

RK/vr (CODEV)
6.5.08

cc: BUD/CT

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RER/06/12/SDC
TAP 38-59-01-1

Ms. Elisabeth Schütz
Programme Assistant
South Eastern Europe Division
Swiss Agency for Development and
Cooperation (SDC)
Freiburgstrasse 130
3003 Bern



Dear Ms. Schütz,

Subject: RER/06/12/SDC
Improvement of occupational safety and health in South Eastern Europe

With reference to the 2006 Letter of Agreement signed for the above mentioned project and to our letter dated **23.08.07** *requesting the last disbursement*, I should be grateful if you would kindly proceed with the release of the second and final instalment of US\$ 5,853.

Please find enclosed the technical final report of the project and its financial statements as at 31 December 2007 showing a deficit of 5, 853 US\$.

We look forward to hear from you I take this opportunity to thank the Swiss Government for its continued support to the ILO technical cooperation programme.

Yours sincerely,

signed 05/06/08

Mito Tsukamoto
Manager
Resource Mobilization Section
Development Cooperation Branch

INTERNATIONAL LABOUR ORGANIZATION

Etat final des recettes et dépenses
pour le projet RER/06/M12/SDC

(Exprimé en Dollars US)

Titre du projet: Improvement of occupational safety and health in South eastern Europe

Code du projet: M.280.12.400.800

Budget approuvé pour: \$35,850

A) Recettes

Fonds reçus en octobre 2006	28,753	
intérêts 2006	73	
intérêts 2007	233	
Total:		29,059

B) Dépenses

17 Experts nationaux	27,645	
32 Séminaires	2,963	
53 Dépenses diverses	288	
68 Dépenses d'appui au programme 13%	4,016	
Total:		34,912

Solde final (A-B) **(5,853)**



Le 05 mars 2008

Certifié par: Roland Cisse
chef
Section du Budget de la Coopération Technique
Service Budget et Finance

Technical Co-operation Project of the ILO

Final Report (1 December 2006 – 30 April 2007)

Project Title:	Improvement of occupational safety and health in South East Europe RER/06/12/SDC
Duration:	1 October 2006 – 31 May 2007
Geographical Coverage:	South East Europe ¹
Project Office:	ILO Subregional Office for Central and Eastern Europe, Budapest and the Office of the Social Cohesion Initiative of the Stability Pact, Brussels.
Project language:	English
Executing Agency:	ILO and SCI
Implementing Partners:	International: SCI, ILO, WHO, IOE, ETUC. Government (Ministries of Labour and of Health), Agencies and Institutions dealing with OSH, employers' and workers' organizations in the participating countries
Donor's Contribution:	Government of Switzerland: 63,520 Euros ²
Starting date:	1 December 2006

¹ The project covered 11 countries or entities in South East Europe: Albania, Bosnia I Herzegovina (two entities of FBIH and Republika Srpska), Bulgaria, Croatia, the UN Administered Province of Kosovo, Former Yugoslav Republic of Macedonia, Moldova, Montenegro, Romania and Serbia.

² 28,250 Euros to ILO for the development of local OSH profiles, 35,270 Euros to SCI Secretariat for the organization of a regional seminar.

A. Project background and justification

Economic restructuring has led to some improvements in working conditions and OSH for some workers in the participating Stability Pact countries, but the risks remain unacceptably high in most workplaces. Inherited structural problems, especially outmoded institutions, mean that the government and social partners feel helpless in the face of economic change. The situation has been particularly serious in the new small private enterprises and the vast informal sector.

Poor working conditions result in a high rate of premature deaths and injuries in the participating countries, estimated at two to three times more than in Western Europe and the Nordic countries. The excessive burden of death and disability, together with economic losses (estimated to be about 4% of GDP), negatively affects the fragile economies and OSH systems and hinders socio-economic development of the region.

The participating countries face the challenge to adapt their policies and systems to the changing political and socio-economic conditions. The establishment of a market economy in the SEE region therefore requires fundamental changes in the principles and methods of managing OSH. This will involve developing laws harmonized with the requirements of the EU *acquis communautaire* and ratified ILO Conventions, the establishment of modern OSH services, promotion of modern, prevention-oriented, integrated labour inspection services, and the introduction of new mechanisms for social dialogue for OSH. Efficient social dialogue to determine OSH measures at national, sectoral and local level is a prerequisite for improving safety and health at work.

This project was designed to provide support to the countries of SEE in an effort to upgrade national OSH policies, systems and services in line with ILO and EU standards and practices, and provide a regional opportunity to exchange experience and good practice.

