

**FINAL REVIEW OF THE DECENT WORK COUNTRY PROGRAMME (DWCP) 2015-2018
FYR MACEDONIA**

DRAFT REPORT

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MARIA BORSOS, INTERNAL EVALUATOR

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ACRONYMS AND ABBREVIATIONS

| | |
|--------|--|
| ALDS | Alternative Labour Dispute Settlement |
| 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 |
| EESE | Enabling Environment for Sustainable Enterprises |
| EO | Employer Organizations |
| ESA | Employment Service Agency |
| ESC | Economic Social Council |
| EU | European Union |
| ICLS | International Conference of Labour Statisticians |
| ILO | International Labour Organization |
| ILS | International Labour Standards |
| IPA | Instrument for Pre-accession Assistance |
| LESC | Local Economic and Social Councils |
| LFS | Labour Force Survey |
| MLSP | Ministry of Labour and Social Policy |
| N/A | Non Applicable |
| NES | National Employment Strategy |
| RBSA | Regular Budget Supplementary Account |
| SC | Social Council |
| SME | Small and medium enterprises |
| SSO | State Statistical Office |
| STWS | School-to-Work Survey |
| TOR | Terms of Reference |
| TU | Trade Unions |
| YEAP | Youth Employment Action Plan |

I. Executive summary

1.1 Background

The overall goal of the Decent Work Country Programmes (DWCPs) is to promote decent work, addressing specific needs and issues in the country. The DWCP for the Former Yugoslav Republic of Macedonia (2015-2018) was developed through an extensive tripartite consultative process including ILO and national constituents, including a tripartite planning workshop held in Skopje, 21 October 2014. The DWCP was signed on 26 March 2015. The following three priorities were identified:

- I. Job-rich inclusive growth and sustainable enterprises
- II. Effective social dialogue
- III. Formalisation of the informal economy

A number of outcomes were formulated under each priority (11 in total) and a detailed implementation plan with indicators, outputs was developed and used as an internal ILO document.

1.2 Review Background

The primary aim of the review exercise is to get feedback for improving programme delivery, analysis of the effectiveness under each outcome and areas for improvement, lessons learned and success stories, but also recommendations for the next steps on priorities, strategies, activities, and design and implementation process. The review covers all undertaken activities for the period of implementation of the DWCPs (from 2015) until mid-2018. The focus of the review is on the progress made for each of the priorities resulting from ILO contributions.

It applied the criteria of Relevance, Coherence of the programme design, Efficiency, Effectiveness and Potential for sustainability. Consideration was also given to the ILO crosscutting policy drivers.

Specialists and management of the ILO DWT/CO Budapest, ILO country staff, including development cooperation projects, ILO Regional Office for EUROPE, technical departments at the Headquarters, UN agencies, donors, tripartite constituents, including the members of the National Tripartite Boards, and national implementing partners in FYR Macedonia are main clients of this review.

The DWCP was reviewed based on desk review of available reports and interviews, however, the lack of a comprehensive report indicating the progress of the DWCP implementation in relation to the set indicators gave an additional limitation to the review.

1.3 Review Methodology

The methodology of the assessment was based on extensive desk review of all relevant documentation, the review of the findings of the final independent evaluation of the Promoting Social Dialogue project in the FYR of Macedonia and interviews with representatives of the national constituents during the in-country mission of the evaluator in April 2018, ILO DWT/CO Budapest staff, ILO National Coordinator in Skopje, as well as interviews with representatives of other national and international organizations relevant for the work of ILO in Macedonia. When measuring the achievements according to defined outcome indicators a six-level scale was utilized: 1-highly unsatisfactory, 2-unsatisfactory, 3-

somewhat unsatisfactory, 4-somewhat satisfactory, 5-satisfactory, 6-highly satisfactory. The review findings were discussed and validated at the tripartite constituents' workshop in Skopje on June 11-12, 2018 and the report was finalized based on the feedback obtained.

There are two limitations for this review to be considered: the short period for preparation resulted in limited number of interviewed stakeholders and lack of reports on some of the implemented activities, which fragmented the information about deliverables. The scoring is limited to the individual assessment of the Reviewer in the absence of the evaluation survey.

1.4 Summary of Findings

The findings in this review are structured around the key evaluation criteria (such as: relevance, coherence of the programme design, efficiency, effectiveness and potential for sustainability) for each of the outcomes defined under the three priorities. In total there are 11 outcomes that have been analysed. Consideration was also given to the ILO crosscutting policy drivers.

Relevance

The specific outcomes of the programme were **fully relevant** to the ambition of FYR Macedonia to work towards achieving decent work and join the European Union. The DWCP **supported the country to make progress in the field of social policy and employment**, including social dialogue at tripartite and bipartite levels in line with the ILO Declaration on Social Justice for a Fair Globalization Declaration and as is required under Chapter 19 of the criteria for ability to assume the obligations of EU membership.

The DWCP was fully aligned to the strategic framework of the ILO.

It is also harmonized with the UN country team's plans and initiatives through constant coordination and active presence in the relevant bodies. The ILO is chairing the working group on employment under the Partnership for Sustainable Development: United Nations Strategy for 2016-2020. Within the PSD outcome on employment, the UN assist the Ministry of Labour and Social Policy, Ministry of Education, National Agency for Employment, Economic and Social Council, Local Economic and Social Councils (LESCs), other relevant institutions, NGOs and the social partners in implementing the National Employment Strategy 2015-2020, Action Plan on Youth Employment 2020 and the annual Operational Plans for Active Labour Market Measure.

The review found that the DWCP is aligned with SDG 8 and 16.

Effectiveness

The **ILO is a well-respected and trusted partner** in FYR Macedonia achieving progress in the area of employment, social dialogue and supporting the country in transition from informal to formal economy.

The **role and exceptional commitment of the National Coordinator were key to success**. The finding of the independent evaluation of the IPA funded Promoting Social Dialogue project has been reconfirmed: "The critical success factors to make progress despite the problematic external conditions can be attributed significantly to the skill and dedication of the project team and ILO support". Interview data consistently found that project partners

were highly impressed by the national team and also by the ILO network of experts. On average the overall ranking of the DWCP is satisfactory (4.5).

Table 1: DWCP 2015-2018 FYR Macedonia priorities and overall ranking

| Priority | Overall ranking ¹ |
|--|------------------------------|
| 1. Job-rich inclusive growth and sustainable enterprises | 5.2 |
| 2. Effective social dialogue | 5.2 |
| 3. Formalisation of the informal economy | 3 |

The potential for sustainability of results of the DWCP was satisfactory (scoring 5.1) looking at the ranking per outcome.

Efficiency

The interventions under the various DWCP outcomes have been well-managed at the country and regional levels. The **ILO has provided significant added value** via its resources base, technical expertise, project management backstopping, and training inputs, making good use of its comparative advantage.

The DWCP outcomes were financed from a combination of resources: regular budget and extra budgetary resources and progress was achieved often with a small amount of resources:

Table 2: Funding source of the 2015-2018 DWCP FYR Macedonia

| Funding source | 2016-17 | 2018-19 |
|----------------------|----------------|---------------|
| CORE Budapest | 40,225 | 3,490 |
| CORE Budapest (RBSA) | 138,014 | 62,121 |
| XBDC | 678,209 | |
| TOTAL | 856,448 | 65,611 |

Coherence of the design

By and large participatory planning has been applied involving constituents from an early phase that gave a solid base to planning of the DWCP. However, the description of intervention strategy and the **lack of theory of change** at the DWCP outcome level fails to give a comprehensive and convincing description of how and why a desired change is expected to happen.

The **level of indicators varies** between output and outcome level and sometimes does not capture the actual progress towards outcome.

¹ The overall ranking is calculated based on the average of individual rankings per each of the outcome.

Cross cutting policy drivers

The **gender mainstreaming needs to be strengthened** across the DWCP. In case of gender specific indicators the target is not sufficiently specified, hampering proper measurement of progress. The social dialogue as a cross cutting area is fairly well reflected, while ILS is mainstreamed to a limited extent, but more could be done to have these areas better reflected.

Lessons Learned

1. The **need for a tripartite DWCP Overview Board** has been already identified by the previous review. The need for establishment of such a body is re-confirmed with a role to promote, monitor and adjust the DWCP to realities. Lack of a governing organ limits monitoring of progress and limits the ability to adjust the programme to changing priorities or needs. For example for Outcome 1.
2. The **early involvement of constituents** by the ILO in the intervention (at the design stage) is an important factor for a good design of intervention and building ownership. **Flexible approach** is another feature that was highly praised. The combination of early involvement and flexibility were key features that contributed to progress of several outcome despite the political deadlock.
3. The **lack of reports** that capture progress of the implementation for the entire DWCP limits the assessment of advancement towards planned outcomes. Available reports do not specify if the indicator and target established in the DWCP were met, therefore, it requires additional analysis to assess whether the intended progress was achieved
4. **Lack of Theory of Change** weakens the understanding of the logic of the intervention and the expected progress. A short description of intervention strategy leads to limited understanding of why the actual intervention was chosen and gives little understanding of what will be the action taken. This may lead to weakened ownership and weaker results based management.
5. The **number and definition (outcome or output level) of indicators** often made it difficult to measure actual progress. Too many indicators make monitoring complex and sometimes the collection of data is difficult. It is advised to use fewer, more simple, but smart indicators that measure progress more easily.
6. The targets for the gender specific **qualitative indicators were too general**, thus, leaving a challenge to measure mainstreaming of gender.
7. Contribution with **own funding by national partners** further increases ownership and sustainability.

General Recommendations

1. ILO and tripartite constituents to establish a tripartite Overview Board with a clear mandate to oversee the implementation of the DWCP and intervene if necessary, help in overcoming difficulties or adapt the DWCP to current needs. Lead: ILO.
2. ILO to include a theory of change in the description of the Outcome intervention strategy to strengthen understanding how the intended change is planned to be achieved.

3. ILO together with constituents to develop an explicit sustainability/ exit strategy in the future DWCP/and in future projects.
4. ILO to establish better quantitative indicators in order to better track progress and to report on results.
5. ILO to establish specific targets for the qualitative indicators to allow measurement and verify whether means of verification exists.
6. ILO should develop a DWCP report format that captures progress towards targets as per the developed indicators.
7. ILO and constituents should make efforts to further expand funding base and should reach out to partnership i.e. seek synergies and explore joint funding opportunities with other UN agencies.

