



# Evaluation Summary



International  
Labour  
Office

Evaluation  
Office

## European Union IPA 2010 Project on Human Resource Development in Albania – Final Evaluation

### Quick Facts

**Countries:** *Albania*

**Final Evaluation:** *January 2015*

**Mode of Evaluation:** *Independent*

**Administrative Office:** *Decent Work Technical Support Team and Country Office for Central and Eastern Europe*

**Technical area:** *Employment*

**Evaluation Manager:** *Agnes Fazekas/Maria Borsos*

**Evaluation Consultant:** *Roxana Irimia (Pluriconsult Ltd.)*

**Project End:** *31 January 2015*

**Project Code:** *ALB/11/01/EEC*

**Donor & Project Budget:** *European Union 2,988,422 EUR*

**Keywords:** *Employment, Employment service, Vocational education and training, Active Labour Market Policies, Occupational Safety and Health, Labour Inspection*

### Background & Context

#### Summary of the project purpose, logic and structure

The overall purpose of the project was to improve the functioning of the labour market and the quality of human capital. The project strategy was built on three interlinked components aimed at: i) modernizing the State Labour Inspectorate; ii) modernizing the National Employment Service; and iii)

reforming the Vocational Education and Training (VET) system.

The project was composed of three main technical components all linked to the improvement of labour market institutions and increasing employability of the Albanian labour force: *Component 1* - Modernisation of the State Labour Inspectorate (SLI); *Component 2* - Modernisation of the National Employment Service (NES); *Component 3* - Vocational Education and Training (VET) Reform.

#### Present Situation of the Project

Against the above mentioned strategy, the project achieved numerous results per each component.

*Component 1 - Modernization of the State Labour Inspectorate* focused on providing assistance to national partners to transpose the EU Directives on safety and health at work through the harmonization of legislation; the improvement of human and technical capacity of the State Inspectorate for Labour and Social Service (SILSS); and on raising awareness among public and employers on occupational risks and preventive measures.

*Component 2 - Modernization of the National Employment Service* assisted the Ministry of Social Welfare and Youth (MoSWY) to develop the employment policy framework and to modernise the functional organization of the NES (namely through the introduction of a new service model, re-organization of front-desk and counselling services, deployment of a quality assurance system, and introduction of a tracer system for Vocational Training Centres). In addition MoSWY has requested a Skills

Needs Analysis 2014 survey to be conducted at national and regional levels, as well as a revision of the existing Active Labour Market Programmes (ALMPs) to be undertaken in order to be issued a set of recommendations for improvements.

*Component 3 - Vocational Education and Training (VET) Reform* focused on assisting beneficiaries to revise VET legislation, to elaborate the National Employment and Skills Strategy 2014-2020, to improve the attractiveness of the training offer and to increase public-private partnership in the implementation of the new VET strategic approach including recognition of prior learning mechanisms and the expansion of post-secondary VET programmes.

### **Purpose, scope and clients of the evaluation**

The scope of the evaluation was represented by the project on “Human Resources Development in Albania”, funded through the European Union Contribution Agreement N° 2011/268-252 (TC Symbol ALB/11/01/EEC) within the overall frame of European Union’s IPA 2010 National Programme Albania.

According to the Terms of Reference (ToR) the *purpose of the evaluation* was:

- To assess the implemented activities and respective results achieved and their efficiency and effectiveness with regard to indicators of achievements defined for each Component of the project;
- To identify main success aspects of the project and the problems encountered during its implementation, as well as the means undertaken by the project to overcome these problems;
- To document lessons learned and good practices for future wider dissemination;
- To develop recommendations for similar interventions in the future.

The evaluation covered the whole period and entire scope of the implementation of the project (01 September 2011 – 31 January 2015). It will serve the following groups of stakeholders: ILO tripartite constituents, including direct beneficiaries of the project action; other national counterparts; the Donor (EU Delegation in Albania); ILO Decent Work

Technical Support Team and Country Office for Central and Eastern Europe and Headquarters; project staff.

### **Methodology of evaluation**

The evaluation framework followed the conceptual framework most often used in the ILO which is one that is consistent with results-based management. The framework features the following criteria proposed by OECD: relevance, efficiency, effectiveness, sustainability and impact.

The methodological approach used for this evaluation relied on a comprehensive review of relevant documentation and analysis of already available data, as well as on primary data collection and analysis from various sources.

## **Main Findings & Conclusions**

### **Relevance**

The relevance of the project increased as a result of the ongoing changes brought to the project during the implementation due to a flexible approach which was highly necessary in the context of changes of priorities and of strategic, as well as operational conditions for employment and skills development policies of the new Government in power from September 2013. In the project design phase there was a lack of strategic vision and ownership on behalf of the beneficiary which generated a lack of critical review of the relevance of project planning. In addition, the lack of a solid ex-ante assessment and reliable baseline data created a gap between the initial project planning and the reality found during the implementation.

The project was relevant and contributed to the achievement of Decent Work Country Programme (DCWP) Priority 2 (‘Promotion of decent work and enhanced employability of the Albanian labour force’), Outcome 2.1 (‘Employment and training policies are formulated and implemented to address both efficiency and equity objectives and are aligned with provisions of international labour standards on employment policy and employment services’). To a lesser extent, the project also contributed to the achievement of DCWP Priority 3 (‘Strengthen social

protection’), Outcome 3.2 (‘Strengthen the effectiveness and quality of labour inspection system’).

