services of the Economic and Social Council and increasing the representation of the constituents
	1.2 Increased value of employers' and workers' organizations to existing and potential membership through the provision of new or better services
	1.3 Establishment of an effective labour dispute settlement system
	1.4 Strengthened capacity of tripartite constituents to ratify and apply international labour standards and to fulfil reporting obligations
2. Measures to reduce the informal economy are designed in consultation with social partners	2.1 Improved knowledge of the tripartite constituents to design recovery packages during economic crises taking into account the impact on women and men
	2.2 Connecting enterprises, work force and community development: Improving the local employment policy development
	2.3 Improving decent work opportunities for youth through knowledge and action
3. Improved working conditions are in place, with the active	3.1 Improved capacity of tripartite partners to implement the new pension system effectively and to improve the administration and governance of the system

involvement of social partners	<p>3.2 The State Labour Inspection more effectively enforces labour and OSH legislation, with a better coordinated inspection system and greater involvement of social partners and other institutions</p> <p>3.3 Improved Gender Equality in the World of Work</p> <p>3.4 Improved capacity of social partners regarding minimum wage setting and arrangements for working time</p>
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2. Review Background

The purpose of the final review of the DWCP is to provide transparent information about the results of ILO's work to all partners of the ILO in the country and feed into country tripartite dialogue on impact, effectiveness and relevance of ILO action at the country level. The review provides:

- a summary of results and achievements per each of the priority areas
- documented good practice examples or success stories
- an analysis of relative effectiveness under each DWCP priority/outcome and areas for improvement
- overall lessons learned, and
- feedback for the next DWCP, including recommendations for the next steps: a) on programming issues and strategies; b) on the design and implementation.

The review was carried out with the participation of the ILO tripartite constituents and includes review of the joint performance in delivering planned outputs and supporting the achievement of outcomes. The review covers all activities carried out under the DWCP from 2010 through the beginning of 2014, excluding the work reviewed in March 2012 (RBSA-funded CPOs in 2010-2011). However, the review takes into account the findings of the "Review of the RBSA project in the former Yugoslav Republic of Macedonia" done in March 2012. The findings of March 2012 RBSA evaluation report are revisited, including the lessons learned and recommendations to determine if they have been relevant and applied.

The review focused on the progress made on tangible outcomes directly resulting from ILO contributions. Key criteria for the review are: 1) adequacy of resources; 2) delivery of outputs; 3) use of outputs by partners; 4) progress made towards outcomes and sustainability of achievements; and 5) emerging risks and opportunities.

The review is done now because the ILO and the constituents in FYR Macedonia are soon going to enter the consultation process for the next DWCP. The review will feed that process at its start.

The main clients of the review are the specialists and management of the ILO DWT/CO Budapest, ILO Regional Office for EUROPE, technical departments at the ILO Headquarters, donors and tripartite constituents in FYR Macedonia.

3. Review Methodology

The review is conducted by an external reviewer. The methodology included extensive desk review of relevant documentation. The process also included meetings/interviews between the consultant and the government, workers' and employers' organizations, as well as meetings with the ILO National Coordinator. The basic questions as a guideline for conducting the interviews were part of the TOR. Preliminary main findings will be presented at a stakeholder roundtable organized by ILO. In summary:

- Review of program documents, including result matrix and evaluation report was conducted
- Documents, research papers, analyses and other relevant information prepared during the implementation of the program were reviewed
- Six meetings/interviews with representatives from the government, trade unions and employers' organizations
- Draft report prepared
- Presentation of preliminary main findings at the round table
- Final review report prepared

The level of achievement according to outcome indicators will be define with the following rating: achieved, partially achieved and not achieved.

There are limitations to this review that need to be taken into account. The short period for the preparation of the review resulted in limited number of representatives from the constituents to be included. In addition, the lack of progress reports on activities, or about the implementation of the program on annual level resulted in fragmented information in different deliveries (research reports, analyses, promotional materials). It would be useful if the monitoring of the progress of activities is documented continuously.

4. Main Findings

Findings are grouped and discussed according to the priorities and outcomes as defined in the DWCP.

4.1. DWCP Priority One: Capacity of government institutions and the social partners is strengthened to improve the governance of the labour market

The first priority in the DWCP consists of four outcomes that are expected to be achieved within the given timeframe. The progress on each outcome is measured through number of indicators.

Table 2: DWCP Priority One and Outcomes

Priority	Outcome
1. Capacity of government institutions and the social partners is strengthened to improve	1.1 Improving capacity and services of the Economic and Social Council and increasing the representation of the constituents
	1.2 Increased value of employers' and workers' organizations to existing and potential membership through the provision of new or

the governance of the labour market	better services 1.3 Establishment of an effective labour dispute settlement system 1.4 Strengthened capacity of tripartite constituents to ratify and apply international labour standards and to fulfil reporting obligations
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Outcome 1.1: Improved capacity and services of the Economic and Social Council with more appropriate representativity criteria in place

The first outcome is related to the functioning of the Economic and Social Council (ESC) and the representation of the constituents. Three indicators are developed to assist in the measurement of progress toward the achievement of the outcome. Summary of the indicators, progress made based on the implemented activities and explanations are provided below in Table 3.

Activities and findings related to Outcome 1.1

The changes in the Law on Labour Relations made in 2009 included new representativity criteria of the social partners. Within the DWCP envisioned activities, ILO supported the process of defining the criteria for representativity in the above mentioned Law. Afterwards, ILO provided intensive assistance in the process of the consultations and negotiations between the Government and the representative social partners on the agreement for the establishment of the ESC. The agreement makes specific reference to ILO Convention 144 on Tripartite Consultation, which has been ratified by FYR Macedonia.

Table 3: DWCP Outcome 1.1 - Indicators and Level of Achievement

Outcome 1.1:		Improved capacity and services of the Economic and Social Council with more appropriate representativity criteria in place
Outcome Indicators	Progress	Explanations
The assessment of the representativity of the social partners is finalized	Achieved	ILO provided technical support to social partners in defining the criteria for representativity Three organizations (two workers' and one employers' associations) are recognized as representative on national level
ESC established and meets regularly	Achieved	ESC has been established and its first meeting was held on September 15, 2010. 19 Sessions of ESC has been organized from September 15, 2010 to December 31, 2013
ESC makes recommendation for ratification of ILO Conventions C187, C177, C183, C181, C 150, C151, C154	Achieved	All seven Conventions were ratified by the Parliament in the DWCP implementation period

As a result of performing administrative checkups to fulfil the criteria for representativity, two workers' and one employer's organizations have been recognized as representative on national level.

On August 25, 2010 the Agreement for the establishment of the ESC was signed between the social partners and ESC started its work on September 15, 2010. The agreement represented significant advance in tripartite social dialogue in the country taking into consideration that ESC was not functioning for more than two years. ESC consists of 12 members: 4 members representing the Government (the Vice Prime Minister for Economic Issues, the Minister for Labour and Social Policy, the Minister for Economy and the Minister for Finance); 4 members representing trade unions (two from the Federation of Trade Unions of Macedonia and two from the Confederation of Free Trade Unions of Macedonia); and 4 members representing employers (all from the Organization of Employers of Macedonia). The role of the ESC is to discuss important bills and national strategies and serves as advisory body to the Government, but also the Parliament. ESC opinion is required before a bill is submitted to Parliament.