II. Decent Work Country Program Review

2.1 Decent Work Country Programme Background

Decent Work Country Programmes (DWCPs) have been established as the main vehicle for delivery of ILO support to countries. They organise ILO knowledge, instruments, advocacy and cooperation at the service of tripartite constituents in a results-based framework to advance the Decent Work Agenda within the fields of comparative advantage of the Organization. The DWCP identifies a limited number of priorities which are then further detailed in an implementation plan, complemented with monitoring and evaluation guidelines.

For the DWCP 2015-2018 for FYR Macedonia the priority areas of cooperation and the country programme outcomes have been developed jointly with the constituents. The process started with evaluation of the past DWCP and a tripartite planning workshop in October 2014. Based on these initial inputs, the ILO prepared the first draft in December 2014, to which the constituents provided written comments and observations. This is the third DWCP for FYR Macedonia.

The DWCP in FYR Macedonia identifies three country priorities. Outcomes were developed for each of the priorities, in total 11. For each outcome, different numbers of outcome indicators are defined and the success of the program is measured through the accomplishments of 38 indicators.

Table 3: FYR Macedonia DWCP Priorities and Programme Outcomes

| Priority Areas | Country Programme Outcome (CPO) | Overall ranking ² |
|--|--|------------------------------|
| 1. Job-rich inclusive growth and sustainable enterprises | 1.1. Comprehensive National Employment Strategy promotes decent jobs and inclusive labour market | 5.3 |
| | 1.2. Labour market policies and programmes targeting young women and men are developed and implemented | 5.5 |
| | 1.3. Improved policies and programmes on sustainable enterprise development | 5.3 |
| | 1.4. Strengthened labour statistics | 5.4 |
| | 1.5. Better integration of women in the labour market, through improved wage policies, working time arrangements and improved maternity protection | 4.7 |
| 2. Effective social dialogue | 2.1 Institutional and technical capacity of social partners is strengthened | 5.5 |
| | 2.2. Economic and Social Councils at national and local level have enhanced capacity to fulfil their consultative role. | 5.3 |
| | 2.3. Social partners and government capacity to engage in collective bargaining processes are strengthened | 4.8 |
| | 2.4: An operational mechanism of amicable settlement of labour disputes is in place | 5.3 |
| 3. Formalisation of the informal economy | 3.1 Strengthened effectiveness of the Labour Inspection | 1.0 ³ |
| | 3.2 Government and social partners have enhanced awareness and knowledge base on informality to promote and facilitate transition to formality | 5.0 |

The main resources for the implementation of the DWCP were provided from extra budgetary resources (EU IPA funding), ILO Regular Budget Supplementary Account (RBSA) and ILO Regular Budget.

The ILO's National Coordinator is the only regular staff in Macedonia, with project staff depending on available funding. Technical support is provided from DWT/CO Budapest and ILO HQ.

During the implementation period the overall political situation destabilised in January 2015 leading to blocking the government and ultimately dissolving the parliament. FYR Macedonia was without a functioning government for almost two years, including frequent protests and a tense political situation. The crisis ended with a new Government formed in June 2017.

2.2 Review Background

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:

² the overall ranking is calculated based on the individual rankings per each of the outcomes/indicators as presented in the text.

³ More details under Outcome 3.1 pages 31 and 32 of this report.

- 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.

The review results will feed into the decision-making by the ILO and the constituents regarding further DWCPs implementation and planning.

The scope of the review includes all the DWCP components and activities implemented in the period from 2015 through mid-2018. The main clients of the review are the specialists and management of the ILO DWT/CO Budapest, ILO country staff, including development cooperation projects, ILO Regional Office for EUROPE, technical departments at the Headquarters, UN agencies, donors, tripartite constituents and national implementing partners FYR Macedonia.

2.3 Review Methodology

This assessment is an internal evaluation and it is conducted by an ILO staff member. The methodology included extensive desk review of relevant documentation. The process also included a country mission to FYR Macedonia in April 2018 when interviews were carried out with government representatives, workers' and employers' organizations, ILO DWT/CO Budapest staff, ILO National Coordinator in Skopje and the ILO Project Coordinator. In addition a meeting was held with the representatives of the EU Delegation. A list of all persons that were included in the review is provided as annex to this report.

The basic questions as a guideline for conducting the interviews were part of the TOR. In summary, the following tasks were performed:

- Review of program documents, including result matrix,
- Review of documents, research papers, analyses and other relevant information prepared during the implementation of the programmes,
- 16 meetings/interviews in Skopje with representatives from the government, trade unions and employers' organizations and other relevant stakeholders.

The review applied the following criteria: Relevance, Coherence of the programme design, Efficiency, Effectiveness and Potential for sustainability. Consideration was also given to the ILO crosscutting policy drivers.

The level of achievement was ranked according to the following rating: **1-highly unsatisfactory, 2-unsatisfactory, 3-somewhat unsatisfactory, 4-somewhat satisfactory, 5-satisfactory, 6-highly satisfactory**

This review has a limitation that should be considered and stems from the limited number of representatives from the constituents that were interviewed and the lack of progress reports on many activities envisioned in the DWCPs resulted in fragmented information about deliveries.

2.4 Main findings

In this review, findings are grouped and discussed according to the review questions by priorities and outcomes as defined in the DWCP.

Were the priorities and outcomes of the DWCP relevant?

The specific outcomes of the programme were **fully relevant** to the ambition of FYR Macedonia to work towards achieving decent work and join the European Union. The DWCP **supported the country to make progress in the field of social policy and employment**, including social dialogue at tripartite and bipartite levels in line with the ILO Declaration on Social Justice for a Fair Globalization Declaration and as is required under Chapter 19 of the criteria for ability to assume the obligations of EU membership.

The DWCP was fully aligned to the strategic framework of the ILO.

It is also harmonized with the UN country team's plans and initiatives through constant coordination and active presence in the relevant bodies. The ILO is chairing the working group on employment under the Partnership for Sustainable Development: United Nations Strategy for 2016-2020. Within the PSD outcome on employment, the UN assist the Ministry of Labor and Social Policy, Ministry of Education, National Agency for Employment, Economic and Social Council, Local Economic and Social Councils (LESCs), other relevant institutions, NGOs and the social partners in implementing the National Employment Strategy 2015-2020, Action Plan on Youth Employment 2020 and the annual Operational Plans for Active Labour Market Measure.

The review found that the DWCP is aligned with SDG 8 and 16.

DWCP Priority 1: Job-rich inclusive growth and sustainable enterprises

Outcome 1.1: Comprehensive National Employment Strategy promotes decent jobs and inclusive labour market

The Ministry of Labour and Social Policy and the social partners have seen ILO support extremely relevant for the sector and the DWCP is seen as a useful framework. All three elements of the intervention envisioned are relevant for the constituents and for the current context in FYR Macedonia.

Ranking: 6 Highly satisfactory

Outcome 1.2: Labour market policies and programmes targeting youth are developed and implemented

Constituents have assessed this intervention highly relevant.

Ranking: 6- Highly satisfactory

Outcome 1.3 Improved policies and programmes on sustainable enterprise development

The constituents confirmed the intervention was relevant.

Ranking: 6 – Highly satisfactory.

Outcome 1.4 Strengthened labour statistics

The constituents confirmed the intervention was relevant.

Ranking: 6 – Highly satisfactory

Outcome 1.5 Better integration of women in the labour market, through improved wage policies, working time arrangements and improved maternity protection

In a broad sense the outcome was seen relevant.

Ranking: 6- Highly satisfactory

DWCP Priority II: Effective social dialogue

Outcome 2.1: Institutional and technical capacity of social partners is strengthened

The constituents confirmed the intervention was relevant.

Ranking: 6- highly satisfactory

Outcome 2.2 Economic and Social Councils at national and local level have enhanced capacity to fulfil their consultative role.

The constituents confirmed the intervention was relevant.

Ranking: 6 – Highly satisfactory

Outcome 2.3: Social partners and government capacity to engage in collective bargaining processes are strengthened.

The constituents confirmed the intervention was relevant.

Ranking: 6 – Highly satisfactory

Outcome 2.4: An operational mechanism of amicable settlement of labour disputes is in place

The constituents confirmed the intervention was relevant.

Ranking: 6- Highly relevant

DWCP Priority III: Formalisation of the informal economy

Outcome 3.1: Strengthened effectiveness of the Labour Inspection

The constituents confirmed the intervention was relevant.

Ranking: 6- Highly satisfactory

Outcome 3.2: Government and social partners have enhanced awareness and knowledge base on informality to promote and facilitate transition to formality

The constituents confirmed the intervention was relevant.

Ranking: 6 – Highly relevant.

Was the design coherent?

By and large participatory planning has been applied involving constituents from an early phase that gave a solid base to planning of the DWCP. However, the description of intervention strategy and the **lack of theory of change** at the DWCP outcome level fails to give a comprehensive and convincing description of how and why a desired change is expected to happen.

The **level of indicators varies** between output and outcome level and sometimes does not capture the actual progress towards outcome.

DWCP Priority 1: Job-rich inclusive growth and sustainable enterprises

Outcome 1.1: Comprehensive National Employment Strategy promotes decent jobs and inclusive labour market

The actual intervention was designed to ensure participatory approach and building of partnership. All relevant stakeholders involved: Central Bank, PES, social partners and the World Bank and UNDP. While the response strategy was well designed and ensured a participatory approach. Nevertheless, the DWCP outcome description offers very limited information about the problem to be addressed and the intervention strategy or how specifically mainstreaming of gender, ILS and social dialogue is envisaged. Theory of change completely missing.

Ranking: 3- Somewhat unsatisfactory

Lessons learned

Not able to measure to what extent was the gender aspect of the indicator achieved, since criteria were not specified.

Recommendations

- ILO to describe how the action will lead to results (i.e. include a theory of change in the description) under the Outcome intervention strategy to strengthen understanding.
- ILO to establish specific targets for the qualitative indicators to allow measurement.

Outcome 1.2: Labour market policies and programmes targeting youth are developed and implemented

While the DWCP document offers some details of the planned intervention it does not describe the actual problem and the theory of change, However, the actual action offered a comprehensive strategy and involvement of social partners.

Ranking: 4-somewhat satisfactory.

Recommendations:

- ILO to describe the theory of change and the intervention strategy.
- ILO to establish indicators that have available means of verification and capture progress towards targets in reports.

- ILO to establish targets that can be measured in order to have meaningful gender specific qualitative indicators.

Outcome 1.3 Improved policies and programmes on sustainable enterprise development

The response strategy was based on local adaptation of an ILO tool, to ensure matching local needs. The ILO expanded partnership to non-traditional constituents, such as the Ministry of Economy. The description provides an insight into why the intervention is needed there is no description of the logic of the intervention. The indicators are at the output level and do not capture actual progress at the outcome level.

