



International Labour Organization

## **Report on the Midterm Internal Evaluation of the Promoting Social Dialogue Project**

22 March 2016

Lejla Tanovic, Evaluator

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<b>Evaluation Consultant:</b>	Lejla Tanovic
<b>Evaluation Manager:</b>	Emil Krstanovski
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## Table of Contents

### *Acronyms and Abbreviations*

<b>Executive Summary</b> .....	6
<b>1. Project Background</b> .....	12
1.1 Context of the Project.....	12
1.2 Project Objectives.....	13
1.3 Funding Arrangements.....	14
1.4 Organisational Arrangements.....	14
1.5 Contributions from Role-players.....	15
<b>2. Evaluation Background</b> .....	15
2.1 Purpose and Scope of the Evaluation.....	15
2.2 Special Focus Areas.....	15
2.3 Operational Sequence of the Evaluation.....	16
2.4 Clients of the Evaluation.....	16
2.5 Evaluator.....	16
<b>3. Methodology</b> .....	16
3.1 Evaluation Criteria.....	16
3.2 Evaluation Questions.....	16
3.3 Evaluation Methods and Instruments.....	17
3.4 Sources of Information.....	17
3.5 Limitations of the Evaluation.....	17
3.6 Rationale for Stakeholder Participation in the Evaluation Process.....	17
<b>4. Review of Implementation</b> .....	17
<b>5. Findings</b> .....	21
5.1 Project Design and Relevance.....	22
5.2 Project Effectiveness and Efficiency.....	22
5.3 Gender Concerns.....	24
5.4 Sustainability.....	25
5.5 Emerging risks and opportunities.....	25
<b>6. Conclusions and Recommendations</b> .....	25
6.1 Conclusions.....	25
6.2 Recommendations.....	26
<b>7. Lessons Learned and Good Practices</b> .....	27
<i>APPENDICES</i>	
1. Terms of Reference for the Internal Mid-Term Evaluation.....	29
2. Evaluation Questions.....	34
3. List of Documents provided for the Evaluation.....	35
4. List and Schedule of Persons Interviewed.....	36
5. Revised Action Plan .....	37
6. List of outputs/activities with implementation schedule.....	40

*Acronyms and Abbreviations*

ALDS	Alternative Labour Dispute Settlement
BKM	Business Confederation of Macedonia
CA	Collective Agreement
CB	Collective bargaining
DWCP	Decent Work Country Programme
DWT/CO	Decent Work Team/Country Office Budapest
EC	European Commission
EO	Employers' Organization
EU	European Union
FYR	The Former Yugoslav Republic
ILO	International Labour Organization
IPA	Instrument for Pre-Accession Assistance
JCC	Joint Consultative Committee
KSS	Confederation of Free Trade Unions of Macedonia
LESC	Local Economic and Social Council
MTIE	Mid-Term Internal Evaluation
MLSP	Ministry of Labour and Social Policy
NESC	National Economic and Social Council
NPT	National Project Team
ORM	Organization of Employers of Macedonia
PSDP	Promoting the Social Dialogue Project
SSM	Federation of Trade Unions of Macedonia
SPF	Strategic Policy Framework
ToR	Terms of Reference
TU	Trade Union
UNASM	Union of Independent and Autonomous Trade Unions of Macedonia
UNDAF	United Nations Development Assistance Framework

## EXECUTIVE SUMMARY

### Project Background and Objectives

The country gained the candidate status for the accession to European Union (EU) in 2005 and number of progress reports by the European Commission (EC) indicated the need to further develop the social dialogue at all levels. The country has a clear objective to attract foreign direct investments and create more and better jobs. Developed social dialogue and strong social dialogue institutions will give a signal to the potential investors that the country has stable industrial relations. Real social partnership is a key element for overcoming difficulties and assures investors in the constructive approach by all the relevant actors. Atmosphere of mutual trust needs to be developed and a culture of consultations needs to be nurtured.