All social partners praise the work of the ESC, although not all of them are satisfied² with the representation in the ESC. According to social partners, ESC is a positive example that tripartite consultations and cooperation can function. ILO according to interviewed representatives of the social partner through the National Coordinator played key role for successful establishment of the ESC. The European Commission also noted the work of the ESC in every annual progress report of the country in the last four years. In the latest report released on October 8, 2014 it is stated that “the Economic and Social Council has continued to lead the tripartite social dialogue between the government, employers and trade unions”.

All seven Conventions included in the DWCP were ratified by the Parliament of FYR Macedonia in the period of implementation of DWCP. Conventions were ratified in two groups. First four Conventions (C177, C181, C183, and C187) were ratified on March 20, 2012. The three Conventions (C150, C151, and C154) were ratified on April 10, , 2013.

Conclusions and Recommendations related to Outcome 1.1

Support provided by ILO in the process of establishing the ESC was crucial and social partners are confident that without the assistance of the ILO the tripartite dialogue would not be successful. Also, the supporting role of the National Coordinator was essential in the process of ratification of the ILO Conventions by the FYR Macedonia. Despite the fact that the ESC is functional after many years, the impression is that representatives of employers and workers organizations do not receive complete and on time information about the topics that will be discussed at the upcoming session. In addition, there is a lack of capacities to influence the policy process that is dominated by the Government representatives in the ESC. The following recommendations can be considered to improve the future programming in this area:

1. ILO Regional Office should provide technical assistance to strengthen the capacities of the social partners in the area of creating evidence-based policies

² Social partners that are not representative and do not have a seat into the ESC believe that different criteria should be introduced to assess the representativeness in order small and medium enterprises and trade unions of specific occupations to be represented in the ESC and have their contribution in the social dialogue

and public policy cycle to support their active participation and contribution in the policy making process as members of the ESC. A support teams can be created and trained within the EO and TU that will assist representatives in the ESC on the policies and issue that are going to be discussed by the ESC. Medium importance is associated with this recommendation as it should be planned and implemented throughout the next DWCP.

2. Tripartite constituents need to require from the ESC to increase the transparency and efficiency of its work. The transparency will be increased if the information from the ESC work is available on the website such as the agenda, the reports/minutes from the sessions, follow up steps and activities undertaken by the ESC. The efficiency could be improved with well equipped Unit for Social Partnership at the MLSP that will prepare and distribute all needed materials for the upcoming session of the Council to the members on time. This recommendation is of high importance as it will have direct influence on the improved functioning of the ESC.
3. ILO Country Office needs to assist the social partners to identify ILO Conventions that are important for their constituencies, but still not ratified by the country. This recommendation is characterized with medium importance.

Outcome 1.2: Increased value of employers' and workers' organizations to existing and potential membership through the provision of new or better services

The second outcome of the first priority is related to the need for improved capacities of the employers' and workers' organizations to better serve to their members. The progress toward the achievement of the outcome is measured through four indicators as presented in Table 4.

Activities and findings related to Outcome 1.2

The activities supported by ILO that contribute to the achievement of this outcome are mainly part of regional projects. Representatives of the employers' and workers' organizations participated in four workshops and training events to strengthen their organizations: development of strategies, action plans, preparation of project proposals. During 2010 two representatives from the employers' organizations participated in the workshop on effective strategies for meeting the challenges of social and economic changes in Western Balkan countries. Also, four representatives from the social partners attended a conference about governmental action to boost collective bargaining in the Western Balkan countries and Moldova. In 2011, employers' organization representatives participated in a conference about strengthening social dialogue to meet post-crisis opportunities and challenges.

Table 4: DWCP Outcome 1.2 - Indicators and Level of Achievement

Outcome 1.2:	Increased value of employers' and workers' organizations to existing and potential membership through the provision of new or better services	
Outcome Indicators	Progress	Explanations
EO's submit legislative amendments reflecting transposed EU Directives by end of 2013	N/A	There is no available information in the provided documents what kind of activities were undertaken to be measured through this indicator It can be further discussed if the outcome indicator as defined represent the activities undertaken toward the achievement of outcome
EO's undertake training to support viable and sustainable enterprises	Achieved	The experience of the representatives from the employers' organizations in participating in different training events for strengthening the institutional capacities also equipped them with skills to start to organize training for their members on important and relevant topics for the enterprises
Trade unions better involved in promotion of the ILS in national legislation and in the ILO's supervisory mechanisms	Achieved	Trade unions have initiated the ratification of the ILO Conventions through the ESC, but also undertook activities for legislation changes to reflect the ILS that are part of the ratified Conventions
Capacity of TU's build in promoting freedom association and collective bargaining at private sector and enterprise levels, based on ILO fundamental Conventions and EU legal instruments	Achieved	Representatives of TUs participated in workshops, seminars and conferences to increase the capacities of collective bargaining, which resulted in active participation of TU representatives in governance bodies of state institutions to shape national policies and advocate for their constituents. TU organized national campaign for opening social dialogue on local level.

The support provided by ILO to employers' and workers' resulted in significant improvement of their capacities. Representatives of the Organizations of Employers of Macedonia (OEM) are members of the Board in relevant government institutions such as in the Agency for Employment and in the Fund for Pension Insurance where they have opportunity to represent the views and opinions of their members. According to the OEM representatives, they have gone through numerous training events and workshops about development of strategies, action plans. Based on the acquired knowledge, OEM began to offer training to its members in 2014 on commercial basis. Each interested member to participate in the events organized by OEM should pay a fee. Seminars on three topics have been offered to the members by the end of September: collective bargaining – the central point of the social dialogue, cancelling the work contract by the employer for different reasons and protection from mobbing at work. Also, OEM provides interpretation of provisions of legislation and/or collective agreements or other regulations that are of interest for the members. The experience from the introduction of services is positive, since there is more interest for participation of members'

representatives for a fee, compared to when these kind of services were offered free of charge. In addition, OEM started with preparation of project proposals submitted to different donors for funding, but they need more support in this area to be successful, in particular they need assistance in the process of developing the proposal.

Business Confederation Macedonia (BCM) based on the requests from its members and the analysis conducted is in the process of opening of Training and Education Center aiming to provide services for development of skills, competencies and non-formal practical knowledge for the employers, employees, entrepreneurs and other interested citizens. BCM key activity will be to increase and strengthen the competencies and skills for managing the business in targeted fields such as managing trade, human resources management, marketing, management of export and import.

Both EO's supported by ILO consulted their members in a research about the conditions for doing business in the country. As a result of the survey, key areas have been identified that constraint the business climate in the country. For each of the key areas, recommendations were developed in order to contribute for faster business development.

EO's are aware that provision of services that are interesting and useful for their members will attract new potential members contributing directly to the sustainability of the organizations. The newly acquired knowledge and skills from the training events supported with the DWCP are transferred to the members of the organizations in workshops or presentations organized by the participants at specific training events.

Trade unions also share the knowledge and skills with their members on national but also on local level and are active in developing social dialogue on local level. According to them the capacities of their members on local level is extremely important in order to be active participants in the social dialogue and dealing with issues that are concern for their members in specific branches or in specific geographic location. Trade unions are active in policy making activities about poverty reduction, as well as promoting creation of new job positions. In this regard, during the last two years, trade unions have undertaken successful campaigns for establishing local Economic Social Councils in 6 municipalities. Also, representatives of TU participate in projects implemented by the National Employment Agency (NEA) aiming to address unemployment, but also TU representatives are members of the Executive Board of NEA. Membership in the Board is opportunity for the TU to actively influence the policies of the Agency toward the issue of reducing the unemployment, thus contributing toward the reduction of poverty. ILO Conventions and recommendations are utilized to address the ILS in the national legislation and submit amendments to respective legislation that should be harmonized according to ILO Conventions.