Ranking: 4 – somewhat satisfactory

Outcome 1.4 Strengthened labour statistics

The design of the action was based on findings from assessments conducted in the 2014 and were technical and specific. The outcome strategy describes the problem and areas that need additional support.

Ranking: 5 – Satisfactory

Recommendation:

- Considering the existing synergies with country programme outcomes linked to evidence based policies it is recommended to include the capacity building on statistics under those and establish a specific indicators of progress linked to statistics. This will lead to a smaller number of outcomes. Lead: ILO

Outcome 1.5 Better integration of women in the labour market, through improved wage policies, working time arrangements and improved maternity protection

The design of the action was comprehensive with the aim to cover legislative improvements, promotion and capacity building, however, does not describe the problem to be addressed and the gaps, and does not provide a clear description of the planned action.

Ranking: 4- Somewhat satisfactory

DWCP Priority II: Effective social dialogue

Outcome 2.1: Institutional and technical capacity of social partners is strengthened

The problem to be addressed is not described and there is no justification as to why the proposed strategy was selected. Too many indicators were established. Probably grouping of some of the indicators would have been possible. An innovative element of the intervention was to engage the services of professional marketing agencies to work with the social partners to help them promote themselves to their own constituencies and to improve their visibility to potential members and the general public.

Ranking: 5 – satisfactory

Recommendations

- ILO to develop a theory of change at the outcome level that will strengthen the understanding of the intervention logic.

- ILO together with constituents to develop a sustainability and exit plan in future DWCP and projects.

Outcome 2.2 Economic and Social Councils at national and local level have enhanced capacity to fulfil their consultative role.

Lack of clear Theory of Change. Too many indicators formulated.

Ranking: 5 – Satisfactory

Outcome 2.3: Social partners and government capacity to engage in collective bargaining processes are strengthened.

Although the IPA funded project Promoting Social Dialogue had an entire component targeting collective bargaining the DWCP text under the outcome describes little about the problem and the planned action. Good number and level of indicators were established.

Ranking: 4 – Somewhat satisfactory.

Outcome 2.4: An operational mechanism of amicable settlement of labour disputes is in place

Although the IPA funded project Promoting Social Dialogue had an entire component targeting collective bargaining the DWCP text under the outcome describes little about the planned action. The Theory of Change would further increase understanding of the logic of the intervention and the gains of introducing this mechanism. Level of indicators is good.

Ranking: 5 – Satisfactory

DWCP Priority III: Formalisation of the informal economy

Outcome 3.1: Strengthened effectiveness of the Labour Inspection

The overall strategy outlines broadly, but no description of ILO's strategy. Lack of clear theory of change. One indicator formulated at the 3right level.

Ranking: 3 – Somewhat unsatisfactory

Outcome 3.2: Government and social partners have enhanced awareness and knowledge base on informality to promote and facilitate transition to formality

The general strategy how to address informality is described in the outcome description, however, a Theory of Change would further strengthen understanding of the logic of the intervention. Planned intervention participatory and aims to set policies. Number and level of indicators satisfactory. Difficult to measure gender aspect of the second indicator "gender responsive".

Ranking: 4- Somewhat satisfactory.

How effective was the applied strategy and intervention?

The **ILO is a well-respected and trusted partner** in FYR Macedonia achieving progress in the area of employment, social dialogue and supporting the country in transition from informal to formal economy.

The **role and exceptional commitment of the National Coordinator were key to success**. The finding of the independent evaluation of the IPA funded Promoting Social Dialogue project has been reconfirmed: “The critical success factors to make progress despite the problematic external conditions can be attributed significantly to the skill and dedication of the project team and ILO support”. Interview data consistently found that project partners were highly impressed by the national team and also by the ILO network of experts. On average the overall ranking of the DWCP is satisfactory (4.5).

DWCP Priority I: Job-rich inclusive growth and sustainable enterprises

The first priority in the DWCP consists of five outcomes that are expected to be achieved within the given timeframe. The progress on each outcome is measured through number of indicators. Taking into consideration the achievements and all the rankings of each outcome i.e. relevance, coherence of the design, effectiveness, efficiency, sustainability the progress on this priority was seen as satisfactory (overall ranking 5.2).

Table 4: Priority I and Country Programme Outcomes under it

| Priority Areas | Country Programme Outcome (CPO) | Overall ranking |
|--|--|-----------------|
| 1. Job-rich inclusive growth and sustainable enterprises | 1.1. Comprehensive National Employment Strategy promotes decent jobs and inclusive labour market | 5.3 |
| | 1.2. Labour market policies and programmes targeting young women and men are developed and implemented | 5.5 |
| | 1.3. Improved policies and programmes on sustainable enterprise development | 5.3 |
| | 1.4. Strengthened labour statistics | 5.4 |
| | 1.5. Better integration of women in the labour market, through improved wage policies, working time arrangements and improved maternity protection | 4.7 |
| Overall ranking | | 5.4 |

Outcome 1.1: Comprehensive National Employment Strategy promotes decent jobs and inclusive labour market

The ILO planned to assist the Government and social partners to develop a comprehensive National Employment Strategy (NES) 2016-2020 through assistance in design and planning of the strategy, monitoring and developing guidelines for matching education and training systems with labour market needs, including establishing a tripartite monitoring mechanism for the implementation of the strategy.

NES was developed via a working group composed of representatives of various ministries plus Employment Service Agency (ESA), Central Bank and social partners. Priority policy areas where identified based on the discussed diagnostics then under these outcomes and outputs (and calendar) where agreed via the working group. The ILO role was to provide technical inputs and facilitate, with the Ministry of Labour and Social Policy, the process of finalising the draft that was finally approved by the Council of Ministers.

The National Employment Strategy was prepared with the support of three international institutions: the ILO (as lead agency), the World Bank and UNDP at the end of 2015 and adopted at end of 2015.

Contribution to SDGs:



Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Table 5: DWCP Outcome 1.1 - Indicators and Level of Achievement

| Outcome 1.1 Comprehensive National Employment Strategy promotes decent jobs and inclusive labour market | | |
|---|----------|---|
| Outcome Indicators | Progress | Explanations |
| Indicator 1.1.1: A comprehensive National Employment Strategy promoting decent jobs and inclusive labour market is adopted by the Government. | Achieved | Strategy developed with the joint support of the ILO, UNDP and the World Bank adopted by the Government in October 2015. |
| Indicator 1.1.2: A tripartite mechanism for monitoring the implementation of the Strategy is put in place. | Achieved | Tripartite monitoring of the Strategy is included in the text of the Strategy itself. Report issued in the first quarter of 2018 |
| Indicator 1.1.3 Gender-responsive guidelines for matching education and training systems with labour market needs are adopted as part of the comprehensive National Employment Strategy, based on consultation and involvement of social partners. | Achieved | The text of the strategy includes targeting of vulnerable groups in education and training system and development of a system based on labour market needs. Additional strengthening of gender responsiveness would be needed. |

Intended result achieved and reported globally by the ILO in the 2014-15 Programme Implementation Report.

Ranking: 6 - Highly satisfactory

Conclusions

The constituents highly praised the technical quality of the ILO support. The intervention was carried out in partnership with the UNDP and World Bank.

Lessons learned

Partnership with the UNDP and the World Banks increases impact and is an effective way of leveraging resources.

Outcome 1.2: Labour market policies and programmes targeting youth are developed and implemented

The intervention contributed to the improvement of decent work opportunities for young people through: capacity building of labour market institutions and the social partners to design, implement and monitor interventions targeting the needs of young people at national and local level; the implementation of awareness-raising activities on youth rights at work; the collection and dissemination of labour market information to inform occupational choices; and the development of related guidelines, tools and training materials.

The Youth Employment Action Plan (YEAP) focuses on skills matching, private sector development and school-to-work transitions, and envisages preventive and curative approaches addressing labour supply and demand constraints. It also established Youth Guarantee schemes, aimed at ensuring that all young people receive a good quality offer of employment, continued education, apprenticeships or traineeships within four months of becoming unemployed or leaving formal education. While the YEAP was being developed, the Ministry of Labour and Social Policy (MLSP) and the Employment Service Agency (ESA) Service piloted three innovative practices on youth employment including counterfactual evaluation, on-demand training, active job counselling and work-based learning, in three municipalities (Resen, Strumica and Kichevo).

The following outputs were delivered: i) delivered six staff development programmes; ii) conducted over 140 participant/days of training; (iii) provided advisory services on the implementation monitoring of youth employment interventions, the collection and dissemination of labour market information, and the delivery of awareness raising activities on young people's rights at work; and (iv) prepared guidelines, tools and training materials on Youth Guarantee schemes, youth rights at work, and development and dissemination of labour market information.

Contribution to SDGs:



Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training

Table 6: DWCP Outcome 1.2 - Indicators and Level of Achievement

| | | |
|--------------------|---|--------------|
| Outcome 1.2: | Labour market policies and programmes targeting youth are developed and implemented | |
| Outcome Indicators | Progress | Explanations |

| | | |
|--|----------|---|
| Number of recommendations of the impact evaluation of Active Labour Market Measures (undertaken in 2014) reflected in the re-designed Operational Plan for Active Labour Market Programmes and Measures. | | Not able to measure if 60% of recommendations, as the available report does not specify. |
| A gender-responsive National Youth Employment Action Plan until 2020 is adopted by the Government based on tripartite consultations and yearly monitored and evaluated at least twice. | Achieved | In December 2017, the Government of the Former Yugoslav Republic of Macedonia adopted a Youth Employment Action Plan (YEAP) leading to 2020. The YEAP was developed in consultation with social partners and is regularly monitored and evaluated (in 2015 and in 2017) Not able to assess to what extent was the Action Plan gender responsive. |
| Number of broader packages of youth employment programmes that include job-search training aiming at improving young people's prospects of finding decent employment. | Achieved | The MLSP and the ESA piloted three innovative practices on youth employment including counterfactual evaluation, on-demand training, active job counselling and work-based learning, in three municipalities (Resen, Strumica and Kichevo). |

Intervention effectiveness was satisfying. Good results were achieved with a smaller scale project funded by RBSA. Results reported in ILO global reports for the biennium 2014-15 and 2016-17.

Ranking: 6 – Highly satisfactory

Conclusions

While the planned interventions and specific labour market measures that are to be supported were not specified in the DWCP narrative document the ILO achieved good results in development and implementation of labour market measures targeting youth, with the participation of social partners, such as the occupational outlooks.