The project “Promoting social dialogue” (PSDP) is a technical cooperation initiative that is implemented under the framework of the EU-funded Instrument of Pre-Accession (IPA) 2010 Project on Human Resources Development to assist the Former Yugoslav Republic of Macedonia (FYR Macedonia) in strengthening the capacities of the government, employers’ and workers’ organizations to engage in effective social dialogue, through the Government of the FYR Macedonia i.e. the Ministry of Finance, Central Financing and Contracting Department – CFCD. The implementation of the project, which started on 1<sup>st</sup> October 2014, is still on-going. The completion of the project is expected on 30<sup>th</sup> September 2016. A proposal for no-cost project extension for additional six months, i.e. until 1<sup>st</sup> April 2017, is currently under preparation.

The project contributes to the ILO Programme and Budget (P&B) 2010-2015, Outcome 12 on Social Dialogue and Industrial Relations, Indicator 12.2: “Number of members states that, with ILO support, strengthen the machinery for collective bargaining labour dispute settlement, in line with international labour standards and in consultations with social partners.”, as well as to the P&B 2016-2017.

In FYR Macedonia, the ILO promotes decent work as a national objective and assists constituents to make progress towards achieving that objective. Advancement of social dialogue is one of three priorities in the Decent Work Country Programme (DWCP) for FYR Macedonia in the period 2015-2018 and was one of the priorities under the DWCP 2010-2013. At the country level the PSDP contributed to the Priority A: Capacity of government institutions and the social partners is strengthened to improve the governance of the labour market under the DWCP 2010-2013, and contributes to the Priority 2: Effective social dialogue under the DWCP 2015-2018.

The PSDP will contribute to the United Nations Partnership for Sustainable Development 2016-2020 and its output “Tripartite social dialogue institutions and processes are enhanced as a means to promote decent work and sustainable growth” under the outcome 1: “By 2020, more women and men are able to improve their livelihoods by securing decent and sustainable employment in an increasingly competitive and job-rich economy”.

The overall objective of the PSDP is to extend and enhance tripartite and bipartite social dialogue as a means to achieve economic growth and social progress.

The PSDP aims to achieve the following specific objectives:

1. Enhanced institutional capacity of stakeholders in charge of tripartite and bipartite social dialogue in terms of sustainability, efficiency and functionality in order to provide a comprehensive participation of all the relevant stakeholders, especially of the social partners, in the creation, development and implementation of economic and social policies;
2. Strengthened social partnership on the industry/branch/company level including a coordinated and effective machinery for collective bargaining;
3. Establish an operational mechanism of amicable settlement of labour disputes and trained specialized conciliators and arbitrators for labour disputes.

These specific objectives are reflected in the three interlinked project components, as follows:

*Component 1:* Enhancing the tripartite social dialogue on national and local level

*Component 2:* Encouraging collective bargaining and setting sectoral collective bargaining infrastructures

*Component 3:* Establishing an operational amicable settlement of labour disputes

*Main target groups and institutions:*

Main target groups of the project are the members of the National Economic and Social Council and its Secretariat, the Department for labour legislation and labour market of the Ministry of Labour and Social Policy, the local Economic and Social Councils, the conciliators and arbitrators, the State Labour Inspectorate and judges and labour lawyers. Specific attention is being given to employers' and workers' organisation. The project involves the following employers' and workers' organisation:

- Organization of Employers of Macedonia
- Business Confederation of Macedonia
- Federation of Trade Unions of Macedonia
- Confederation of Free Trade Unions of Macedonia
- Union of Independent and Autonomous Trade Unions of Macedonia
- and others.

*Final beneficiaries:*

The final beneficiaries are national and local social dialogue institutions, employers and workers and the general public of FYR Macedonia.

The Promoting Social Dialogue Project is a technical cooperation initiative funded by the European Union (EU) through the Government of FYR Macedonia in the period 1<sup>st</sup> October 2014 to 30<sup>th</sup> September 2016.

### **Purpose, Scope and Clients of the Evaluation**

The purpose of the Mid-Term Internal Evaluation (MTIE) of the “Promoting Social Dialogue “ project is to assess the effectiveness, efficiency and relevance of the project in the period 1<sup>st</sup> October 2014 – 18<sup>th</sup> February 2016, and to make recommendations on further implementation, so as to secure the sustainability of achieved results at the end of the project. The mid-term evaluation exercise enables the project staff, constituents and other relevant stakeholders to provide their own assessment on the progress made towards the achievement of the project outcomes in the considered period and, based on this evaluation, to take steering implementation measures in the remaining lifespan of the project.