Conclusions and Recommendations related to Outcome 1.2

Both organizations (employers' and workers') are aware that based on the services they provide to their members, the value of their organization will increase. Organizations are knowledgeable about the need to intervene in the national legislation in order international labour standards to be reflected based on the ratification of ILO Conventions. Based on the knowledge and skills obtained from participation in training and seminars organized by ILO, OEM organized capacity building activities for the members and as of the beginning of 2014 a fee is charged for the services provided.

Recommendations for improving the future programming:

4. ILO could provide coaching to the employers' and workers' organizations in preparation and submission of legislative amendments that reflect the international labour standards. Expert support on the job for a team that would be responsible for preparing legislative amendments would be more effective compared to training. This recommendation is characterized with medium importance.
5. ILO should assist the employers' organizations in developing and conducting a survey to identify the needs of their members in order to create services that address the members' requirements, but also to attract new members. EO could be supported to develop the questionnaire in order to include questions that will capture relevant data for the aim of the survey, but also for preparing the analysis and creating the service packages for their members. EO should secure the funding for the implementation of the survey, while ILO should provide the expertise to lead the EO through the process. This recommendation is of high importance, since it is a prerequisite for developing services that will address the needs of the EO members
6. Training of trainers should be organized for the TU representatives on ILS by ILO. Trainers will be required to deliver training for TU members on local level to strengthen their capacities. Training schedule should be planned and resources should be secured by the TU for the events on local level. This recommendation is characterized with medium importance.

Outcome 1.3: Establishment of an effective labour dispute settlement system

Effective labour dispute settlement system is another outcome that should demonstrate strengthened capacities of the social partners to better govern the labour market. Three outcome indicators have been developed to measure the progress. Summary of the indicators, progress made based on the implemented activities and explanations are provided below in Table 5.

Activities and findings related to Outcome 1.3

ILO provided advisory services and exposure to European good practice on alternative labour dispute settlement mechanisms for the government officials and representatives of the social partners. Technical support was also given in the establishment of operational mechanisms for peaceful settlement of labour disputes as well as the promotion of the ratification of ILO Conventions 151 and 154, which serve as guiding

tools for establishing effective dispute resolution mechanism. ILO Guide on prevention and resolution of labour disputes in the public sector was translated into Macedonian language and used at a workshop on labour dispute resolution in the public sector. Also, a gap analysis on compliance with the ILO Convention 151 was carried out. ILO new Guide on Labour Dispute Systems was also translated to provide practical guidance for the Ministry officials and the social partners.

Members of the ESC, members of the working groups for amending the Law on Peaceful Settlement of Labour Disputes and mediators received training on how to establish effective mechanisms for dispute settlement. ILO supported the working groups to submit options to the MLSP for establishing cost-effective mechanisms for dispute settlement.

Table 5: DWCP Outcome 1.3 - Indicators and Level of Achievement

Outcome 1.3:	Establishment of an effective labour dispute settlement system	
Outcome Indicators	Progress	Explanations
Applications for conciliation/mediation of labour disputes are submitted and processed	Not achieved	Despite the engagement of ILO to provide technical support and expertise the labour dispute settlement system is not established yet
Number of mediators and arbiters trained	Partially achieved	Three training events for representatives of the constituents related to prevention of labour dispute Approximately 100 participants attended the workshops There was a lack of structured process for recruiting and educating people interested to be mediators and arbiters
Ratification and effective implementation of Convention No. 151	Achieved	The ratification of the Convention 151 is measured in another indicator as well. Trade unions mentioned in several occasions that activities for changes of the national legislation has been initiated in order to comply with the standards defined in the ILO Convention 151 It is also very difficult to measure if the implementation is effective, especially when criteria for what represent 'effective' are not present

During 2011 and 2012, three workshops were organized by ILO to strengthen the capacities of the constituents regarding the labour disputes and their settlements. The first workshop dealt with the best practices on dispute prevention and resolution in public services labour relations. The second workshop focused on the legal and

institutional frameworks of Amicable Resolution of Labour Dispute and it was targeting professionals that would like to be mediators. The third workshop examined the labour disputes prevention and settlement in the public service.

EOM organized seminars for prevention and settlement of labour disputes for its members at the enterprise level. The goal of the seminars was to provide support to enterprises to better handle labour disputes, but also to provide review of the legislative and institutional frameworks for peaceful settlement of labour dispute, with an emphasis on the European practices. The changes in the Law have been adopted in February 2014, but the provisions will come into force at the beginning of 2015.

According to social partners, opportunities given in the DWCP has not been utilized to its maximum to establish effective labour dispute settlement system

Conclusions and Recommendations related to Outcome 1.3

ILO undertook envisioned activities that would contribute to the achievement of the outcome, but changes in the Government delayed the establishment of an effective labour dispute settlement system. In addition, training events related to the issue of labour disputes were organized, but not all of the participants were targeted as future mediators for the labour disputes. Although more than 100 participants attended the workshops, it cannot be concluded that a group of mediators is trained, but rather a group of representatives from constituents are educated related labour dispute processes and their settlement.

It is recommended that in future programming the following interventions are considered:

7. ILO should provide expert advice to the Government to review the options for establishing cost-effective mechanism for labour disputes settlements and to encourage the Government to introduce the mechanism, but also to train responsible units for the implementation of the mechanism. The Government should secure the funding with support from ILO from the available EU funding instruments. This recommendation is of high importance, since the establishment of the mechanism is necessary to start the process of creating the structure of the system such as trained mediators and arbiters.
8. ILO and social partners need to review the activities envisioned within the two outcome indicators that has not been fully achieved, redefine them if necessary and make them part of the future DWCP. A high importance is associated with this recommendation because dispute settlement system even if established cannot function without developed structure and skilled individuals that will serve as mediators and arbiters.
9. Once the mediators and arbiters are trained social partners can engage them to educate their constituents about the benefits from using the labour dispute settlement system. This recommendation is characterized with low importance,

because other activities need to be implemented first to create the opportunity for the implementation of this recommendation.

Outcome 1.4: Strengthened capacity of tripartite constituents to ratify and apply international labour standards and to fulfil reporting obligations

The fourth outcome expected to be achieved within the first priority is related to the capacities of the social partners to undertake initiatives for ratification of ILS and in the same time to be able to fulfil reporting obligations. Two indicators have been developed for this outcome. Summary of the indicators, progress made based on the implemented activities and explanations are provided below in Table 6.

Activities and findings related to Outcome 1.4

ILO presented the Manual on Collective Bargaining and Dispute Resolution in the Public Service in 2011. The National Coordinator followed up on the ratification efforts with the Economic and Social Council, the Presidency and the Parliament.

According to the information on the ILO website³ regarding the submission of reports by the Government institutions about the implementation of the selected Conventions, all reports that were scheduled for submission for 2014, have been submitted.