Lessons learned:

- Available reports do not specify if the indicator and target were met, therefore, it requires additional analysis to assess whether the intended progress was achieved.

Good practice: The approach to developing the online evidence-based *Occupational Outlook* to inform young people about the occupations and economic sectors that offered good career prospects through establishing an inter-institutional Working Group. The focus on capacity building in the partner organizations has enabled a realistic exit strategy to be enacted, with partners now able to continue with the work undertaken by the Project in an autonomous way.

Recommendations:

- ILO together with constituents to establish a tripartite mechanism for monitoring progress of the interventions under the DWCP. Through this mechanism adapt the implementation plan and capture the new developments, good progress and planned results.

Outcome 1.3 Improved policies and programmes on sustainable enterprise development

The Ministry of Economy, the employers' organizations and trade unions developed a survey and launched a report on the environment for sustainable small and medium-sized enterprises development. The Ministry of Economy drafted a strategy and action plan to support small and medium enterprises (SMEs) based on this assessment in 2017. The Strategy was adopted in May 2018.

The ILO supported the design, implementation, and analysis of the enabling environment for SMEs. It also provided technical assistance in the process of developing the draft of the national SME strategy and the action plan.

Contribution to SDGs:



Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

Table 7: DWCP Outcome 1.3 - Indicators and Level of Achievement

| Outcome 1.3: | Improved policies and programmes on sustainable enterprise development | |
|--|--|---|
| Outcome Indicators | Progress | Explanations |
| A strategy for development of competitive and innovative small and medium-sized enterprises is developed through tripartite consultations. | Achieved | The findings of the Survey were validated in October 2016 and recommendations for the strategy provided in consultation with social partners. |
| ILO global tools for increasing productivity and competitiveness of small and medium enterprises are adapted and applied. | Achieved | Tool adapted and applied. |

The targeted intervention lead to results that we reported by ILO globally through the ILO's Programme Implementation Report of 2016-17

Ranking: 6 – highly satisfactory

Conclusions

The involvement of tripartite partners in the validation of the findings of the survey and in the development of the strategy for competitive and innovative SMEs and working with the Ministry of Economy contributed to developing a solid plan.

Lesson learned

Adapting a global ILO tool to local needs and working with partners beyond usual ILO constituency was a successful endeavour and brought results.

Outcome 1.4 Strengthened labour statistics

The intervention was based on an earlier review of the methodology and results of the Quarterly National Labour Force Survey of the State Statistical Office of the Republic of Macedonia and included analysis of the results stemming from field-testing of the new draft questionnaire carried out by the State Statistical Office (SSO) in March 2015, finalising the LFS questionnaire for implementation in 2015 and support for updating the LFS sampling frame.



Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Table 8: DWCP Outcome 1.4 - Indicators and Level of Achievement

| Outcome 1.4: | Strengthened labour statistics | |
|--|--------------------------------|--|
| Outcome Indicators | Progress | Explanations |
| Indicator 1.4.1: An improved Labour Force Survey is applied. | Achieved | The updating of the sampling frame was conducted during the summer of 2015. In third quarter of 2015, the survey was conducted with the revised questionnaire and the updated sampling frame. In December 2015 the results of the LFS 2015/III were reviewed and the State Statistical Office was assisted to conduct a re-interview survey in 2016/II for quality control and measurement of response bias and response variance of the survey. |
| Indicator 1.4.2. A school to work transition report is produced and its recommendations are validated through tripartite consultations. | Achieved | The School-to-Work Transition Survey validated October 2016. The discussion focused on the length of transition and the scars that long unemployment and disengagement spells leave on the employment and earnings prospects of young people |

This well targeted intervention lead to evidence based policy design i.e. school-to-work-transition-survey (STWS) results that were used by other interventions i.e. Outcome 1.1 and Outcome 1.2

Ranking: 6 – Highly satisfactory

Conclusions

The action supported constituents in the collection and analysis of youth employment data and contributed to the generation of feasible and cost-effective policy options and inform policy design. Strong synergies with the interventions targeting youth unemployment.

Outcome 1.5 Better integration of women in the labour market, through improved wage policies, working time arrangements and improved maternity protection

The intervention was designed with the aim to support better integration of women in the labour market and in continuation of the work that was initiated under the first DWCP for FYR Macedonia. The ILO intervention was timely as it was organised at the time of preparation of the amendments of the Labour Code therefore some of ILO recommendations were taken on board, however, there is no analysis to what extent this was done. Two training for social partners held in September and December of 2015 on equal pay for work of equal value. The “Equal Pay Guide” was translated into Macedonian and disseminated. Government,

Employers' and Trade Union representatives (one each) participated at a training organised by ITC Turin "Diversity, inclusiveness and non-discrimination in the world of work in February 2016. The awareness raising campaign was carried out by the Organization of Employers of Macedonia.

In addition, in December 2017 a training was organised for constituents about the ILO Minimum Wage Fixing Convention No.131 and a presentation of international experiences and recent trends in minimum wage fixing followed by discussion on possible future country assistance for the revision of the minimum wage law was done.

Contribution to SDGs:



Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Table 9: DWCP Outcome 1.5 - Indicators and Level of Achievement

| | | |
|--|---|---|
| Outcome 1.5: | Better integration of women in the labour market, through improved wage policies, working time arrangements and improved maternity protection | |
| Outcome Indicators | Progress | Explanations |
| Indicator 1.5.1: Amended legislation/regulation to improve implementation of ILO Convention No.183 on maternity protection. | Achieved | Mainstreaming Gender into Labour Law seminar held. Labour Code amended in March 2015 and some recommendations taken on board after the workshop. |
| Indicator 1.5.2: An awareness raising campaign on innovative working time arrangements for better work-life balance is organized. | Not achieved | No funding. |
| Indicator 1.5.3: Strengthened capacity of the social partners regarding principle of equal pay for work of equal value. | Achieved | Promoting gender equality seminar held in December 2015. The ILO implemented a workshop on equal pay and the gender/ motherhood pay gap in Skopje in September 2015, in which a draft of the paper was presented. The report was finalized after the workshop based on the comments received by government participants, employer organizations, and workers' organizations. |

Conclusions

The ILO provided targeted capacity building. In response to emerging needs and in addition to the planned activities, the ILO was flexible to provide capacity building related to minimum wage.

Ranking: 5 - Satisfactory

Recommendation:

- Establish a tripartite Overview Board with a clear mandate to oversee the implementation of the DWCP and intervene if necessary, help in overcoming difficulties or adapt the DWCP to current needs. Lead: ILO.
- ILO to follow-up on minimum wage fixing and increase.

DWCP Priority II: Effective social dialogue

The second priority in the DWCP consists of four outcomes that are expected to be achieved within the given timeframe. The overall assessment of progress under this priority is satisfactory.

Table 10: DWCP Priority II and Outcomes

| Priority | Outcomes | Overall ranking |
|------------------------------|---|-----------------|
| 2. Effective social dialogue | 2.1 Institutional and technical capacity of social partners is strengthened | 5.5 |
| | 2.2 Economic and Social Councils at national and local level have enhanced capacity to fulfil their consultative role | 5.3 |
| | 2.3 Social partners and government capacity to engage in collective bargaining processes are strengthened. | 4.8 |
| | 2.4 An operational mechanism of amicable settlement of labour disputes is in place | 5.3 |
| Overall ranking | | 5.2 |

Outcome 2.1: Institutional and technical capacity of social partners is strengthened

The ILO provided technical assistance through the EU funded IPA project and focused on enhancing the capacity of employers' organizations to respond to their members' needs by applying a three-pronged approach: a) building internal capacity, b) developing new or improving existing services and c) strengthening advocacy capacity of employers' organizations.

For trade unions the ILO intervention targeted enhancing the capacity of trade unions to deliver qualitative services to their members and increase their relevance and visibility; to build trade unions' internal capacity, strengthen their resources for organizing new members, empower young workers and women in their structures and activities; and develop their capacity for campaigning and advocacy.

The project through which the technical assistance has been delivered has been extensively assessed – through evaluations commissioned by the donor and the final independent evaluation exercise. The final independent evaluation report for the “Promoting Social Dialogue” has confirmed that representative trade unions have been able to influence the operation of the NESC and LSCs. Nevertheless, structural issues, such as the law on representativity and weak collective bargaining hinder trade union effectiveness as do historical issues that undermine the perceived independence of unions from government. Other problems include low membership density in the private sector and the political crisis that affected the ability to bargain in the public sector. Internal conflicts were also a problem in some unions which prevented full uptake of project benefits.

Contribution to SDGs:



Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

8.2. Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.

8.8. Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

Table 11: DWCP Outcome 2.1 - Indicators and Level of Achievement

| Outcome 2.1: | Institutional and technical capacity of social partners is strengthened | |
|---|---|--|
| Outcome Indicators | Progress | Explanation |
| Indicator 2.1.1: A strategic plan for employers' organizations is developed and adopted. | Achieved | The strategies helped the organisations clarify their vision, mission and goals with an outline strategy to achieve them. Interview data suggests that the business strategies, allied with the marketing strategy have been useful to help the ORM and BKM to improve services to members and to grow their membership. |
| Indicator 2.1.2: Governance of employers' organizations is enhanced | Achieved | Governance charters adopted. |
| Indicator 2.1.3: A marketing and communication strategy is developed and implemented by employers' organizations. | Achieved | Overall, the marketing and communications strategies for employers has helped them build capacity, improve visibility, enhance services to members and increase membership |
| Indicator 2.1.4. Enhanced capacity of employers' organizations to engage in collective bargaining. | Achieved | ILO activities focused on building the technical capacity of social partners and promoting collective bargaining, as a means for strengthened social partnership, through the establishment and training of negotiating teams in six selected sectors. <i>31 representatives of the two EOs were trained.</i> |
| Indicator 2.1.5. Position papers promoting enabling environment for sustainable enterprises are developed by employers' organizations | Achieved | Five position papers developed by employers' organisations |
| Indicator 2.1.6. Enhanced capacity of trade union activists to engage in collective bargaining | Achieved | ILO activities focused on building the technical capacity of social partners and promoting collective bargaining, as a means for strengthened social partnership, through the establishment and training of negotiating teams in six selected sectors (<i>124 representatives of the three Tus trained</i>) |

| | | |
|--|----------|--|
| Indicator 2.1.7. Young trade union members and unorganized workers are made more aware of the role and the benefits provided by trade unions through campaigns | Achieved | A common marketing strategy developed for all three trade unions, which took into consideration internal conflicts and the differences between the trade unions only to a limited extent. |
| Indicator 2.1.8. Young workers and women are better empowered to participate in trade union activities and structures at all levels, especially in collective bargaining and agreements | Achieved | A series of six seminars was delivered for trade union activists at branch level responsible for social dialogue and collective bargaining. The expertise and skills of the facilitators tutors were appreciated, and the training materials were thought to have been useful and of high quality. |
| Indicator 2.1.9. Trade unions are better aware of the ILO supervisory mechanisms and their use for protecting and promoting workers' fundamental rights. | Achieved | A training delivered. |

The targeted intervention lead to results that we reported by ILO globally through the ILO's Programme Implementation Report of 2014-15 and 2016-17. *ORM and BCM reported increase in their membership as a result of the project by 12.84% and 10%, respectively. KSS reported unofficial increase in their membership of approximately 20%.*

Ranking: 6-highly satisfactory

Lesson learned:

- A common communication strategy was less effective than an individual one would have been for each trade union probably.
- An innovative element of the intervention to engage the services of professional marketing agencies to work with the social partners to help them promote themselves to their own constituencies and to improve their visibility to potential members and the general public combined with other capacity building activities proved to be effective.