### ***Effectiveness***

The specific objective and expected results of the Component 1 on modernization of State Labour Inspectorate have been fully achieved and there were no structural changes of activities. This component was effective in implementation of prevention principles and promoting of a safety culture at work. The new OSH legislation aligned with EU OSH directives has stated a uniform basis for enforcement of OSH rules and inspection performance and has contributed to strengthening labour inspection capacity. The social partners recognized that this component, together with the other project components, contributed to increasing social dialogue in the country. However, strengthening the capacity of SILSS is considered by the representatives of this institution as still requiring investments in equipment, vehicles and more sophisticated software to reduce corruption in the system, to increase mobility of inspectors and to increase capacity of processing declarations.

Component 2 on modernization of the national employment services sustained the increased commitment of the public authorities in the identification of the best approaches for the new employment offices. The new vision on the role of the new employment offices was that these have to “find the right person for the job, rather than to find a job for a person”. According to this new approach, the employment offices became more accessible, modern and quality oriented. Consequently, the services provided to jobseekers and employers were brought closer to the EU Employment Service standards and the number of unemployed people asking for services from the new employment offices tripled from 2013 to 2014.

Component 3 on VET reform has been very effective in promoting comprehensive changes at the policy, legislative and institutional levels of the fragmented VET system, as well as in starting changes in the general public’s

perception on the unattractive VET. This component focused on assisting beneficiaries to elaborate a sustainable VET strategy, improve the attractiveness of the training offer and increase public-private partnership in matching the existent and emerging skills of the labour force with the employment demand and supply.

### ***Efficiency***

The project’s efficiency gradually increased till the end when it reached 100% implementation rate and 100% disbursement. The challenges encountered, mostly related to time management efficiency derived from MoLSAEO’s lack of commitment and the political changes following the elections in 2013, as well as from ILO’s delays in team members’ mobilization were addressed in two no-cost extensions, one in August 2013 and another one in August 2014. These two extensions allowed for full completion of project activities to the highest satisfaction of the beneficiary.

### ***Sustainability***

The process of modernization of NES and VET may seem fairly sustainable from the financial point of view as resources are allocated in the NESS for actions in this domain and the Government budget for ALMMs in 2014 tripled to USD 2.7 million. However, the financial constraints derived from a recent IMF loan contracted by the Albanian Government diminishes significantly the margins for ambitious political reforms that demand high financial investments, as it is the case for the employment policies and VET reform. In order to reduce the current adherence of National Employment and Skills Strategy (NESS) to international donors’ funding, these stakeholders tend to favour a more consistent involvement of private sector and a higher level of decentralization of services, which are still lagging behind.

MoSWY is engaged in the preparation of a needs assessment for further funding of NESS in order to make better use of the future EU funding. ILO is undertaking the necessary steps to secure funding from its Regular budget support in order to ensure the resources for

bridging the IPA (2010) TA with the next IPA II cycle (2014-2020).

### **Impact**

Component 1 on *Modernization of the State Labour Inspectorate* will most probably have less impact as the results seem not to have reached a critical mass in order to ensure it. In spite of the important progress in improvement of the OSH legislation some pre-conditions (e.g. awareness on OSH, earmarked budget, inter-institutional cooperation etc.) necessary for the continuity of progress in practical implementation of OSH measures are not in place.

Component 2 on *Modernization of the National Employment Service* which created the premises for increasing the match between labour supply and demand will result in a better functioning of the labour market and a reduction of social inclusion gaps in the country. In very practical terms this component proved so far a stronger policy and institutional impact than a socio-economic impact. In order for the socio-economic impact to occur the country needs more structural changes to be done in a strategic and sustainable manner.

Component 3 on *VET Reform* aimed to systemic changes which were largely met within the frame of the project's objectives. The emerging impact of the systemic changes can be defined as a contribution to an emerging increased availability of a skilled labour force.

### **Recommendations & Lessons Learned**

1. There is a strong need for the Government to find a better balance between the national and donors' agenda in the continuation of the employment and VET reform process. There has to be a higher level of integration with the economic strategy of the country and more sequencing of the reform. At the same time, the Government has to be encouraged in making progress in increasing its capacity for sound policy analysis and for rigorous data collection and analysis in order to ensure real time and evidence based monitoring of the progress.

2. For the next steps of the reform the Government will have to consider more in

depth the reduction in gender skills gaps to increase women's employability. Also, other vulnerable groups (e.g. minorities, persons with disabilities, rural population, formally convicted persons etc.) have to be addressed in order to ensure their inclusion on the labour market.

3. ILO may consider for future projects a stronger focus on social inclusion and employment generation for the interventions aiming at reforming employment services. Also, ILO may consider the exit strategies in the earlier stages of the projects in order to increase the national ownership and sustainability of the respective interventions. This may involve a stronger message to the beneficiaries to increase their commitment to move from beneficiaries of international funding to beneficiaries of transfer of competences allowing them to perform functions independent of international assistance.

4. The development of internship programmes need to be considered by MoSWY in cooperation with social partners; providing incentives may increase the attractiveness of the vocational education. This has to be combined with more efforts in raising the awareness on credible opportunities offered by the labour market. Nevertheless, in the process of getting inspiration from functional dual VET systems that are found in EU member states the national dual system should be designed in a realistic manner, in such a way that it will be adjusted to the country social and economic context.

5. In order to ensure the consolidation of employment and VET reform the Government will have to strengthen the capacity of the social partners in the design, monitoring and evaluation of VET policies and programmes. Also, policy coherence and coordination across ministries needs to be improved and the understanding on what is involved in the European approach to employment and VET reform will need to be increased.