Table 6: DWCP Outcome 1.4 - Indicators and Level of Achievement

Outcome 1.4:	Strengthened capacity of tripartite constituents to ratify and apply international labour standards and to fulfil reporting obligations	
Outcome Indicators	Progress	Explanation
Government initiates consultations with the social partners regarding ratification of ILO Conventions Nos. 94, 151 and 154	Achieved	ILO provided support to the social partners by presenting the Manual on Collective Bargaining and Dispute Resolution in the Public Service. Conventions are ratified by the FYR Macedonia
Number of pending ILO instruments submitted to the competent authorities	Achieved	According to CEACR there is a significant progress in submitting reports on the implementation of the ILO Conventions For 2014 all reports scheduled for 2014 are submitted First reports for the Conventions 177, 181, 183 and 187 are submitted

The activities for ratification of ILO Conventions has been undertaken through the ESC as a tripartite body, where all social partners have opportunities to discuss and agree on suggesting to the Government and Parliament to ratify selected Conventions. Social

³ http://www.ilo.org/dyn/normlex/en/?p=1000:14000:0::NO:14000:P14000_COUNTRY_ID:103555

partners valued the guidance and support received by the ILO National Coordinator regarding the ratification process.

Conclusions and Recommendations related to Outcome 1.4

The DWCP encouraged the process of ratification of ILO Conventions, but also increased the understanding by the social partners about the value of each of the Conventions to be ratified and what types of changes in the national legislation should be undertaken in order ILS to be implemented. For the future programming, the following recommendations should be considered:

10. ILO could provide guiding and coaching to the representatives of the employers' and workers' organizations to increase their capacities for submission of observations on ratified conventions. Technical assistance should be provided during the preparation of the first observations by providing feedback on the content prepared by EO and TU. Social partners should themselves identify internal human resources that can be responsible for the preparation of the observations. ILO should provide time schedule if/when available about the deadlines for submission and advice on the time needed for observations to be prepared. It is of high importance that discussions for the implementation of this recommendation start early, so there is enough time for the preparation of the first observations.
11. Social partners, in particular workers' organizations should analyze and select the next group of ILO Conventions that should be ratified by the country. Workers' organizations should open discussion about the issues important for their constituents that need to be addressed and consult with ILO Country Office, which Conventions cover these issues. Selected Conventions should be submitted for discussion at the ESC to open the process for their ratification by the Parliament. At the same time, a debate about the national legislation that should be amended to reflect the standards from the Conventions should be opened. This should be continuous activity during the implementation of the next DWCP with medium importance.

4.2. DWCP Priority Two: Measures to reduce the informal economy are designed in consultation with social partners

Within the Priority Two, three outcomes have been expected to be achieved through the implementation of activities envisioned with the DWCP as presented in Table 7.

Table 7: DWCP Priority Two and Outcomes

Priority	Outcomes
2. Measures to reduce the informal economy are designed in consultation with social partners	2.1 Improved knowledge of the tripartite constituents to design recovery packages during economic crises taking into account the impact on women and men 2.2 Connecting enterprises, work force and community development: Improving the local employment policy development 2.3 Improving decent work opportunities for youth through

The activities for the first two outcomes (MKD129 and MKD127) were reviewed under RBSA evaluation in March 2012. The third outcome is related to improving decent work opportunities for young people. Two indicators have been established to measure the progress toward achieving the outcome. Summary of the indicators, progress made based on the implemented activities and explanations are provided below in Table 8.

Outcome 2.3: Improving decent work opportunities for youth through knowledge and action

Activities and findings related to Outcome 2.3

The activities for improved knowledge on youth labour market transitions undertaken and supported by the ILO included research and analysis aiming to provide base for development of national and local policies that will tackle the unemployment of the largest and most vulnerable group – young people. In May 2012, a workshop was organized in Turin for representatives of tripartite constituents about designing youth employment policies, as well as how to plan other measures base on the available data and analysis regarding the labour market. In addition, ILO provided continuous technical assistance in the process of developing the youth employment plan with technical expertise of different ILO programs including ILO Skopje, ITC Turin, the DWT in Budapest, and the ILO Youth Employment Programme.

In collaboration with the Master Card Foundation and State Statistical Office and as part of the project Work4Youth, ILO supported preparation of analysis *Labour Market Transitions of Young Women and Men in the Former Yugoslav Republic of Macedonia* in July 2013. Set of data collected for the preparation of the report are utilized as a baseline data against which the progress in the implementation of the National Action Plan (NAP) will be measured.

The NAP for youth employment was developed and adopted by the Government in 2012 and covers the period until 2015. ILO supported the progress review of the NAP in two occasions – in 2013 and in 2014, with participation of 27 representatives from the social partners. According to the findings from the review, for the period 2012-2013 more than 20.000 young people benefited from the activities planned in the NAP. The Employment Service Agency (ESA) provided employment services to 11.266 young people around the country. In addition, for the same period 1.161 participated in training on topics such as information technology skills, training for known employer and occupations in demand on the labour market. 7.900 young people in 38 secondary schools attended career education elective course. 638 young people established youth businesses supported by loans and grants. Additional 100.000 young people received information regarding the potential employment opportunities from the 34 branches of ESA outside Skopje.

Table 8: DWCP Outcome 2.3 - Indicators and Level of Achievement

Outcome 2.3: Improving decent work opportunities for youth through knowledge and action		
Outcome Indicators	Progress	Explanation
Improved knowledge on youth labour market transitions and capacity building on labour market information analysis	Achieved	The knowledge acquired at the workshops organized by ILO regarding the preparation of action plan for youth employment directly contributed to the final product – National Action Plan for youth employment. Documents produced with support of ILO i.e. the findings in the documents or the guidance provided in the documents assisted the involved parties in the development of the NAP for youth employment
Development of National Action Plan (NAP) for youth employment	Achieved	ILO provided substantial technical support and guidance in the preparation of the first ever NAP for youth employment. Moreover, ILO provided support in the implementation through the support of the annual reviews of the NAP implementation

The implemented activities supported by the ILO completely contributed to the achievement of the Outcome 2.3 through the measuring the two defined indicators. Although, according to the outcome indicator ILO should have supported the development of the NAP for youth employment as part of the DWCP, the support went beyond this definition. ILO supported the review of the NAP in two occasions (annual review), and according to the representative of MLSP they requested technical support for the development of the new NAP (2016-2020) that is approved by ILO.

ILO support and guidance for addressing the youth unemployment and the development of the NAP in the country included numerous events (seminars, workshops, training). It started with a seminar on youth employment in crisis and time for action in March 2012, attended by 31 participants. After this event, the workshop for the development of the NAP in May 2012 was organized with participation of 13 representatives from all relevant institutions and organizations.

Representatives from the social partners actively participated in the process of development of NAP, but also in the review of the implementation of NAP. Representatives from each of the social partners expressed satisfaction about their involvement in the consultative process and in the implementation of the activities supported by ILO aiming to improve the decent work opportunities for youth. Social partners valued the provided documents regarding the preparation of the NAP such as the *Guide for the Preparation of National Action Plans for Youth Employment*, but also the guidance provided in the process of actual preparation of the NAP and in the review of the progress toward the targets stated in the NAP. Representatives from the social partners will be also part of the working group that will work on the preparation of the new NAP. Social partners believe that their contribution would be even more effective if

all documents are available in Macedonian language and if the knowledge of English language is not requirement for participation in capacity building activities.

ILO established partnership with the MasterCard Foundation to address the crisis and promote decent work for young women and men. The goal of the partnership “Work4Youth” is to improve youth employment policies and programmes through better knowledge of the youth employment challenge at national, regional and global levels, as well as through the application of good practices. The report developed as part of the Work4Youth project provides valuable recommendations that directly affect the NAP and its implementation emphasizing 12 main areas of action to be closely monitored. The dataset can contribute in providing policy-makers with information to initiate, monitor and evaluate policies and programs outlined in the NAP.