Conclusion

The ILO made good use of its comparative advantage and its unique technical expertise in social dialogue and relations with social partners.

Outcome 2.2 Economic and Social Councils at national and local level have enhanced capacity to fulfil their consultative role.

The ILO devised a concept for an institutionalized monitoring mechanism, and guided and supervised its implementation. The ILO guided the analyses on four different topics of major interest to the NESCM members, namely effects of the minimum wage; effects of the tax system reforms; sustainability of the pension system; and possibility of introduction of a social dialogue fund. The ILO devised the concept and guided and supervised the development of a

database. Six staff of the Ministry and social partners appointed by the ESC Secretariat were trained to administer the databases. The ILO facilitated the negotiation and conclusions of establishment agreements and provided capacity building activities the secretariats. The ILO contributed technical advice in the establishment and functioning of the Tripartite Licensing Commission. The ILO tailored the concept of the Case Management System to the national situation and current requirements, and guided and supervised its implementation and use. Six staff of the Ministry were trained to use it.

In the period October 2014 to March 2017, the National Economic and Social Council (NESC) of the Former Yugoslav Republic of Macedonia discussed and issued nine recommendations and opinions: a) Action Plan on Fighting Grey Economy; b) Project Macedonia Employs; c) Continuation of the Project for another year - Macedonia Employs 2; d) Amendments to the Law on Employment and Insurance in case of Unemployment; e) Law on Writing Off Interest on Debts for Social Insurance; f) Amendments to the Law on Pension and Disability Insurance; g) Amendments to the Law on Minimum Wage; h) National Youth Employment Action Plan 2016-2020; and i) Law on National Database on Disability. Based on the assessment of the Tripartite Social Dialogue in the country, the representatives of the Ministry of Labour and Social Protection and the social partners developed a Tripartite Action Plan on Enhanced Social Dialogue, which has been endorsed by the NESC. A number of the measures in the Tripartite Action Plan on Social Dialogue have been fully implemented, namely:

- Amendment and adoption of Rules of Procedure for the ESC, including provisions for the Secretariat;
- Appointment of four persons to the Secretariat (tripartite structure);
- Provided premises, equipment, and informational and training materials;
- Provided training for administration of the website;
- Establishment of a formal mechanism for tracking the implementation of the recommendations;
- Establishment and training of standing committees on topics under the scope of operation of the ESC;
- Creation of a platform for networking the national and local ESCs.
- A tracking mechanism for monitoring the implementation of the NESC recommendations has been established within the NESC.

Contribution to SDGs:



Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
16.6 Develop effective, accountable and transparent institutions at all levels

Table 12: DWCP Outcome 2.2 - Indicators and Level of Achievement

| Outcome 2.2: Economic and Social Councils at national and local level have enhanced capacity to fulfil their consultative role. | | |
|---|----------|--|
| Outcome Indicators | Progress | Explanation |
| Indicator 2.2.1: A Tripartite Action Plan for enhancing capacity of the National and Local Economic | Achieved | A Tripartite Action plan developed and a 90% of the measures in the Tripartite Action Plan on Social Dialogue have been fully implemented. |

| | | |
|--|----------|---|
| and Social Councils is developed and implemented. | | |
| Indicator 2.2.2: Monitoring mechanism of recommendations of the Economic and Social Council is in place | Achieved | A formal mechanism for tracking the implementation of the recommendations established |
| Indicator 2.2.3. Six (6) new local Economic and Social Councils (LESC) are established. | Achieved | Six LESCs have been established and fully equipped. The agreements for the establishment of the LESCs in Resen, Veles, Sveti Nikole, Struga, Kichevo and Radovish have been signed by the presidents of the social partners present at the municipal level and by the mayors of the respective municipality. The LESC are active today. |
| Indicator 2.2.4 Improved visibility of the National Economic and Social Council. | Achieved | A communication strategy has been endorsed by the National Economic and Social Council and several promotional activities were carried out. |
| Indicator 2.2.5. The Economic and Social Council (ESC) recommends ratification of relevant ILO Conventions | Achieved | Ratifications done based on ESC recommendation: C141 - Rural Workers' Organisations Convention, 1975 (No. 141) C171 - Night Work Convention, 1990 (No. 171) |

The targeted intervention lead to results that we reported by ILO globally through the ILO's Programme Implementation Report of 2016-17

Ranking: 6 – Highly satisfactory

Conclusions

According to the final independent evaluation the intervention „is regarded as having good potential for longer term impact as the NESC starts to function better and the LESCs become more embedded within local municipality decision-making structures. Much will depend on how much credibility is granted to NESC opinions with government, especially in the economic and finance ministries.”

Outcome 2.3: Social partners and government capacity to engage in collective bargaining processes are strengthened.

The ILO intervention, through IPA funding provided training, specialist advice and materials to support collective bargaining. Training was provided for employers, trade unions, labour inspector and labour judges. ILO materials on collective bargaining were translated into Macedonian to provide further support to buttress the training interventions. Both the mid-term and final evaluations reported that training initiatives had been highly rated by the participants and this view is confirmed in this report.

Contribution to SDGs:



Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

Table 13: DWCP Outcome 2.3 - Indicators and Level of Achievement

| Outcome 2.3: Social partners and government capacity to engage in collective bargaining processes are strengthened. | | |
|---|-------------|--|
| Outcome Indicators | Progress | Explanation |
| Indicator 2.3.1: A tripartite action plan on strengthening collective bargaining is developed and implemented by the government and the social partners. | Achieved | The Tripartite Action Plan on Collective Bargaining has been developed based on the analysis of the regulatory framework for collective bargaining, and the inputs from the social partners. It contained seven measures, one of which is gender related, and refers to the analysis of the equal pay for a work of equal value. |
| Indicator 2.3.2: ILO recommendations on ensuring full compliance of existing law and practice with fundamental principles and rights at work as reflected in ILS are adopted. | In progress | The ILO has undertaken a comprehensive analysis on the compliance of the 2 chapters of the law have been analysed – XVIII and XIX national legislation with the ILS, and provided a number of recommendations. The analyses and the corresponding recommendations were discussed and validated in a tripartite workshop. |
| Indicator 2.3.3: A data base on social partners' membership and collective agreements is in use. | Achieved | The software has been installed on the servers of and accepted by the MLSP, and then accounts have been created for the users in the MLSP.. The MLSP has requested from the social partners to submit official data on the membership, collective agreements and strikes, to be entered into the database. |

The targeted intervention lead to stronger capacity of social partners and the government.

Ranking: 5 - Satisfactory

Conclusions

Training interventions to improve the processes and outcomes of collective bargaining were validated as high quality and correctly focussed.

Structural issues, such as laws on representativity, low trade union membership in the private sector, and lack of extension of collective agreements to non-affiliated employers are barriers to free collective bargaining. The provided capacity building activities were of high quality.

Outcome 2.4: An operational mechanism of amicable settlement of labour disputes is in place

The ILO assisted the MLSP to take the necessary legal and institutional measures to establish a mechanism for the amicable resolution of labour disputes. The support laying the legal foundations for establishing the mechanism were financed from RBSA funded and the subsequent activities were funded from the IPA Promoting Social Dialogue project. As a result of capacity building activities 90 conciliators were trained, 59 of whom had been licensed; a tripartite licensing commission was established and trained; a case management information system installed; a publicity campaign to promote the conciliation system; ongoing training of conciliators to a high standard; and the promotion of ASLD as part of the process of social

dialogue and tripartism have been carried out. Since the final independent evaluation the number of handled cases has increased to 7, but all were handled by only one person.

Contribution to SDGs:



Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Table 14: DWCP Outcome 2.4 - Indicators and Level of Achievement

| Outcome 2.4: An operational mechanism of amicable settlement of labour disputes is in place . | | |
|--|----------|---|
| Outcome Indicators | Progress | Explanation |
| Indicator 2.4.1. A permanent training programme is in place for conciliators /arbiters. | Achieved | The training expert from the International Training Centre of the ILO (ITC ILO), ILO Senior Specialist on Social Dialogue and Labour Law and the director of Conciliation Service of the Irish Labour Relations Commission have developed a training programme for conciliators and arbitrators, which was endorsed by the Ministry of Labour and Social Policy and was published on the websites of the Ministry and of the Economic and Social Council. It is expected that the training programmes based on the curriculum will continue beyond the lifespan of the project. The training programme was tested through the first training of trainers for conciliation and arbitration of labour disputes, and was highly evaluated by both the participants and the members of the Tripartite Licensing Committee |
| Indicator 2.4.2. A roster of specialized conciliators/arbiters is created. | Achieved | 59 out of the 90 trained candidates have obtained license for conciliators/arbitrators. |
| Indicator 2.4.3. A case management system is created and in use. | Achieved | A software has been developed and validated by MSLP: The registered cases of collective disputes with the MLSP have been entered in the Case management system by the respective conciliator |
| Indicator 2.4.4. Increased awareness on the advantages of amicable settlement of labour disputes. | Achieved | In addition to developing and distributing promotional material , two rounds of more intensive campaign have been implemented |

Planned results achieved, although further capacity building is needed. Results reported in ILO's global Programme Implementation Report for 2014-15.

Ranking: 6 – Highly satisfactory

Conclusions

The licensing procedure, with a trained tripartite commission operating under the auspices of the national ESC, is a useful start in the process of developing an independent and credible conciliation service. However, it should also be noted that despite the invested capacity building efforts to build a network of conciliators only one person has dealt with all the cases so far. All this suggests that there is no need to train more conciliators, but promote the LDS system as a complementary alternative to the courts.