The period to be evaluated runs from the start of the Project on 1st October 2014 to 18<sup>th</sup> February 2016. This evaluation was conducted from 11<sup>th</sup> February to 11<sup>th</sup> March 2016.

The internal evaluation will serve the external and internal clients:

- The ILO DWT/CO Budapest management and technical specialists;
- The ILO Regional Office for Europe;
- The tripartite constituents in FYR Macedonia;
- The Donor;
- The Project Steering Committee;
- The national staff of the project;
- The ILO National Coordinator in FYR Macedonia.

### **Methodology of the Evaluation**

The evaluation was based on:

- a) Desk review: review of project reports and other documentation (listed in Appendix 3);
- b) In-person interviews with national government representatives, and employers' and trade union representatives. Total of 6 interviews.

- c) In-person interviews with the ILO National Coordinator in FYR Macedonia, the National Project Coordinator and the National Project Assistant. Total of 3 interviews.
- d) Distance interviews (via Skype) with the Project Team Leader (Senior Specialist in Social Dialogue and Labour Law), and Employer's Activities Specialist.
- e) Field visit to Skopje.

### **Present Situation of the Project**

Consultations around the Project were launched in 2013 and completed in 2014. The Agreement with the Contracting Authority – CFCD - was signed on 6th August 2014 by CFCD. Given the time lapse between the initial consultations on the project and the actual needs that have arisen since, including the adoption of the Law on Amendments to the Law on Amicable Settlement of Labour Disputes (passed in 2007), the project log frame and action plan have been revised accordingly.

In summary, the key milestones have been:

- Project start: 1<sup>st</sup> October 2014
- Official project launch: 22<sup>nd</sup> October 2014 at the PSC meeting
- Mobilisation of the national project team: 3<sup>rd</sup> November 2014
- Establishment of the PSC: 22<sup>nd</sup> October 2014
- The activities under all three components have commenced in November 2014 and are on-going

Component 1: Enhancing the tripartite social dialogue on national and local level.

One of the identified bottlenecks in the background analysis is that the national ESC did not keep a record of the accepted/not accepted recommendations, opinions, and proposals. Therefore, one of recommendations was the establishment and implementation of a tracking mechanism. From the information at our disposal, by the beginning of the project, the Government had accepted 8 recommendations issued by the ESC. Namely, on introduction of the Law on Minimum Wage, on the ratification of 7 ILO conventions, amendment of the Labour Relations Law, amendment of the Law on OSH, introduction of the Law on Mobbing, amendment of the Law on Temporary Employment Agencies, Youth Employment Action Plan 2012-2015, initiative for resolving the status of the employees in the loss-making companies.

Component 2: Encouraging collective bargaining and setting sectoral collective bargaining infrastructures.

By the end of 2014, there were 17<sup>1</sup> sectoral collective agreements (CA) in place. In 2015, two additional sectoral CAs have been negotiated and signed. These two sectors, textile and agriculture, are among the six selected as of interest by the SP, under the project activities. The total number of employees covered by the CA (members of TU) is 77,444<sup>2</sup>, out of whom 11,090 are employees – members of agriculture and textile branch TUs.

By the end of 2014, a total of 63 collective agreements at enterprise level have been signed. In the course of 2015, additional 13 collective agreements have been negotiated.

Objective/Component 3: Establishing an operational amicable settlement of labour disputes

By the end of 2014, there was no mechanism for amicable settlement of labour disputes in place. The entire system has been established through the activities and support of the project.

By the period of drafting of this evaluation report a total of three cases have been referred to the system, two of which have been successfully resolved.

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<sup>1</sup> Source: List of Collective Agreements provided by SSM and KSS

<sup>2</sup> Source: Table of Representativity of the Branch Trade Unions



## **Main Findings and Conclusions**

The main findings are structured in line with the evaluation questions relating to design and relevance, project effectiveness and efficiency, sustainability, and emerging risk and opportunities.