B. Project goals and strategy

The overall objective of the project was to strengthen and develop the capacities of relevant administrations and the social partners in OSH. To help achieve this, the ILO carried out an assessment of the situation in each of the participating countries or entities with regards to existing OSH policies, legislation, infrastructure and practice and compiled National OSH Profiles. The objective was to use this information to empower the stakeholders in the Ministries of Labour and of Health, relevant agencies and the social partners to identify the strengths and weaknesses or gaps, as well as appropriate strategies for improvement and contribute to an action plan for the second phase of the project.

C. Work done

The funds allocated by the Swiss government became available for use at the ILO in December 2006. Work commenced immediately the funds were available. The ILO's responsibilities towards the project were to develop 11 National or Entity-level OSH Profiles. The SCI would then organize the follow-up regional seminar and be responsible for reporting on this part of the project. Within this framework, the ILO organized and accomplished the following activities:

1. Preparation of the Terms of Reference for national consultants to develop national or entity-level national OSH profiles:

- The ToR were drafted by the ILO. The ToR were extensive and were used both for guidance in the stages to be followed for developing the profiles and for the outline to be adhered to in the profiles. This allowed for comparison between countries.
- The ToR were sent for comment to the international partners (ISC, WHO, IOE, ETUC) and the European Commission. Comments were incorporated into the final ToR.
- Translation into several languages of the participating countries (Albanian (for use in Albania and Kosovo), Bulgarian, Macedonian, Romanian (for use in Romania and in Moldova), Serbian (for use in Serbia, Montenegro, Croatia, FBiH and Republika Srpska)).

2. Development of local OSH profiles:

- Selection of local consultants to develop the basic OSH profiles.
- Instructions to develop the profiles in a tripartite manner. To this end a list of contact persons was attached to the ToR. The list was organized with the input of all implementing international partners. The local consultants were asked to contact these persons from different agencies and the social partners in order to get an accurate view of the OSH situation and of the programmes and structure of the different organizations, and incorporate their views and statistics into a first draft of the local profiles.
- The consultants were also instructed to circulate this first draft of the local OSH profile to the designated institutions so these were aware of the profile in good time for a meeting to discuss and finalise the OSH profile.
- The OSH profiles were finalized by the consultants based on written comments from the designated persons and from discussions in the tripartite national workshops.
- Translation of local profiles into English for analysis and development of an overall regional report by an international consultant.

The results of this work are 11 national or entity-level OSH profiles which are available in local languages and in English. The profiles, even if of varying length and substance, provide a first realistic picture on which to base further national and regional debate and planning on OSH. They provide an inventory of the tools and resources available in each participating country/entity and are a product of constructive stakeholder cooperation.

The profiles were then used to make a regional overview of the strengths and weaknesses apparent from the country profiles and the process to make them. The overview also came up with conclusions and recommendations towards developing modern OSH systems in the region. It formed the basis of a regional seminar to discuss the findings and develop an action plan. Although the SCI was in charge of this part of the programme, the ILO also participated in the organizational arrangements for the overview and the seminar.

D. Impact assessment

i. Effectiveness

Developing a National³ OSH Profile of the infrastructure available in any country is an essential first step towards promoting action on OSH through development of a policy and action plan and strategy to carry it out. Not only did this particular exercise form a complete view of the infrastructure and programmes present in the participating countries, more often than not for the first time, the process of gathering and discussing the information with the input of the social partners and experts made sure that everyone became aware of what other organizations were doing in the field and what precisely was available in their country. The profiles developed will always be available in the local languages as a baseline document for discussion and action. They can be used as indicators for monitoring purposes as improvements are enacted. In other words they form a very effective document for an analysis and understanding of the strengths and weaknesses, and thus the needs, and from which all future action and progress can be started, guided and measured.

ii. Relevance

It was agreed (at the tripartite regional seminar held to discuss the results and plan further action) that the OSH profiles are of great relevance to future action on OSH in the countries and that they form a good platform both for national development and in the context of transition in South East Europe. This is because the detailed terms of reference for their development were based on the guidelines of the ILO⁴. This meant that the data in the profiles could be used for comparison between countries, in SEE or elsewhere, including the Member States of the EU. As many of the participating countries are new EU Member States, candidate countries, or simply aspiring to join the EU, OSH has taken on new relevance and a measure of available structures is essential to guide future action in policies and organizational changes in the reform process presently going on in the rapidly transforming economies of the region.