Recommendations:

- Government and social partners to further promote the work of the Agency.

DWCP Priority III: Formalisation of the informal economy

The third priority in the DWCP 2015-2018 was addressed with two outcomes and the progress was seen as somewhat un-satisfactory, due to no progress on working with labour inspection, due to lack of funding.

Table 15: DWCP Priority III and Outcomes

| | | |
|--|--|-----|
| 3. Formalisation of the informal economy | 3.1 Strengthened effectiveness of the Labour Inspection | 1.0 |
| | 3.2 Government and social partners have enhanced awareness and knowledge base on informality to promote and facilitate transition to formality | 5.0 |
| Overall ranking | | |

Outcome 3.1: Strengthened effectiveness of the Labour Inspection

The planned technical assistance was to be provided in the framework of the sub-regional ESAP project taking into consideration international labour standards and the general principles deriving from ratified ILO conventions. However, the national Labour Inspection was not interested to participate in the ESAP due to scarce budget for the planned interventions. The ILO could not mobilise other resource to cover the cost of any technical assistance. .

Contribution to SDGs:



Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

Table 16: DWCP Outcome 3.1 – Indicators and Level of Achievement

| Outcome 3.1: Strengthened effectiveness of the Labour Inspection | | |
|--|--------------|-------------|
| Outcome Indicators | Progress | Explanation |
| Indicator 3.1.1: New methods and tools used by the inspectors to address the informal economy | Not achieved | No funding |

No results achieved.

Ranking: N/A

Conclusions

Neither the ILO nor the constituents could leverage funds to implement the planned action.

Recommendations

- The DWCP should be considered a living document and should be adjusted to realities. The role of the Overview Board will be to initiate and confirm such changes. Lead: ILO to draft clear TOR for the tripartite DWCP Overview Board.

Outcome 3.2: Government and social partners have enhanced awareness and knowledge base on informality to promote and facilitate transition to formality

The ILO provided technical assistance and supported the work of the tripartite working group on the Strategy and Action Plan for formalization of the informal economy. The working group consists of representatives of trade unions, employers' organizations, chambers of commerce, Ministry of Labour and Social Policy, Ministry of economy, Ministry of Finance, Public Revenue Office, Customs Office, State Labour Inspectorate, State Market Inspectorate, State Construction Inspectorate, Ministry of Agriculture, Cabinet of the Vice-prime Minister for Economic Affairs, and the ILO. ILO support included constant engagement with the Ministry of Labour and Social Policy and the working group in the process of identification of the problems based on the available analysis, determination of the scope and the content of the Strategy and the Action Plan, suggested solutions to the problems and proposing of measures based on international experience. The survey on undeclared work was carried out with the support of the European Union. In addition a thematic training on Macroeconomics and Informal Economy - was organized in Resen, 26-27 October 2016, with attendance of 25 members (9 women and 16 men), and average evaluation score of 4.55. The workshop focused on macroeconomic variables, key labour market indicators, markets of goods and money, role of foreign trade, economic growth and employment, informality and its role in contemporary economies, macroeconomic policy for those who work in the informal sector now, with special attention to the Macedonian economy. It was delivered by an international Macroeconomics University Professor, and a national University Professor in Economics and former head of the Macroeconomics Department under the Ministry of Finance.

The Government of the Former Yugoslav Republic of Macedonia developed the national strategy for the formalization of the informal economy for 2017-2022, in consultation with the social partners. The strategy focuses on the following objectives: more efficient supervision over the grey economy streams; promotion of the functioning of the fiscal system; reduction of the administrative and para-fiscal burden on the economy and the citizens; raising the citizens' and businesses' awareness about the importance of the formalization of informal activities and motivation to comply with the law . The government used the findings and recommendations of the Survey on Undeclared Work as analytical base for the development of the Strategy and the Action Plan.

Contribution to SDGs:



Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.

Table 17: DWCP Outcome 3.2 – Indicators and Level of Achievement

| Outcome 3.2: Government and social partners have enhanced awareness and knowledge base on informality to promote and facilitate transition to formality | | |
|--|----------|--|
| Outcome Indicators | Progress | Explanation |
| Indicator 3.2.1: Tripartite constituents identify drivers and profile of informality, including the different situations and needs of women and men and of vulnerable groups. | Achieved | A tripartite working group on the Strategy and Action Plan for formalization of the informal economy was established consisting of representatives of trade unions, employers' organizations, chambers of commerce, Ministry of Labour and Social Policy, Ministry of economy, Ministry of Finance, Public Revenue Office, Customs Office, State Labour Inspectorate, State Market Inspectorate, State Construction Inspectorate, Ministry of Agriculture, Cabinet of the Vice-prime Minister for Economic Affairs, and the ILO. A survey on undeclared work was carried out with the support of the European Union. |
| Indicator 3.2.2 A gender-responsive national strategy for the formalization of the informal economy is adopted on a tripartite basis. | Achieved | Strategy adopted in 2017. |
| Indicator 3.2.3: Constituents undertake an information and awareness raising campaign to promote the benefits of formalization | Achieved | Organization of Employers of Macedonia carried out an awareness raising campaign. |

The targeted intervention lead to results that we reported by ILO globally through the ILO's Programme Implementation Report of 2016-17, although no progress for one of the indicators

Ranking: 5 – Satisfactory.

Conclusions

ILO also played the role of a catalyst that encouraged constituents to work on the profile of informal economy and develop a strategy. The partnership and participatory approach proved to be useful.

How efficient was the implementation?

The interventions under the various DWCP outcomes have been well-managed at the country and regional levels. The **ILO has provided significant added value** via its resources base, technical expertise, project management backstopping, and training inputs, making good use of its comparative advantage.

The DWCP outcomes were financed from a combination of resources: regular budget and extra budgetary resources and progress was achieved often with a small amount of resources.

DWCP Priority I: Job-rich inclusive growth and sustainable enterprises

Outcome 1.1: Comprehensive National Employment Strategy promotes decent jobs and inclusive labour market

The ILO was praised for its high technical expertise, participatory and flexible approach. One of the interviewees from the Ministry of Labour and Social Policy expressed a wish to have a stronger involvement in the selection of experts

Ranking: 6 - Highly satisfactory

Outcome 1.2: Labour market policies and programmes targeting youth are developed and implemented

Result achieved with a small scale project funded from RBSA.

Ranking: 6 – Highly satisfactory

Outcome 1.3 Improved policies and programmes on sustainable enterprise development

The progress was achieved with limited funds involving good quality expertise and global experience.

Ranking: 6 – highly satisfactory

Outcome 1.4 Strengthened labour statistics

Progress was achieved with limited funds, but involving good quality expertise and global experience.

Ranking: 6 – Highly satisfactory

Outcome 1.5 Better integration of women in the labour market, through improved wage policies, working time arrangements and improved maternity protection

Action delivered with limited resources funded by the Norwegian government.

Ranking: 5 - Satisfactory

DWCP Priority II: Effective social dialogue

Outcome 2.1: Institutional and technical capacity of social partners is strengthened

According to the independent evaluation "The project has been managed efficiently and transparently, largely achieving the project results, and making good use of ILO comparative advantage in social dialogue and employment relations"

Ranking: 6 – highly satisfactory.

Outcome 2.2 Economic and Social Councils at national and local level have enhanced capacity to fulfil their consultative role.

Efficiency confirmed by both the ROM mission and the Final evaluation report for the Promoting Social Dialogue project.

Ranking: 6 – Highly satisfactory

Outcome 2.3: Social partners and government capacity to engage in collective bargaining processes are strengthened.

Efficiency confirmed by both the ROM mission and the Final evaluation report for the Promoting Social Dialogue project.

Ranking: 6 – Highly satisfactory

Outcome 2.4: An operational mechanism of amicable settlement of labour disputes is in place

Work initially funded by RBSA funding and subsequently by the IPA funded project. As mentioned in the case of other outcomes funded by the IPA project Promoting Social Dialogue efficiency was confirmed by both the ROM mission and the Final evaluation reports.

Ranking: 6 – Highly satisfactory

DWCP Priority III: Formalisation of the informal economy

Outcome 3.1: Strengthened effectiveness of the Labour Inspection

No results achieved.

Ranking: N/A

Outcome 3.2: Government and social partners have enhanced awareness and knowledge base on informality to promote and facilitate transition to formality

Efficiency confirmed by both the ROM mission and the Final evaluation report for the Promoting Social Dialogue project.

Ranking: 6 – Highly satisfactory

What is the potential for sustainability of the achievements? Did the programme produce tangible results?

DWCP Priority I: Job-rich inclusive growth and sustainable enterprises

Outcome 1.1: Comprehensive National Employment Strategy promotes decent jobs and inclusive labour market

The National Employment Strategy adopted by the Council of Ministers. The Economic and Social Council regularly monitors its implementation making this result highly tangible.

Ranking: 6 Highly satisfactory

Outcome 1.2: Labour market policies and programmes targeting youth are developed and implemented

The ESA contributed with own funding to the implementation, which demonstrates high interest and ownership over the outputs and intervention.

Ranking: 6 – Highly satisfactory

Outcome 1.3 Improved policies and programmes on sustainable enterprise development

The strategy was done with the involvement of Ministries of Economy and Finance in addition to MLSP. The strategy was adopted in May 2018.

Ranking: 6- Highly satisfactory

Outcome 1.4 Strengthened labour statistics

The developed methodology and LFS is still in use.

Ranking: 6 – Highly satisfactory

Outcome 1.5 Better integration of women in the labour market, through improved wage policies, working time arrangements and improved maternity protection

The DWCP outcome does not describe a sustainability strategy The Guide has been issued and disseminated, but no information whether it is in use.

Ranking: 3- Somewhat unsatisfactory

DWCP Priority II: Effective social dialogue

Outcome 2.1: Institutional and technical capacity of social partners is strengthened

According to the independent evaluation there is a potential for sustainability, but there is a need for a clear sustainability plan.

Ranking: 5 –satisfactory

Outcome 2.2 Economic and Social Councils at national and local level have enhanced capacity to fulfil their consultative role.

The invested institution building gives good potential for sustainability, but sustainability of the LESC will also depend on representativity of social partners in the field and availability of funding for LESC work.

Ranking: 5 - Satisfactory

Outcome 2.3: Social partners and government capacity to engage in collective bargaining processes are strengthened.