The PSDP was designed in consultations with the national Government and the main employers' and workers' organizations operating in the country. Their participation in the consultation process around the project design enabled them to identify common objectives and interventions aiming to enhance tripartite and bipartite social dialogue as a means to achieve sustainable growth and social progress. Such tripartite participatory approach since a very early phase of project inception has secured the necessary national ownership of the project.

Regarding the relevance of the project, the PSDP supports the country's efforts on its path towards the EU integration in building a sound system of industrial relations, as required by the progress reports of the European Commission (EC) on several occasions, as well as a culture of social dialogue. Furthermore, major directions in building an initial project outline have been suggested by the previous ILO interventions aimed to support functioning of the national ESC, and improve the mechanism for amicable resolution of labour disputes under the DWCP for FYR Macedonia 2010-2013, and particularly by the ILO regional technical cooperation project on "Improved Labour Dispute Settlement" that was implemented during 2012-2014.

The PSDP is also embedded in the current DWCP for FYR Macedonia 2015-2018 under the Priority 2 that is related to Effective social dialogue. According to the interviewees the project design reflect desired results of each project beneficiary, and is still relevant when it comes to the national reality and their needs, as it has been the case few years ago, when the consultations around the project have been launched. Also, initial analysis and gap assessments confirmed the project interventions have been opportune and appropriate.

Realization of the project objectives is supported by 45 outputs/activities, as set out in the project document. A desk-review of the available project documentation and interviews with the project staff resulted in the review of completed and on-track activities, which have revealed that 21 activities or 47 percents were completed in the referenced period, and remaining 24 activities or 53 percents of activities are on track, even though it is expected the former percentage would be higher, as the delivery of some on-track activities which have been prepared / developed is still pending approvals/initiative of relevant authorities. Most of the outputs/activities were delivered in a timely manner, unless their delivery was not associated with external factors which are beyond the ILO control.

All the events have been positively evaluated by the participants. The average score for the overall satisfaction is 4.87 out of 5.

From the technical resource perspective, technical expertise and advice are deemed to be sufficient and adequate, but there are requests for more exposure to European practice in dealing with SD/CB related issues, as mentioned earlier in the Report. Concerning the accessibility and responsiveness of the ILO staff engaged in the project and particularly of the national project staff and the National Coordinator no concerns have been expressed in that regard. The appointment of a new National Project Coordinator which took place because of the resignation of the previous one has had no implications on the project coordination and implementation of the project activities.

The project has had sufficient and adequate financial resources to implement its activities. Project resources were used in a cost effective way and synergies between the activities were created whenever possible.

Gender issues were adequately addressed in the Action plan on Collective Bargaining which includes piloting of the ILO methodology (available in Macedonian language) for Job evaluation in terms of equal pay for work of equal value in the leather industry, as well as in the banking sector. Also, women participation in the project activities was strongly encouraged and each event provided gender

disaggregated data of participants, which demonstrate quite a good gender balance in the activities. The total number of participants to all the activities organized by the project and classified by gender is 191 female and 236 male.

## **Conclusions**

From the foregoing and in regard to relevance and strategic fit, it can be concluded that the project is appropriate to the objectives of the ILO, the country DWCP, and tripartite constituents. In particular, the PWDP is in line with the ILO Programme and Budget Outcome (P&B) 2010-2015, Outcome 12 on Social Dialogue and Industrial Relations, Indicator 12.2: “Number of members states that, with ILO support, strengthen the machinery for collective bargaining labour dispute settlement, in line with international labour standards and in consultations with social partners. “, as well as to the P&B 2016-2017.

In regard to the design, the project is structured appropriately to the context of the country and needs of the constituents particularly in regard to strengthening the NESC and ASLD mechanism, but also in regard of enhanced capacities of beneficiary organizations to provide new services to their memberships.

Country-wide promotion of social dialogue to address socio-economic challenges at local levels through establishment and support to local ESCs has also been praised as a valuable asset of the project. However, it appears that a more proactive approach and commitment of all the project beneficiaries is required to achieve the set goals.

The visibility of the NESC and of the partner organizations has been enhanced. Awareness is still to be raised on the newly created mechanism for amicable settlement of labour disputes which is still quite unknown to wider public and insufficiently used.