Conclusions and Recommendations related to Outcome 2.3

Support provided by ILO in developing youth employment policy was essential for the country to develop its first NAP for youth employment, but also to monitor its implementation, reflect on the progress and modify activities based on the feedback from the conducted annual reviews. Participation of all stakeholders in the process of consultations, capacity-building and development of the NAP, contributed to understanding the importance of the implementation of NAP among all social partners.

ILO implemented variety of activities to provide support and guidance in the development and implementation of the NAP. Representatives from all social partners, but also civil society actors had opportunity to participate in the events and contribute in the discussions regarding the priorities and activities that should be included in the NAP. The approach utilized by ILO in the events regarding the development of the NAP and the review of the progress in the implementation of the NAP ‘to educate and engage at the same time’ is valued by the representatives from the constituents interviewed for this review. Participants at the events had an opportunity to get new knowledge and updated information before being involved in discussions for developing the content for the NAP.

Recommendations for improving future programming and support for this outcome:

12. The Government should commission preparation of analysis/models about successful examples and models in combating youth unemployment from the region and Europe that can guide the actors involved in the implementation of this employment policy how to proceed. This action is of high importance due to the slow progress on reducing youth unemployment.
13. ILO should continue to support the development of youth employment policies by providing training to the MLSP unit responsible for youth employment to support the decision-makers in the development of policies that will address the low progress on decreasing the youth unemployment on national level. This recommendation is characterized with medium importance.

14. It is of high importance that ILO provides technical expertise to social partners in developing proposals for IPA funding to address activities envisioned in the NAP for youth employment. Consultants that will guide the social partners in developing the proposals step by step would be optimal type of assistance, because the knowledge will be transferred directly to social partners and their capacities will be increased. .
15. Social partners should collaborate among themselves and with the ESA to develop and organize workshops for creating employment programs that respond to the requirements on the labour market targeting the youth. Working group for the development of the workshops with participation of representatives from all social partners can be established that will be responsible for the implementation of this activity. This activity is of medium importance and can be organized for the duration of the next DWCP.
16. ILO should provide technical support to the Government to learn how to embed the practical component in the high school education. It is necessary to increase the level of practical experience gained through the education process, especially for the vocational education. This measure will increase the readiness of young people for successful presentation on the labour market. A study visit to a country from the region that represent good practice of combination between the theory and practice in the education contributing to better employability of youth could be identified and organized by the Government in collaboration with ILO. This recommendation is characterized with low importance.
17. The Government, in particular MLSP and ESA should analyze the available data about the youth unemployment in the country by regions and develop measures that will address the youth unemployment in the regions with highest unemployment. ILO could support the process with experiences, publications and reports from other countries where this problem has been addressed. Compared to other recommendations in this area, this one has low importance.

In general for Priority 2, social partners would like to see more support for the implementation of the Law on Combating the Informal Economy. The law is in procedure for adoption, but the concern is regarding its implementation.

4.3. DWCP Priority 3: Improved working conditions are in place, with the active involvement of social partners

The third priority in the DWCP 2010-2013 is expected to be addressed with the achievement of four outcomes as presented in Table 9.

Table 9: DWCP Priority Three and Outcomes

3. Improved working conditions are in place, with the active involvement of social partners	3.1 Improved capacity of tripartite partners to implement the new pension system effectively and to improve the administration and governance of the system 3.2 The State Labour Inspection more effectively enforces labour and OSH legislation, with a better coordinated inspection system and
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greater involvement of social partners and other institutions

3.3 Improved Gender Equality in the World of Work

3.4 Improved capacity of social partners regarding minimum wage setting and arrangements for working time

The activities for the first three outcomes (MKD152, MKD103, MKD151, and MKD153) have been reviewed as part of the RSBA review conducted in March 2012. The achievement of the fourth outcome is monitored through the measurement of the two defined indicators. Summary of the indicators, progress made based on the implemented activities and explanations are provided below in Table 10.

Outcome 3.4: Improved capacity of social partners regarding minimum wage setting and arrangements for working time

Activities and findings related to Outcome 3.4

ILO promoted the need for establishing the minimum wage among the social partners aiming to ensure that the most vulnerable groups of workers have basic income security. ILO supported preparation of series of studies to measure the effects of the financial crisis over the wages in the country, the existing mechanisms for calculation of the wages and the benefits from establishing a minimum wage. The study encourages debate among the social partners regarding the wages, not only in crisis but also during growth recommending discussions about current and potential mechanisms and utilization of the most suitable ones for the country context, but also for the benefit of the workers.

ILO provided technical support to monitor the effects of minimum wage, followed with facilitating a national tripartite consultation on the effects of the minimum wage with a view to identify agreed recommendations to the Minimum Wage Law.

In addition, ILO provided technical support regarding the decent working time through publishing the guide *Decent Working Time* in Macedonian language.

Table 10: DWCP Outcome 3.4 – Indicators and Level of Achievement

Outcome 3.4:		Improved capacity of social partners regarding minimum wage setting and arrangements for working time
Outcome Indicators	Progress	Explanation
Capacity of social partners is increased with regard to minimum wage setting	Achieved	On January 23, 2012, the Parliament adopted the Law on Minimum Wage, which implementation started on February 1, 2012 including the January 2012 salaries. ILO provided capacity building to social partners to collaborate and negotiate with the Government regarding the proposed solution for the minimum wage setting.
Capacity of the constituents is increased with regards to the various forms of working time arrangements which exist and	Achieved	ILO provided capacity building for the social partners In 2013, ILO published in Macedonian language

their effectiveness in promoting equality in opportunities and enterprise competitiveness		guide for Decent Working Time
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The FYR Macedonia introduced a statutory minimum wage in 2011 (law on minimum wages) which came into effect in 2012. ILO support throughout the process of consultations and agreement regarding the minimum wage is considered valuable by all social partners. Not all partners are satisfied with the adopted method for calculating minimum wage, but all of them agree that it is up to them to open discussions for possible changes in the legislation. On a policy level it is very important that the country addressed the issue of minimum wages.

Conclusions and Recommendations related to Outcome 3.4

With the envisioned support in the DWCP to achieve the Outcome 3.4, ILO assisted in the development of the country wage policy. Various studies, researches and analysis were prepared in the process of consultation of the social partners to provide evidence about the role, importance and applicability of different models of minimum wage setting. Minimum Wage Law adopted in late 2011, come into force at the beginning of 2012 and adjustments on annual level are done based on the national average salary for the previous year. As for the improvements in the area of decent working time, ILO provided capacity building for the social partners as envisioned in the DWCP.

Recommendations for improving future programming and support for this outcome:

18. Social partners need skills to monitor the effect of the minimum wage in order to assess the effectiveness of the measure and to undertake activities for modifications if needed based on the assessment, which is of high importance. ILO could provide consultant to assist the social partners to conduct the monitoring through developing a monitoring system that in future will guide the social partners in the monitoring process of the effectiveness.
19. Based on the findings from the monitoring of the minimum wage effectiveness and with medium importance, ILO Country Office could facilitate discussions if social partners want to open debate about the criteria for minimum wage calculation based on the experience from the implementation
20. ILO could train representatives from the relevant state institutions such as State Statistical Office (SSO) on data collection and analysis related to minimum wage that will provide information for evidence-based policy making about the minimum wage. Once the knowledge is institutionalized, SSO can collect data and provide summarized analysis to all social partners, but also data could be used by other researches. This recommendation has medium importance.
21. ILO should continue to support the strengthening of the social partners' capacities regarding the decent working time, through providing guides, manuals and other publications, if possible translated in Macedonian language. Social partners should make efforts to translate these materials in other local languages if needed. Provided materials should be used by the EO and TU to transfer the

knowledge regarding the decent working time to their constituents. Compared to the other recommendations from this priority this one is characterized with low importance.