The findings of the Final evaluation report of the IPA funded Promoting Social Dialogue remain relevant: “In respect of collective bargaining, the ROM report noted that the social partners needed to ‘move towards more open communication and show dedication to [the] collective bargaining process’.⁴ Since the report was written, collective agreements have been concluded in the textile and agriculture sectors, with negotiations ongoing in the tobacco

⁴ ROM report, 4

industry. However, it is not clear how these negotiations differ from the long established pattern of collective bargaining that was in existence before the project began. While respondents were extremely satisfied with the collective bargaining training that had been provided, there was no certainty that lessons learned through the training had been implemented”

Ranking: 4 – Somewhat satisfactory.

Outcome 2.4: An operational mechanism of amicable settlement of labour disputes is in place

Mechanism for peaceful settlement of labour disputes established within the MLSP, however, still a few number of cases. Further capacity building needed and more awareness raising on the results and advantages.

Ranking: 5 - Satisfactory

DWCP Priority III: Formalisation of the informal economy

Outcome 3.1: Strengthened effectiveness of the Labour Inspection

N/A

Outcome 3.2: Government and social partners have enhanced awareness and knowledge base on informality to promote and facilitate transition to formality

Strategy adopted by Government.

Ranking: 5 - Satisfactory

How were cross cutting issues, such as social dialogue, labour standards and gender addressed?

The **gender mainstreaming needs to be strengthened** across the DWCP. In case of gender specific indicators the target is not sufficiently specified, hampering proper measurement of progress. The social dialogue as a cross cutting area is fairly well reflected, while ILS is mainstreamed to a limited extent, but more could be done to have these areas better reflected.

Outcome 1.1: Comprehensive National Employment Strategy promotes decent jobs and inclusive labour market

Social dialogue: Social partners were involved in the development of the NES and the monitoring of its implementation envisaged through the Economic and Social Council, therefore relevant to social dialogue high. Access to skills training for vulnerable groups addressed to some extent in the NES, however, would need to be further addressed. ILS: In the context of the European Union accession process and the application of the Employment Policy Convention, 1964 (No. 122) – which requires governments to pursue an active policy for full and productive employment – the Government developed an Employment Strategy.

Ranking: 5 – satisfactory

Outcome 1.2: Labour market policies and programmes targeting youth are developed and implemented

Social dialogue: The YEAP was developed via social dialogue and in line with the ILO's Call for Action on Youth Employment. The country developed an annual revision process of the YEAP involving workers' and employers' organizations. At the local level, the prioritised measures chosen by the municipalities were designed after consultation with the social partners. The applied strategy aimed to directly contribute to building quality social dialogue.

ILS: In the context of the European Union accession process and the application of the Employment Policy Convention, 1964 (No. 122) – which requires governments to pursue an active policy for full and productive employment – the Government developed an Employment Strategy. The ILO supported the development of the Youth Employment Action Plan as part of this overall strategy.

Ranking: 5- Satisfactory

Outcome 1.2: Labour market policies and programmes targeting youth are developed and implemented

Limited contribution to gender and ILS

Social Dialogue: The Ministry of Economy, Ministry of Finance, Ministry of Labour and Social Policy and other state institutions and agencies, two major employers' organizations, chambers of commerce and the biggest trade unions in the Former Yugoslav Republic of Macedonia were consulted on the findings of the SME survey and included in the process of developing the national SME strategy and its action plan. Tripartite dialogue has been strengthened through the consultation process, including during the tripartite meeting in October 2016, which validated the draft survey report.

Ranking: 4-somewhat satisfactory

Outcome 1.4 Strengthened labour statistics

Contribution to gender not evident. The LFS concepts and definitions follows the EUROSTAT guidelines and the ILO international standards adopted by the 13th International Conference of Labour Statisticians (ICLS). In terms of social dialogue the findings of the STWS validated by tripartite partners.

Ranking – 4 – Somewhat satisfactory

Outcome 1.5 Better integration of women in the labour market, through improved wage policies, working time arrangements and improved maternity protection

Contribution to gender evident. The contribution and links to Fundamental Convention C.100 and C.111 clear. Capacity building planned to be done in tripartite manner, thus, would have contributed to social dialogue.

Ranking: 5- satisfactory

DWCP Priority II: Effective social dialogue

Outcome 2.1: Institutional and technical capacity of social partners is strengthened

Social Dialogue: The contribution to social dialogue is imminent through capacity building of social partners, especially related to collective bargaining. ILS: Training on supervisory mechanism of the ILO was a targeted activity related to ILS. Gender: One specific action was targeting gender equality principles.

Ranking: 5 – satisfactory

Outcome 2.2 Economic and Social Councils at national and local level have enhanced capacity to fulfil their consultative role.

Social Dialogue: Strengthening social dialogue in the country was the principal objective of ILO's contributions to the NESC. ILS: The assistance has been designed taking into consideration the relevant International Labour Standards, particularly the Voluntary Conciliation and Arbitration Recommendation, 1951 (No. 92), the Collective Bargaining Convention, 1981 (No. 154), the Labour Administration Convention, 1978 (No. 150) and the Labour Relations (Public Service) Convention, 1978 (No. 151). Gender: Weakly mainstreamed. Ranking: 5 – Satisfactory

Outcome 2.3: Social partners and government capacity to engage in collective bargaining processes are strengthened.

Weak mainstreaming of ILS in the text although the work is related to Labour Relations (Public Service), No. 151 and Collective Bargaining Convention no. 154. Gender mainstreaming low in the DWCP outcome strategy text or project report. Ranking: 4 – Somewhat satisfactory

Outcome 2.4: An operational mechanism of amicable settlement of labour disputes is in place

Social dialogue: The project strategy was to work with tripartite partners throughout the intervention. Weak mainstreaming of ILS in the text although the work is related to Labour Relations (Public Service), No. 151 and Collective Bargaining Convention no. 154. Gender mainstreaming low in the DWCP outcome strategy text or project report.

Ranking: 4- Somewhat satisfactory

DWCP Priority III: Formalisation of the informal economy

Outcome 3.1: Strengthened effectiveness of the Labour Inspection

Intervention has direct links to social dialogue and ILS.

Outcome 3.2: Government and social partners have enhanced awareness and knowledge base on informality to promote and facilitate transition to formality

Social dialogue: The entire process was based on tripartite consultations, in the framework of the tripartite working group on the Strategy and Action Plan for formalization of the informal economy. During the preparatory period, the draft version of the informal economy strategy

has been discussed with the social partners prior to the official tripartite roundtable in November, 2017. Limited contribution to gender and ILS.

Ranking: 4 - Somewhat satisfactory

2.5 Lessons learned

As a result of the review process of the DWCP FYR Macedonia, the following general lessons learned are identified:

1. The need for a DWCP Overview Board has been already identified by the previous review. The need for establishment of such a body is re-confirmed with a role to promote, monitor and adjust the DWCP to realities. Lack of a governing organ limits monitoring of progress and limits the ability to adjust the programme to changing priorities or needs. For example for Outcome 1.
2. The early involvement of constituents by the ILO in the intervention is an important factor for a good design of intervention and building ownership. Flexible approach is another feature that was highly praised. The combination of early involvement and flexibility were key features that contributed to progress of several outcome despite the political deadlock.
3. The lack of reports that capture progress of the implementation for the entire DWCP limits the assessment of advancement towards planned outcomes. While progress reports were available for the outcomes that were funded by extra budgetary funding there was no means to measure this equally for every outcome.
4. Lack of Theory of Change weakens the understanding of the logic of the intervention and the expected progress.
5. The number and definition (outcome or output level) of indicators varies. It was obvious that for the outcome funded by the IPA funded project there were on average 4 indicators by outcome, but in some instances up to 9 (Outcome 2.1). Too many indicators make monitoring complex and sometimes the collection of data is difficult. It is advised to use fewer, more simple, but smart indicators that measure progress more easily.
6. Difficult to measure mainstreaming of gender as qualitative gender related indicators are not specified sufficiently, thus measuring is challenging.

2.6 Overall conclusions and recommendations

Conclusions:

Based on the desk review and the conducted interviews in Skopje it can be concluded that the national tripartite constituents consider the DWCP priorities as defined in the programme still relevant for FYR Macedonia.

The provided technical assistance was of high quality, experts involved in implementation of had relevant and unique technical experience. Among the acknowledged comparative advantage the ILO's global experience, comparative analysis from the region, high technical

experienced mobilised combined with highly committed staff on the ground were the most important as mentioned by interviewees.

The presence of the ILO National Coordinator in Skopje is an important accelerator of success and a highly valued support.

The desk review showed that the description of the intervention strategy is often too short and general, mainstreaming gender is weak and there is a need for more specific and measurable indicators.

The fieldwork revealed that the interviewed constituents were not able to assess actual progress towards agreed results and were seeing the DWCP more as an ILO document. There is limited understanding and experience in applying RBM. Due to lack of an overall report measuring actual progress was challenging during the desk review.

The ILO's ability to mobilise high quality technical expertise is also seen as an important accelerators of success.

The commitment of the national constituents to contribute in the implementation of the DWCP in terms of resources and finances is limited, but there were several examples of own contribution by constituents that demonstrate an exponential increase in sustainability of the achieved change.

The lack of meetings of the Overview Board/Tripartite Steering Committee is a missed opportunity to see the ILO intervention as a whole, review progress and address bottlenecks at a higher level if needed. Such a Board should be seen as a useful mechanism for the national constituents that has the power to influence work and provide recommendations for changes and modifications if needed.

General Recommendations:

1. ILO and tripartite constituents to establish a tripartite Overview Board with a clear mandate to oversee the implementation of the DWCP and intervene if necessary, help in overcoming difficulties or adapt the DWCP to current needs. Lead: ILO.
2. ILO to include a theory of change in the description of the Outcome intervention strategy to strengthen understanding how the intended change is planned to be achieved.
3. ILO together with constituents to develop an explicit sustainability/ exit strategy in the future DWCP/and in future projects.
4. ILO to establish better quantitative indicators in order to better track progress and to report on results.
5. ILO to establish specific targets for the qualitative indicators to allow measurement and verify whether means of verification exists.
6. ILO should develop a DWCP report format that captures progress towards targets as per the developed indicators.
7. ILO and constituents should make efforts to further expand funding base and should reach out to partnership i.e. seek synergies and explore joint funding opportunities with other UN agencies.