While there are activities which will require support of a new government, such as the establishment of the remaining three LESC, particularly in light of an ongoing migrant crisis, it seems that there are pending activities which could be implemented without further delays, for instance the installation of the three databases developed by the project .

In a situation when some project activities suffer delays due to external factors, it might be difficult to achieve indicators of success within the project cycle, unless the project is extended beyond the planned date of closure.

Much is to be done on promoting collective bargaining at company level. It is associated with poor unionisation and lack of information available to workers, and particularly when it comes to young people – to be new entrants to the labour market - about potentials of social dialogue, and particularly on local level, e.g. LESC.

Capacities of the project beneficiaries differentiate among the beneficiary organizations. Not all participating organizations operate under the same conditions. While some might have sufficient resources (human, financial and technical) to provide adequate services to their memberships, some are faced with challenges in that respect.

Despite satisfaction with cooperation among the partner organizations and participation in joint events there are requests to organise separate events, or if joint events then to be organised outside the premises of either beneficiary organization.

## Recommendations

At this mid-point of the project, and based on this Internal Mid-Term Evaluation, it is possible to make a number of recommendations with a view to addressing key issues and ensuring the PSDP remains on track, as follows:

1. The Project Steering Committee at its meeting scheduled on 31 March might wish to discuss the findings and recommendations of this report including a proposal for a no-cost extension of the project until April 2017, as being necessary if the project objectives are to be met.
2. The Project Steering Committee may find useful to discuss the concerns raised in this report and recommend steering measures regarding the number of LSCs to be further established or the geographical areas to be selected.
3. The Project Team may wish to include a summary of bottlenecks occurred and /foreseen in the project implementation in the monthly reports when the case may be so as to alert the PSC and the concerned stakeholders on time in case of delays in the implementation of the agreed Action Plan, in the remaining period of the project cycle, no-cost extension period included.
4. In order to preserve the achievements of the project, it is crucial for the MLSP to take over the maintenance and administration of databases developed by the project, and foster high quality delivery of labour conciliation/arbitration services through securing continuation of the programme of permanent training of conciliators and arbitrators and fully using the Case Management Information System set up by the Project.
5. In order to allow timely and swift implementation of related project activities, the MLSP should proceed with the installation of software applications of the three databases into the system of the MLSP with no further delay and organize the relevant trainings for the users as soon as the databases are installed.
6. The Project should explore with the concerned social partners feasible modalities to extend capacity building related to collective bargaining to company level, so as to include a number of selected enterprises in the project activities.
7. The Project should explore with the concerned TUs how to further strengthen their technical capacities to address issues related to the protection of rights at work of specific groups of workers, such as temporary workers.
8. In order to fully benefit from capacity building, the beneficiary organizations should pay more attention to the selection of their representatives in training activities delivered by the Project.
9. The Project should explore with the concerned stakeholders best modalities for awareness raising on the importance of collective bargaining and social dialogue among young people, particularly students and to design and implement adequate activities in the remaining period.
10. The Project should take necessary steering measures to tailor further assistance according to capacities of beneficiary organizations, and when appropriate and feasible to organise the remaining/newly designed activities, such as workshops, round tables and/training sessions, separately and/or on neutral locations.
11. The Project should further provide assistance to employers' organizations in the implementation of position papers.
12. The Project should explore with the concerned organizations opportunities to organise training sessions on social dialogue targeting media and if possible to select specialized journalists and train them in specific subject matters, so that they can adequately report on the activities of specific organizations as a part of efforts aimed to promote social dialogue.

13. The Project should explore modalities on how best to support the project beneficiaries in terms of provision of additional premises, human resources at least by the end of the project cycle, equipment and training facilities.

## **7. Lessons Learned and Good Practices**

Building on legal and institutional foundations laid down by previous ILO TC projects implemented in the country (e.g. TA on NESC and Law on ASLD) has secured necessary follow up and continuity, enabled the expansion of the current scope of the Project and increased the likelihood of its sustainability.

Synergies with projects of other bilateral and multilateral donors such as the USAID's project on establishing LESC's in six municipalities under the Youth Employability Skills (YES) Network, and a number of EU funded projects in case of the employers' organizations, such as: GEMA (Gender Equality Management); CSR (Corporate Social Responsibility); WIM (Workers involvement in management); and Strong Social Dialogue in the Western Balkans have provided valuable lessons learnt and are likely to contribute a stronger impact of the Project intervention.