5. Lessons Learned and Emerging Good Practices

Lessons Learned

Through the review process of the interventions that contributed toward the achievement of the outcomes that are subject to this review, the following lessons learned surfaced:

- Social dialogue that is facilitated with respect for each individual partner views and opinions increase the trust among the social partners. The step by step process in the establishing of the ESC where the three social partners are represented and the guidance provided by ILO directly influenced the functioning of this tripartite body. Despite the disagreements regarding the criteria for representativity to participate in the ESC, without exception all social partners value the work and function of the Council.
- Stronger social partners and a well functioning ESC contribute to economic and social development of the country. In only three years (2010-2013), eight ILO Conventions are ratified by the FYR Macedonia. Previously, between 1991 (when majority of ILO Conventions were ratified through succession) and 2010, only 3 ILO Conventions have been ratified.
- Regular review of the progress of implemented interventions, increase the commitment of social partners to provide input and to promote the initiatives. The case with the development of the first ever National Action Plan for youth employment and the annual monitoring of progress is highly valued by the social partners. This example can be utilized to encourage the social partners in future to review the progress and achievements of the implementation of activities from the next DWCP on annual basis. A well structured review process, with opportunities to contribute in the review by providing data and suggestions for modifications/changes where the progress is lagging behind can increase the commitment and ownership of the social partners.

Good Practices

The development, implementation and review of the National Action Plan for youth employment qualify for a good practice that can be replicated for similar processes in country in future. Establishing a practice of regular monitoring of the implemented activities through receiving structured feedback from all involved social partners and modifying the future interventions based on the findings is essential for successful implementation of activities and achievements of the NAP goals in this case.

6. Appendices

Appendix 1: List of Recommendations

Priority 1: Capacity of government institutions and the social partners is strengthened to improve the governance of the labour market	
1.	ILO Regional Office should provide technical assistance to strengthen the capacities of the social partners in the area of creating evidence-based policies and public policy cycle to support their active participation and contribution in the policy making process as members of the ESC. A support teams can be created and trained within the EO and TU that will assist representatives in the ESC on the policies and issue that are going to be discussed by the ESC. <i>Medium importance</i> is associated with this recommendation as it should be planned and implemented throughout the next DWCP.
2.	Tripartite constituents need to require from the ESC to increase the transparency and efficiency of its work. The transparency will be increased if the information from the ESC work is available on the website such as the agenda, the reports/minutes from the sessions, follow up steps and activities undertaken by the ESC. The efficiency could be improved with well-equipped Unit for Social Partnership at the MLSP that will prepare and distribute all needed materials for the upcoming session of the Council to the members on time. This recommendation is of <i>high importance</i> as it will have direct influence on the improved functioning of the ESC.
3.	ILO Country Office needs to assist the social partners to identify ILO Conventions that are important for their constituencies, but still not ratified by the country. This recommendation is characterized with <i>medium importance</i> .
4.	ILO could provide coaching to the employers' and workers' organizations in preparation and submission of legislative amendments that reflect the international labour standards. Expert support on the job for a team that would be responsible for preparing legislative amendments would be more effective compared to training. This recommendation is characterized with <i>medium importance</i> .
5.	ILO should assist the employers' organizations in developing and conducting a survey to identify the needs of their members in order to create services that address the members' requirements, but also to attract new members. EO could be supported to develop the questionnaire in order to include questions that will capture relevant data for the aim of the survey, but also for preparing the analysis and creating the service packages for their members. EO should secure the funding for the implementation of the survey, while ILO should provide the expertise to lead the EO through the process. This recommendation is of <i>high importance</i> , since it is a prerequisite for developing services that will address the needs of the EO members
6.	Training of trainers should be organized for the TU representatives on ILS by ILO. Trainers will be required to deliver training for TU members on local level to strengthen their capacities. Training schedule should be planned and resources should be secured by the TU for the events on local level. This recommendation is characterized with <i>medium importance</i> .
7.	ILO should provide expert advice to the Government to review the options for establishing cost-effective mechanism for labour disputes settlements and to encourage the Government to introduce the mechanism, but also to train responsible units for the implementation of the mechanism. The Government should secure the funding with

	support from ILO from the available EU funding instruments. This recommendation is of <i>high importance</i> , since the establishment of the mechanism is necessary to start the process of creating the structure of the system such as trained mediators and arbiters.
8.	ILO and social partners need to review the activities envisioned within the two outcome indicators that has not been fully achieved, redefine them if necessary and make them part of the future DWCP. A <i>high importance</i> is associated with this recommendation because dispute settlement system even if established cannot function without developed structure and skilled individuals that will serve as mediators and arbiters.
9.	Once the mediators and arbiters are trained social partners can engage them to educate their constituents about the benefits from using the labour dispute settlement system. This recommendation is characterized with <i>low importance</i> , because other activities need to be implemented first to create the opportunity for the implementation of this recommendation.
10.	ILO could provide guiding and coaching to the representatives of the employers' and workers' organizations to increase their capacities for submission of observations on ratified conventions. Technical assistance should be provided during the preparation of the first observations by providing feedback on the content prepared by EO and TU. Social partners should themselves identify internal human resources that can be responsible for the preparation of the observations. ILO should provide time schedule if/when available about the deadlines for submission and advice on the time needed for observations to be prepared. It is of <i>high importance</i> that discussions for the implementation of this recommendation start early, so there is enough time for the preparation of the first observations.
11.	Social partners, in particular workers' organizations should analyze and select the next group of ILO Conventions that should be ratified by the country. Workers' organizations should open discussion about the issues important for their constituents that need to be addressed and consult with ILO Country Office, which Conventions cover these issues. Selected Conventions should be submitted for discussion at the ESC to open the process for their ratification by the Parliament. At the same time, a debate about the national legislation that should be amended to reflect the standards from the Conventions should be opened. This should be continuous activity during the implementation of the next DWCP with <i>medium importance</i> .
Priority 2: Measures to reduce the informal economy are designed in consultation with social partners	
12.	The Government should commission preparation of analysis/models about successful examples and models in combating youth unemployment from the region and Europe that can guide the actors involved in the implementation of this employment policy how to proceed. This action is of <i>high importance</i> due to the slow progress on reducing youth unemployment.
13.	ILO should continue to support the development of youth employment policies by providing training to the MLSP unit responsible for youth employment to support the decision-makers in the development of policies that will address the low progress on decreasing the youth unemployment on national level. This recommendation is characterized with <i>medium importance</i> .
14.	It is of <i>high importance</i> that ILO provides technical expertise to social partners in developing proposals for IPA funding to address activities envisioned in the NAP for youth employment. Consultants that will guide the social partners in developing the proposals step by step would be optimal type of assistance, because the knowledge will be