iii. Efficiency

Each profile was prepared by a consultant from the respective country/entity in a process which integrated the views of representatives of the different principal relevant ministries, government agencies and in particular the social partner organizations. Thus, while the consultants were responsible for compiling the data and writing the profiles, the consultation process was an essential part of this phase, both to catalyze social dialogue on OSH and to validate the results of the information and data collection process. The work could therefore be monitored more effectively through one responsible person in the countries, whilst ensuring participation of relevant parties. The process highlighted the role of the social partners in the OSH development process. Emphasis was also laid on the inclusion of OSH outcomes and results, including trends in national OSH statistics. The role of the international partners was also crucial for efficiency, providing direct contact with their respective constituents in the process of data collection.

iv. Sustainability of results

The results of this part of the project are the national OSH profiles as a first step in developing action to improve OSH and working conditions in the countries of SEE. In this case, as mentioned above, the profiles are a distinct output which will always be available as baseline data and for comparison with any further surveys on OSH infrastructure and improvements. But an outcome of the project was also the social dialogue necessary to develop the profiles. The organizations involved in the process are also those who have a role in the overall planning of OSH in the countries; the project brought them together in both the process of developing the profiles, discussing the validity of the data, and in assessing the actual functioning of the systems described. These are the same people who will be involved in defining a national action plan and strategy for improving OSH and implementing the measures. The participating organizations have a

³ Where the term « National » OSH Profile occurs it refers to both National and Entity-level Profiles.

⁴ With slight adjustments based on comments by WHO and the EC.

document which reflects the reality in their respective countries. The sustainability kicks in when it is used as the basis for discussion on a tripartite (or tripartite plus) forum for improvements.

The detailed terms of reference for developing future profiles on which to measure progress, including on attainment of EU standards, are available in local languages. This will ensure consistency in approach and allow comparable results, both within any one country and between countries.

E. Problems/constraints and actions taken

i. Late start of the project activities

Due to a misunderstanding in the allocation of the original agreement the funding was not available for disbursement until beginning December 2006, and the first contracts could not be made until then. However, the original dates for start and finish of the project were not amended. Thus, while it may have seemed that the project activities were behind schedule, the actual number of months allocated for preparing the profiles were on schedule, and the profiles delivered by end April 2007.

ii. Difficulties in obtaining some data and information

Most consultants had full cooperation with the persons designated by the international organisations. However, there were some few cases where the local consultants found it difficult to obtain the required data. In the case of Kosovo and Montenegro (only very recently a State), for example, it was said that official statistics were non-existent or very poor. In such situations, the consultants were hesitant to use "non-official" statistics but were conscientious enough to persevere and do their best to get relevant data. In the words of the Kosovar consultant "this is the first assessment of OSH in Kosovo conducted by the most important agencies working in this field and people are sensitive in sharing the information".

In addition, some consultants found it plainly difficult to get data from some agencies, not because the data was unavailable, but because the agencies did not cooperate. This was mainly because the agencies either thought they should have been the designated consultancy to do the work of developing the profiles or wanted money for providing the information required. Some OSH profiles were delayed whilst the consultants still tried to get the information from the agencies.

The ILO, in response to the consultants' difficulties and requests for help, took the line that such difficulties in getting information on OSH in any country are indicative of that country's commitment (or lack of commitment) to OSH. If highly-qualified experts in the field were not able to get the data easily it is unlikely that other stakeholders, such as the social partners, would fare any better. The consultants were advised to discuss the implications of this with those institutions reluctant to share information, for whatever reason. In one case the ILO wrote a letter to the institution. This approach sufficed to get the information requested. In another case, constant delays from the designated occupational health institutions meant that the information was not received from them, but the Minister of Health directed the consultant to another Institute, which, provided the information without delay.

Consultants were asked to provide a short overview of the cooperation they received from the designated institutions and the social partners. In all cases, it appears that cooperation with the social partners was good, whether in interviews, providing data and information on their OSH programmes, in commenting on the first draft of the profiles or in the tripartite meetings.

F. Follow up actions and lessons learned

The OSH profiles are available, in both English and local languages. Follow-up action can be envisaged on both the national and the international level.

On the *international level*, the profiles were used to develop a regional overview of the strengths and weaknesses of the OSH system in SEE and to come up with conclusions and recommendations for action for improvement, linking them to the requirements of ILO and EU standards and practices. This report was discussed at the regional tripartite seminar, held in Budapest, 28-29 June, to mark the end of the first phase of the project and address a realistic road-map to move social dialogue on OSH forward in the region.