Involvement of the beneficiaries in adjusting project activities to their evolving needs and joint planning are indispensable for achieving project objectives.

Permanent exchange of information and feedback between the project staff and project beneficiaries has been contributing to the success of the project so far.

Regular use of evaluation forms to obtain participants' feedback on relevance and quality of events organization, agendas and resource persons allows tailoring of training activities to the needs and expectations of beneficiaries.

Project flexibility in addressing and adjusting the project activities to beneficiaries' needs has been well appreciated by all stakeholders.

Continuity in decision making and proper handing over to the new management at the level of the MLSP has proved critical for delivery of some of the project activities.

Timely response of all stakeholders, in particular the MLSP to technical requirements of the project (e.g. installation of databases on the Ministry's server) is crucial for related activities delivery and further achievement of project outcomes.

A pro-active and standing involvement of all tripartite members of the NESC Secretariat is key to ensure the fulfilment of its expanded tasks.

## **1. PROJECT BACKGROUND**

### **1.1 Context of the Project**

The country gained the candidate status for the accession to European Union (EU) in 2005 and number of progress reports by the European Commission (EC) indicated the need to further develop the social dialogue at all levels. The country has a clear objective to attract foreign direct investments and create more and better jobs. Developed social dialogue and strong social dialogue institutions will give a signal to the potential investors that the country has stable industrial relations. Real social partnership is a key element for overcoming difficulties and assures investors in the constructive approach by all the relevant actors. Atmosphere of mutual trust needs to be developed and a culture of consultations needs to be nurtured.

The project “Promoting social dialogue” (PSDP) is a technical cooperation initiative that is implemented under the framework of the EU-funded Instrument of Pre-Accession (IPA) 2010 Project on Human Resources Development to assist the Former Yugoslav Republic of Macedonia (FYR Macedonia) in strengthening the capacities of the government, employers’ and workers’ organizations to engage in effective social dialogue, through the Government of the FYR Macedonia i.e. the Ministry of Finance, Central Financing and Contracting Department – CFCO. The implementation of the project, which started on 1<sup>st</sup> October 2014, is still on-going. The completion of the project is expected on 30<sup>th</sup> September 2016. A proposal for no cost project extension for additional six months, i.e. until 1<sup>st</sup> April 2017, is currently under preparation.

The project contributes to the ILO Programme and Budget (P&B) 2010-2015, Outcome 12 on Social Dialogue and Industrial Relations, Indicator 12.2: “Number of members states that, with ILO support, strengthen the machinery for collective bargaining labour dispute settlement, in line with international labour standards and in consultations with social partners.”, as well as to the P&B 2016-2017.

In FYR Macedonia, the ILO promotes decent work as a national objective and assists constituents to make progress towards achieving that objective. Advancement of social dialogue is one of three priorities in the Decent Work Country Programme (DWCP) for FYR Macedonia in the period 2015-2018 and was one of the priorities under the DWCP 2010-2013. At the country level the PSDP contributed to the Priority A: Capacity of government institutions and the social partners is strengthened to improve the governance of the labour market under the DWCP 2010-2013, and contributes to the Priority 2: Effective social dialogue under the DWCP 2015-2018.

The PSDP will contribute to the United Nations Partnership for Sustainable Development 2016-2020 and its output “Tripartite social dialogue institutions and processes are enhanced as a means to promote decent work and sustainable growth” under the outcome 1: “By 2020, more women and men are able to improve their livelihoods by securing decent and sustainable employment in an increasingly competitive and job-rich economy”.

### **1.2 Project Objectives**

The overall objective of the PSDP is to extend and enhance tripartite and bipartite social dialogue as a means to achieve economic growth and social progress.