	transferred directly to social partners and their capacities will be increased. .
15.	Social partners should collaborate among themselves and with the ESA to develop and organize workshops for creating employment programs that respond to the requirements on the labour market targeting the youth. Working group for the development of the workshops with participation of representatives from all social partners can be established that will be responsible for the implementation of this activity. This activity is of <i>medium importance</i> and can be organized for the duration of the next DWCP.
16.	ILO should provide technical support to the Government to learn how to embed the practical component in the high school education. It is necessary to increase the level of practical experience gained through the education process, especially for the vocational education. This measure will increase the readiness of young people for successful presentation on the labour market. A study visit to a country from the region that represent good practice of combination between the theory and practice in the education contributing to better employability of youth could be identified and organized by the Government in collaboration with ILO. This recommendation is characterized with <i>low importance</i> .
17.	The Government, in particular MLSP and ESA should analyze the available data about the youth unemployment in the country by regions and develop measures that will address the youth unemployment in the regions with highest unemployment. ILO could support the process with experiences, publications and reports from other countries where this problem has been addressed. Compared to other recommendations in this area, this one has <i>low importance</i> .
Priority 3: Improved working conditions are in place, with the active involvement of social partners	
18.	Social partners need skills to monitor the effect of the minimum wage in order to assess the effectiveness of the measure and to undertake activities for modifications if needed based on the assessment, which is of <i>high importance</i> . ILO could provide consultant to assist the social partners to conduct the monitoring through developing a monitoring system that in future will guide the social partners in the monitoring process of the effectiveness.
19.	Based on the findings from the monitoring of the minimum wage effectiveness and with <i>medium importance</i> , ILO Country Office could facilitate discussions if social partners want to open debate about the criteria for minimum wage calculation based on the experience from the implementation
20.	ILO could train representatives from the relevant state institutions such as State Statistical Office (SSO) on data collection and analysis related to minimum wage that will provide information for evidence-based policy making about the minimum wage. Once the knowledge is institutionalized, SSO can collect data and provide summarized analysis to all social partners, but also data could be used by other researches. This recommendation has <i>medium importance</i> .
21.	ILO should continue to support the strengthening of the social partners' capacities regarding the decent working time, through providing guides, manuals and other publications, if possible translated in Macedonian language. Social partners should make efforts to translate these materials in other local languages if needed. Provided materials should be used by the EO and TU to transfer the knowledge regarding the decent working time to their constituents. Compared to the other recommendations from this priority this one is characterized with <i>low importance</i> .

Appendix 2: Terms of Reference

TERMS OF REFERENCE
FOR THE
FINAL REVIEW OF THE DECENT WORK COUNTRY PROGRAMME 2010-2013
FYR MACEDONIA

1) Introduction

The purpose of the final review of the DWCP is to provide transparent information about the results of ILO's work to all partners of the ILO in the country and feed into country tripartite dialogue on impact, effectiveness and relevance of ILO action at the country level. The evaluation is to be carried out with the participation of the ILO tripartite constituents and will also review joint performance in delivering planned outputs and supporting the achievement of outcomes. This evaluation is going to take into account the findings of the "Review of the RBSA project in the former Yugoslav Republic of Macedonia" done in March 2012.

The review is done now because the ILO and the constituents in FYR Macedonia are soon going to enter the consultation process for the next DWCP. The evaluation will feed that process at its start.

2) Background and Context

Decent Work Country Programme

In FYR Macedonia, the ILO promotes decent work as a national objective and assists constituents to make progress towards achieving that objective. The DWCP for FYR Macedonia was the main instrument for ILO cooperation over the period 2010-2013 and the main programming tool through which the International Labour Organization supported its tripartite constituents in the country.

Following the opening of the ILO National Coordinator office in Skopje, the ILO DWT/CO Budapest jointly with the constituents developed the first Decent Work Country Programme for the period from 2010 - 2013. The DWCP was signed in June 2010. The following priorities were identified for collaboration between the ILO and the tripartite constituents in the framework of the DWCP:

- 1. Capacity of government institutions and the social partners is strengthened to improve the governance of the labour market;**
- 2. Measures to reduce the informal economy are designed in consultation with social partners**
- 3. Improved working conditions are in place, with the active involvement of the social partners.**

A detailed implementation plan, including outcomes, outputs, indicators, was developed as an internal document, along with a Monitoring & Evaluation plan. The implementation plan enabled the Office to organise and monitor its work towards the achievement of a number of specific objectives (outcomes) divided into three groups as per each of the above priority areas. The main resources for the implementation of the DWCP were provided from the ILO Regular Budget, technical cooperation projects and

from the ILO Regular Budget Supplementary Account (RBSA) in 2010-2011 and 2012-2013. The RBSA projects of 2010-2011 were already evaluated in March 2012.

Priority 1: Capacity of government institutions and the social partners is strengthened to improve the governance of the labour market

Outcome 1.1: Improved capacity and services of the Economic and Social Council with more appropriate representativity criteria in place (MKD101)

Outcome 1.2: Increased value of employers' and workers' organizations to existing and potential membership through the provision of new or better services (MKD801, MKD802)

Outcome 1.3: Establishment of an effective labour dispute settlement system (MKD102)

- Activities funded from RBSA project "Establishment of an effective labour dispute settlement system" (MKD 102 – Outcome 1.3)

Outcome 1.4: Strengthened capacity of tripartite constituents to ratify and apply international labour standards and to fulfil reporting obligations (MKD826, MKD104)

Priority 2: Measures to reduce the informal economy are designed in consultation with social partners

Outcome 2.1: Improved knowledge of the tripartite constituents to design recovery packages during economic crises taking into account the impact on women and men (MKD129)

- Supporting Strategies to Recover from the Economic Crisis - Economic Recovery Project (SBU101/MKD129 – Outcome 2.1) – reviewed under RBSA evaluation in March 2012

Outcome 2.2: Connecting enterprises, work force and community development: Improving the local employment policy development (MKD127)

- Improving Local Employment Policy Development (MKD127 Outcome 2.2) - reviewed under RBSA evaluation in March 2012

Outcome 2.3: Improving decent work opportunities for youth through knowledge and action (MKD130)

Priority 3: Improved working conditions are in place, with the active involvement of social partners

Outcome 3.1: Improved capacity of tripartite partners to implement the new pension system effectively and to improve the administration and governance of the system (MKD152)

- Improving the capacity of social partners to both implement the new pension system and strengthen the administration and governance of the system (MKD152 – Outcome 3.1- reviewed under evaluation of RBSA in March 2012

Outcome 3.2: The State Labour Inspection more effectively enforces labour and OSH legislation, with a better coordinated inspection system and greater involvement of social partners and other institutions. (MKD103, MKD151)

- Strengthening the Effectiveness of the Labour Inspection System (MKD103 – Outcome 3.2) reviewed under evaluation of RBSA in March 2012
- Improving the capacity of government and social partners to implement OSH law in an effective and systematic manner (MKD151 – Outcome 3.2) – also reviewed in March 2012

Outcome 3.3: Improved Gender Equality in the World of Work (MD153)

- Activities funded by RBSA project "Improving Gender Equality in the World of Work" (MKD153 – Outcome 3.3) and reviewed in March 2012.

Outcome 3.4: Improved capacity of social partners regarding minimum wage setting and arrangements for working time (MKD154)

- Activities funded from RBSA project “Improved capacities of the social partners regarding minimum wage setting and arrangements for working time” (MKD 154 – Outcome 3.4)

International Labour Standards

FYR Macedonia has ratified 77 ILO Conventions including all core conventions.