Appendices

Appendix 1: List of Recommendations

| General Recommendations | |
|--------------------------|---|
| 1 | ILO and tripartite constituents to establish a tripartite Overview Board with a clear mandate to oversee the implementation of the DWCP and intervene if necessary, help in overcoming difficulties or adapt the DWCP to current needs. Lead: ILO |
| 2 | ILO to include a theory of change in the description of the Outcome intervention strategy to strengthen understanding how the intended change is planned to be achieved. |
| 3 | ILO together with constituents to develop an explicit sustainability/ exit strategy in the future DWCP/and in future projects |
| 4 | ILO to establish better quantitative indicators in order to better track progress and to report on results. |
| 5 | ILO to establish specific targets for the qualitative indicators to allow measurement and verify whether means of verification exists |
| 6 | ILO should develop a DWCP report format that captures progress towards targets as per the developed indicators |
| 7 | ILO and constituents should make efforts to further expand funding base and should reach out to partnership i.e. seek synergies and explore joint funding opportunities with other UN agencies |
| Specific recommendations | |
| Priority 1: | |
| 8 | ILO to describe how the action will lead to results (i.e. include a theory of change in the description) under the Outcome intervention strategy to strengthen understanding |
| 9 | ILO to establish specific targets for the qualitative indicators to allow measurement |
| 10 | ILO together with constituents to establish a tripartite mechanism for monitoring progress of the interventions under the DWCP. Through this mechanism adapt the implementation plan and capture the new developments, good progress and planned results |
| 11 | ILO to describe the theory of change and the intervention strategy |
| 12 | ILO to establish indicators that have available means of verification and capture progress towards targets in reports. |
| 13 | ILO to establish targets that can be measured in order to have meaningful gender specific qualitative indicators. |
| 14 | Considering the existing synergies with country programme outcomes linked to evidence based policies it is recommended to include the capacity building on statistics under those and establish a specific indicators of progress linked to statistics. This will lead to a smaller number of outcomes. Lead: ILO |

| | |
|-------------|---|
| 15 | Establish a tripartite Overview Board with a clear mandate to oversee the implementation of the DWCP and intervene if necessary, help in overcoming difficulties or adapt the DWCP to current needs. Lead: ILO. |
| 16 | ILO to follow-up on minimum wage fixing and increase. |
| Priority 2: | |
| 15 | ILO to develop a theory of change at the outcome level that will strengthen the understanding of the intervention logic |
| 16 | ILO together with constituents to develop a sustainability and exit plan in future DWCP and projects |
| 17 | Government to further promote the work of the Agency for Peaceful Settlement of Labour Disputes. |
| Priority 3: | |
| 18 | The DWCP should be considered a living document and should be adjusted to realities. The role of the Overview Board will be to initiate and confirm such changes. Lead: ILO to draft clear TOR for the tripartite DWCP Overview Board |

Appendix 2: Terms of Reference

TERMS OF REFERENCE FOR THE FINAL REVIEW OF THE DECENT WORK COUNTRY PROGRAMME 2015-2018 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 final independent evaluation of the Promoting Social Dialogue project, done in March 2017, and recommendations of the final evaluation of the project “ Enhancing collective bargaining and amicable settlement of labour dispute mechanisms in Bosnia and Herzegovina, the Former Yugoslav Republic of Macedonia and Moldova (SBU/12/02/RBS).

The review is done now because the ILO and the constituents in 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 Macedonia, the ILO promotes decent work as a national objective and assists constituents to make progress towards achieving that objective. The DWCP for Macedonia was the main instrument for ILO cooperation over the period 2015-2018 and the main programming tool through which the International Labour Organization supported its tripartite constituents in the country.

The following priorities were identified for collaboration between the ILO and the tripartite constituents in the framework of the DWCP:

1. Job-rich inclusive growth and sustainable enterprises
2. Effective social dialogue
3. Formalization of the informal economy

A detailed implementation plan, including outcomes, outputs, indicators, was developed as an internal document. 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 extra budgetary resources (EU IPA funding), ILO Regular Budget Supplementary Account (RBSA) and ILO Regular Budget.

Priority 1: Job-rich inclusive growth and sustainable enterprises

Following outcomes were defined under this priority:

Outcome 1.1. Comprehensive National Employment Strategy promotes decent jobs and inclusive labour market

Outcome 1.2. Labour market policies and programmes targeting young women and men are developed and implemented

Outcome 1.3. Improved policies and programmes on sustainable enterprise development

Outcome 1.4. Strengthened labour statistics

Outcome 1.5. Better integration of women in the labour market, through improved wage policies, working time arrangements and improved maternity protection

Priority 2: Effective social dialogue

Following outcomes were defined under this priority:

Outcome 2.1 Institutional and technical capacity of social partners is strengthened

Outcome 2.2. Economic and Social Councils at national and local level have enhanced capacity to fulfil their consultative role.

Outcome 2.3. Social partners and government capacity to engage in collective bargaining processes are strengthened

Outcome 2.4. An operational mechanism of amicable settlement of labour disputes is in place

Priority 3: Formalization of the informal economy

Following outcomes were defined under this priority:

Outcome 3.1: Strengthened effectiveness of the Labour Inspection

Outcome 3.2: Government and social partners have enhanced awareness and knowledge base on informality to promote and facilitate transition to formality

International Labour Standards

FYR Macedonia has ratified 80 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 2015 through the beginning of 2018.

The review will focus on the progress made on tangible outcomes directly resulting from ILO contributions. It will use the findings of the final independent evaluation of the Promoting Social Dialogue project, done in March 2017 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.

The review will seek answers to the questions in annex 1.

Gender dimensions should be a cross-cutting concern throughout the methodology, deliverables and final report of the CPR. This means that both women and men should be involved in consultations, review analysis, and in the review team. Data reviewed by the evaluator should be disaggregated by sex, and based on this analysis should assess the relevance and effectiveness of strategies and outcomes for both women and men. Recommendations should reflect such analysis, which should be accurately included in the final review report, and should be gender-responsive.

6. Proposed Methodology

The methodology will comprise an extensive desk review of relevant documentation. The process includes a series of meetings/interview between the internal evaluator and the government, workers' and employers' organizations.

An internal ILO evaluator will do the review. The internal 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 roundtable discussion organized by the ILO at the beginning of the process for drafting the next cycle of DWCP.

- 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), National strategies, UNDAF, any SDGs related national documents.
 - Other relevant background information, including DWCP Implementation and Monitoring plan, annual workplan, 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 evaluator 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 current and former staff in the country
- Government
- Workers' organisation
- Employers' organisation

4. The evaluator in coordination with the National Coordinator will arrange a presentation for the stakeholders, in order to share the findings.

7. Outputs

- The evaluator should prepare a draft report and a presentation of main findings in English language;
- Based on the feedback from ILO staff and constituents, the evaluator 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 below:

| 1 | 2 | 3 | 4 | 5 | 6 |
|-----------------------|----------------|-------------------------|-----------------------|--------------|---------------------|
| Highly unsatisfactory | Unsatisfactory | Somewhat unsatisfactory | Somewhat satisfactory | Satisfactory | Highly satisfactory |

- 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. The report will be translated into Macedonian language.

8. Provisional work plan and schedule

| Task | Time frame | Responsible person | Unit/ | Consultations |
|---|---|--|-------|--|
| 1. Draft TORs prepared | By 07 March 2018 | DWT/CO Budapest/ ILO NC Emil Krstanovski | | EUROPE, Regional Evaluation Officer, ILO DWT Cooperation. |
| 2. Identification of internal evaluator | By 08 March March 2018 | DWT/CO Budapest/ | | DWT/CO Budapest/ National Coordinator/Regional Evaluation Officer |
| 3. Internal to finalize terms of reference | By 27 March 2018 | 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 | By 29 March 2018 | DWT/CO Budapest / ILO NC | | EUROPE |
| 5. Meetings scheduled for the reviewer to get inputs from national stakeholders | By 30 March 2018 | National Coordinator/DWT/CO Budapest | | EUROPE |
| 6. Documents reviewed and meetings/ interviews with stakeholders completed | By end of 13 April 2018 (5 + 3 working days) | Internal evaluator | | National Coordinator/DWT/CO Budapest, National tripartite stakeholders, national partners. |
| 7. Draft CPR report | By 30 April 2018 (5 working days) | Internal evaluator | | DWT/CO Budapest |
| 8. Consultations with constituents and other stakeholders on the draft report, as appropriate | By end of May 2018 | National Coordinator/DWT CO Budapest | | DWT/ EUROPE/ regional Evaluation Officer |

| Task | Time frame | Responsible person | Unit/ | Consultations |
|-----------------------|--|--|-------|--|
| 9. Roundtable | By mid-June 2018 | National Coordinator/ and internal evaluator | | |
| 10. Final CPR report. | One week after the roundtable (2 working days) | Evaluator/ DWT Budapest and ILO NC | | Regional Evaluation Officer (review) EUROPE (approval) EVAL (final approval) |
| TOTAL | | 15 working days | | |

Annex I BASIC QUESTIONNAIRE FOR INTERVIEWS WITH THE CONSTITUENTS

1. 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?

2. 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 usefull 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?

3. 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?

4. 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

Interviewed people from the ILO DWT/CO Budapest

| | |
|----------------------|---|
| Dragan Radic | Former Senior specialist, employers activities |
| Cristina Mihes | Specialist on Industrial Relations and Labour Law |
| Mariko Ouchi | Specialist on conditions of work |
| Mauricio Dierckxsens | former Employment Specialist of DWT/CO Budapest |
| Magnus Berge | Specialist for Workers Activities |

Interviewed people from FYR Macedonia

| | |
|---|---|
| Emil Krstanovski | ILO National Coordinator |
| Ms. Mira Aleksevskva | Ministry of Labour and Social Policy |
| Mr. Goran Neshevski | Ministry of Labour and Social Policy |
| Mr. Mladen Frchkovski | Ministry of Labour and Social Policy |
| Mr. Slobodan Trendafilov | Federation of Trade Unions of Macedonia (SSM) |
| Ms. Lile Petrova | Federation of Trade Unions of Macedonia (SSM) |
| Mr. Nafi Saracini | Delegation of the European Union |
| Ms. Biljana Zhivkovksa | Employment Service Agency |
| Ms. Belinda Nikolovska | Organization of Employer of Macedonia |
| Ms. Marina Spasevska | Business Confederation of Macedonia |
| Mr. Blagoja Ralovski | Confederation of Free Trade Unions of Macedonia (KSS) |
| Ms. Natasha Mechkaroska Simjansoka – Project Coordinator | Promoting Social Dialogue project |
| Mr. Lazar Jovevski | Organisation of Arbiters and Conciliators |
| Mr. Ilija Manasiev | Organisation of Arbiters and Conciliators |