The PSDP aims to achieve the following specific objectives:

4. Enhanced institutional capacity of stakeholders in charge of tripartite and bipartite social dialogue in terms of sustainability, efficiency and functionality in order to provide a comprehensive participation of all the relevant stakeholders, especially of the social partners, in the creation, development and implementation of economic and social policies;
5. Strengthened social partnership on the industry/branch/company level including a coordinated and effective machinery for collective bargaining;
6. Establish an operational mechanism of amicable settlement of labour disputes and trained specialized conciliators and arbitrators for labour disputes.

These specific objectives are reflected in the following three interlinked project components:

*Component 1:*

Enhancing the tripartite social dialogue on national and local level

*Component 2:*

Encouraging collective bargaining and setting sectoral collective bargaining infrastructures

*Component 3:*

Establishing an operational amicable settlement of labour disputes

The above specific objectives / components are supported by a range of activities / outputs with appropriate indicators that are reflected in the Logical Framework and which are subject to monitoring, reporting and now of this Internal Mid-Term Evaluation.

*Main target groups and institutions:*

Main target groups of the project are the members of the National Economic and Social Council and its Secretariat, the Department for labour legislation and labour market of the Ministry of Labour and Social Policy, the local Economic and Social Councils, the conciliators and arbitrators, the State Labour Inspectorate and judges and labour lawyers. Specific attention is being given to employers' and workers' organisation. The project involves the following employers' and workers' organisation:

- Organization of Employers of Macedonia
- Business Confederation of Macedonia
- Federation of Trade Unions of Macedonia
- Confederation of Free Trade Unions of Macedonia
- Union of Independent and Autonomous Trade Unions of Macedonia
- and others.

*Final beneficiaries:*

The final beneficiaries are national and local social dialogue institutions, employers and workers and the general public of FYR Macedonia.

### **1.3 Funding Arrangements**

The Promoting Social Dialogue Project is a technical cooperation initiative funded by the European Union (EU) through the Government of FYR Macedonia in the period 1<sup>st</sup> October 2014 to 30<sup>th</sup> September 2016.

The Project has secured € 1,149,690 (US\$1,363,439 at the UN exchange rate in October 2014) by the European Union through the Government of the Former Yugoslav Republic of Macedonia (Ministry of Finance, Central Financing and Contracting Department – CFCF). The ILO contribution amounts to € 222,381 (US\$ 262,540 at the UN exchange rate in October 2014). The total value of the project is € 1,371,071 (US\$ 1,625,979 at the UN exchange rate in October 2014).

### **1.4 Organisational Arrangements**

A Project Team (PT) has been established for the Project comprising:

- Ms. Natasha Mechkaroska Simjanoska, full-time National Project Coordinator (NPC), based in Skopje
- Ms. Sofija Glavinova Jovanovska, full-time Project Assistant (PA), based in Skopje
- Ms. Kinga Jakab, part-time Programme Assistant (ProgA), based in Budapest
- Ms. Petra Vereb, full-time Finance Assistant (FA), based in Budapest

The team mobilization process started in October and the Project Team has started working on the coordination of the project as of 3<sup>rd</sup> November 2014. As of 1<sup>st</sup> July 2015, the Project Assistant at that time was appointed National Project Coordinator due to the resignation of Ms. Tanja Kalovska from this position. The new Project Assistant was employed as of 3<sup>rd</sup> August 2015.

The project is backstopped by the Senior Specialist in Social Dialogue and Labour Law, who is also the Project Team Leader, and the Senior Specialist for Employers' Activities and the Senior Specialist for Workers' Activities of the ILO Decent Work Team and Country Office in Budapest, and the ILO National Coordinator in FYR Macedonia.

### **1.5 Contributions from Role-players**

In addition to the PT and backstopping ILO officers, the Project is guided by a Project Steering Committee (PSC). The PSC comprises representatives of the PT, the Government, the employers' organizations (Organization of Employers of Macedonia and Business Confederation of Macedonia), the workers' organizations (Federation of Trade Unions of Macedonia and Union of Independent and Autonomous Trade Unions of Macedonia), the Contracting Authority (CFCD) and the Delegation of the European Union to FYR Macedonia. The latter two have observer status.