3) Purpose

The purpose of the review is to get feedback for improving programme delivery, inform future programme development, and ensure internal and external accountability. It will provide:

- a summary of results and achievements per each of the priority areas
- documented good practice examples or success stories
- an analysis of relative effectiveness under each DWCP priority/outcome and areas for improvement
- overall lessons learned
- feedback for the next DWCP, including recommendations for the next steps: a) on programming issues and strategies; b) on the design and implementation.

4) Clients

The main clients of the review are the specialists and management of the ILO DWT/CO Budapest, ILO Regional Office for EUROPE, technical departments at the ILO Headquarters, donors and tripartite constituents in FYR Macedonia.

5) Scope and criteria

The review will cover all activities carried out under the Decent Work Country Programme from 2010 through the beginning of 2014, excluding the work reviewed in March 2012 (RBSA-funded CPOs in 2010-2011).

The review will focus on the progress made on tangible outcomes directly resulting from ILO contributions. It will use the findings of March 2012 RBSA evaluation report and revisit the lessons and recommendations to determine if they have been relevant and applied.

Key criteria for the review are: 1) adequacy of resources; 2) delivery of outputs; 3) use of outputs by partners; 4) progress made towards outcomes and sustainability of achievements; and 5) emerging risks and opportunities.

6) Proposed Methodology

The methodology will comprise an extensive desk review of relevant documentation. The process includes a series of meetings/interview between the evaluator and the government, workers’ and employers’ organizations. A stakeholder roundtable will be organized as a platform for relevant internal and external colleagues to analyse and discuss the ILO’s work in the country.

An external evaluator will be hired to do the review. The external evaluator will conduct a desk review, interview key stakeholders and draft the review report based on the inputs

received. The evaluator will present the evaluation report at the round table discussion organized by the ILO.

Preparation

1. DWT/CO Budapest with the help of the ILO National Coordinator in Skopje will compile relevant documents:
 - Activity/performance reports, mission reports, products, studies, research produced (under each outcome)
 - Other relevant back ground information, including DWCP Implementation and Monitoring plan, annual work plan, project level reports, reports of external consultants, evaluation reports, etc.
 - Information from the ILO Implementation Reports.

All the above information for each outcome should be sent to the reviewer prior to the planned actual review period.

2. The consultant will observe the following workflow:
 - Collect DWT/CO input
 - Review documents
 - Conduct stakeholder interviews
 - Document findings, prepare first draft report, including good practice cases
 - Facilitate a presentation or discussion of main findings with the stakeholders
 - Finalise the report
3. The ILO National Coordinator in coordination with the DWT/CO should arrange a program of interviews for the consultant with the following (as appropriate):
 - ILO staff in the country
 - Government (Ministry of Labour)
 - Workers' organisation
 - Employers' organisation
4. The consultant in coordination with the National Coordinator will arrange a presentation for the stakeholders, in order to share the preliminary findings.

7) Outputs

- The review consultant should prepare a draft report and a presentation of main findings;
- Based on the feedback from ILO staff and constituents, the review consultant should summarize all the findings and conclusions in a final report (in English);
- In addition, the final report should provide summary findings for each DWCP outcome based on document reviews and ILO and partners' comments. Each outcome should be scored against key performance categories, using the multi-point scoring matrix;
- A final section of the report should highlight overall conclusions and recommendations and recap major issues to be addressed. The recommendations should also address strategies for the future (e.g., next DWCP);
- The final report should be shared with the ILO staff, tripartite constituents and partners, who can react to the findings and issues raised, and plan next steps to address these.

8) Provisional work plan and schedule

Task	Timeframe	Responsible Unit/ person	Consultations
1. Draft TORs prepared	August 2014	DWT/CO Budapest/ ILO NC Emil Krstanovski	EUROPE, Regional Evaluation Officer, ILO DWT Cooperation.
2. Identification of external evaluator	15 September 2014	DWT/CO Budapest/	DWT/CO Budapest/ National Coordinator/Regional Evaluation Officer
3. Internal and external consultations to finalize terms of reference	15 September 2014	DWT/CO Budapest/National Coordinator	DWT/CO Budapest/EUROPE/ Regional Evaluation Officer/EVAL (for final approval)
4. Preparation of background documents, materials, reports and studies by outcomes	25 September 2014	DWT/CO Budapest/ ILO NC	EUROPE
5. Meetings scheduled for the reviewer to get inputs from national stakeholders	26 September 2011	National Coordinator/DWT /CO Budapest	EUROPE
6. Documents reviewed and meetings/ interviews with stakeholders completed	By 10 October 2011 [5+3 working days]	Consultant	National Coordinator/DWT/CO Budapest, National tripartite stakeholders, national partners, UN agencies
7. Draft CPR report	By 16 October [4 working days]	Consultant	DWT/CO Budapest
8. Consultations with constituents and other stakeholders on the draft report, as appropriate		National Coordinator/DWT CO Budapest	DWT/ EUROPE/ regional Evaluation Officer
9. Roundtable	[0.5 w.day] 21 October	National Coordinator/ and consultant	

Task	Timeframe	Responsible Unit/ person	Consultations
10.Final CPR report.	One week after the roundtable [2 working days]	Consultant/ DWT Budapest and ILO NC	Regional Evaluation Officer (review) EUROPE (approval) EVAL (final approval)
TOTAL	14.5 working days		

Annex I

BASIC QUESTIONNAIRE FOR INTERVIEWS WITH THE CONSTITUENTS

- General questions

Was your organization properly involved, consulted and informed about the program?

How has your organization been involved into the implementation of the DWCP?

Were the priorities and outcomes of the DWCP relevant?

Did the DWCP contributed to the stated objectives (priorities)?

Are you aware of any other similar programs being implemented by other international organizations? Are you involved with such programs?

- Specific questions on past performance

Was the DWCP framework adequate to country realities?

Were the events, activities organized by the ILO relevant to the stated outcomes/objectives?

Do you find useful the information, analytical materials, technical expertise, guidelines and other outputs of the DWCP?

What were the strengths and weaknesses of the programme?

Were there any issues/challenges related to programme implementation?

What kind of challenges has your organization met in the implementation of the programme?

During DWCP implementation have you received appropriate information on international and regional experiences, modern approaches and best practices?

- Specific questions on effectiveness and future impact

Did the programme produce tangible results?

Were the objectives of the programme mainly achieved?

How would you assess the effectiveness of the programme?

In your opinion, was the programme successful? Was it implemented as planned?

- Questions about next DWCP

Are there any particular areas of focus for further implementation?

Do you have any suggestions for improvement of activities or the programme as a whole?

Appendix 3: List of persons interviewed

Emil Krstanovski	ILO National Coordinator
Mile Boshkov	President of the Business Confederation of Macedonia
Divna Zmejkovska	Vice president of the Union of Independent and Autonomous Trade Unions of Macedonia
Rasko Mishkovski	Ex president of the Confederation of Free Trade Unions (KSS)
Mladen Frckovski	Advisor in the labour market unit of the Ministry of Labour and Social Policy
Zivko Mitrevski	President of the Federation of Trade Unions of Macedonia
Lidija Naskova	President of the Youth section of the Federation of Trade Unions of Macedonia
Belinda Nikolovska	Executive Director of the Organization of Employers of Macedonia
Svetlana Ristovska Antic	Coordinator of the Organization of Employers of Macedonia

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