The first phase of the project also marked a step in following up on the call for action on OSH by the SEE Ministers in charge of employment and labour in Sofia in 2005. It is expected that the messages which came out of the project would be presented to the third Ministerial Conference in Montenegro in October 2007, on the understanding that they could be incorporated into their future work.

On the international level, the cooperation by the different agencies (ISC, ILO, WHO, IOE and ETUC) was very much appreciated, and even essential in a region where responsibilities for occupational safety and occupational health are often in different Ministries or agencies. Contact with the different constituents, including the social partners, was thus eased by having their counterparts in the different international organizations able to advise and provide direct contacts throughout the project.

On a *national level*, the profiles should be formally adopted, by the authority responsible for OSH at country/entity level, and used as a basis for discussion for developing an action plan and strategy on OSH. In fact, many of the participants at the regional seminar advocated this. Developing an action plan and strategy will be greatly motivated by having the basic starting block available – and by the relevant partners already having been involved so far. The process of developing the profiles showed that it is possible, and even fruitful, to conduct social dialogue on such “technical” issues, especially where it can be shown that all parties, including employers’ and workers’ organizations, have a fundamental stake in the process.

G. The project in perspective

The first stage of the project, to develop National OSH Profiles, has been achieved. It led to a further stage of developing a regional report and seminar which produced some important elements for orientation and reflection for national level action and regional networking. It also produced the basis for a second phase of the project. Proposals will be developed for funding a phase 2 to follow up on this basic building block which enabled an understanding of the future priorities and needs of the constituents in the region.

H. Contact person

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RER0612MSDC "Improvement of occupation safety and health in South Eastern Europe" - Project Code: M28012400800
Final Financial Report 2007

Budget Lines					
		Expenditure in 2006	Expenditure in 2007	Commitment balance in 2007	Allocation balance in 2007
External Collaboration Contracts					
17.01	National Professional Personnel - Albania	0.00	1,889.93	0.07	2.00
17.02	National Professional Personnel - BiH, FBiH	0.00	1,717.94	0.06	0.00
17.03	National Professional Personnel - BiH, R/S	0.00	1,717.88	0.12	0.00
17.04	National Professional Personnel - BiH, D/B	0.00	0.00	0.00	0.00
17.05	National Professional Personnel - Bulgaria	0.00	1,453.91	0.09	0.00
17.06	National Professional Personnel - Croatia	0.00	3,375.04	0.96	0.00
17.07	National Professional Personnel - Macedonia	0.00	1,717.94	0.06	0.00
17.08	National Professional Personnel - Moldova	0.00	796.93	0.07	0.00
17.09	National Professional Personnel - Romania	0.00	1,316.26	0.74	0.00
17.1	National Professional Personnel - Serbia	0.00	1,619.21	0.00	0.79
17.11	National Professional Personnel - Montenegro	0.00	1,321.89	0.11	0.00
17.12	National Professional Personnel - Kosovo	0.00	2,000.00	0.00	0.00
17.13	National Professional Personnel - Translation	1,054.00	0.00	0.00	0.00
17.14	National Professional Personnel - Final report Translation	0.00	7,663.88	1.29	44.83
32.01	Seminars - Albania	0.00	184.21	0.79	0.00
32.02	Seminars - BiH, FBiH	0.00	157.89	0.11	0.00
32.03	Seminars- BiH, R/S	0.00	158.94	0.06	0.00
32.04	Seminars - BiH, D/B	0.00	0.00	0.00	0.00
32.05	Seminars-Bulgaria	0.00	210.53	0.47	0.00
32.06	Seminars - Croatia	0.00	263.16	0.84	0.00
32.07	Seminars - Macedonia	0.00	197.37	0.63	0.00
32.08	Seminars - Moldova	0.00	184.21	0.79	0.00
32.09	Seminars - Romania	0.00	233.46	0.54	0.00
32.1	Seminars - Serbia	0.00	184.21	0.79	0.00
32.11	Seminar - Montenegro	0.00	157.89	0.11	0.00
32.12	Seminars - Kosovo	0.00	120.00	0.00	0.00
32.13	Seminars - Interpretation for Seminar in June	0.00	912.16	0.84	772.00
53.01	Sundries	103.00	184.51	0.49	0.00
68.01	Prog. Support Cost 13.00 %	150.00	3,866.11	-125.02	107.89
71.01	Prov. for Cost Increases	0.00	0.00	0.00	0.00