The PSC meets twice a year. The first meeting of the PSC, which was also a constituting meeting, was held on 22<sup>nd</sup> October 2014, on which occasion the PSC members elected the Chairperson, and discussed the role of the PSC, as well as the Work Plan and the Terms of Reference. Since its establishment the PSC held three meetings: on 22<sup>nd</sup> October 2014, 26<sup>th</sup> March 2015, and 14<sup>th</sup> October 2015. The next meeting is scheduled on 31<sup>st</sup> March 2016.

## **2. EVALUATION BACKGROUND**

### **2.1 Purpose and Scope of the Evaluation**

The purpose of the Mid-Term Internal Evaluation (MTIE) of the “Promoting Social Dialogue “ project is to assess the effectiveness, efficiency and relevance of the project in the period 1<sup>st</sup> October 2014 – 18<sup>th</sup> February 2016, and to make recommendations on further implementation, so as to secure the sustainability of achieved results at the end of the project. The mid-term evaluation exercise enables the project staff, constituents and other relevant stakeholders to provide their own assessment on the progress made towards the achievement of the project outcomes in the considered period and, based on this evaluation, to take steering implementation measures in the remaining lifespan of the project.

A Narrative Interim Report covering the period October 2014-September 2015, which was shared with the PSC at the meeting held 14<sup>th</sup> October 2015, was also taken into consideration when drafting this report.

The period to be evaluated runs from the start of the Project on 1st October 2014 to 18<sup>th</sup> February 2016. This evaluation was conducted from 11<sup>th</sup> February to 11<sup>th</sup> March 2016.

### **2.2 Special Focus Areas**

The Terms of Reference requests that the project should be evaluated in terms of efficiency, effectiveness, relevance and finally sustainability of the project, as they are described below:

- 1) Review the achievements of the Project by assessing to what extent the stated objectives and major outputs have been achieved;
- 2) Review the efficiency and effectiveness of the project implementation;
- 3) Review to what extent the program is still relevant and is continuing to meet the needs of its original target groups;
- 4) Review the likelihood of sustainability of the project outcomes;
- 5) Review emerging risks and opportunities;
- 6) Draw conclusions in terms of the progress made and if need recommends steering measures to be taken in the further implementation of the project.

## 2.3 Operational Sequence of the Evaluation

The operational sequence of the evaluation is summarized as:

Activity	01-10 February	11-19 February	20-26 February	29 February - 04 March	05-11 March
Inception					
Documents Review					
Interviews					
Draft Report					
Comments					
Final Report					

A first draft of this report was prepared on 26<sup>th</sup> February 2016, for which feedback was received. The Report was finalized on 11<sup>th</sup> March 2016.

## 2.4 Clients of the Evaluation

The internal evaluation will serve the following external and internal clients:

- The ILO DWT/CO Budapest management and technical specialists;
- The ILO Regional Office for Europe;
- The tripartite constituents in FYR Macedonia;
- The Donor;
- The Project Steering Committee;
- The national staff of the project;
- The ILO National Coordinator in FYR Macedonia.

## 2.5 Evaluator

This evaluation was carried out by Lejla Tanovic, ILO National Coordinator in Bosnia and Herzegovina.

The logistics of the evaluation (supply of documents and organization of interviews) were organized by the national project staff, which coordination and liaison are gratefully acknowledged.

## 3. METHODOLOGY

### 3.1 Evaluation Criteria

The Terms of Reference (included as Appendix 1) requests the evaluation consultant to focus on the following criteria:

- 1) Review the achievements of the Project by assessing to what extent the stated objectives and major outputs have been achieved;
- 2) Review the efficiency and effectiveness of the project implementation;
- 3) Review to what extent the program is still relevant and is continuing to meet the needs of its original target groups;
- 4) Review the likelihood of sustainability of the project outcomes;
- 5) Review emerging risks and opportunities;
- 6) Draw conclusions in terms of the progress made and if need recommends steering measures to be taken in the further implementation of the project.



### **3.2 Evaluation Questions**

This project evaluation addresses the progress of the project to date – in this, it deals with the following main ‘effect and impact concerns’: validity of project design, delivery of project strategy, and project performance. The latter include relevance, effectiveness, efficiency, sustainability, causality and unanticipated effects, alternative strategies and gender concerns. Finally, the project assessment also deals with the lessons learned during the project. OECD/DAC Criteria for Evaluating Development Assistance are used to interpret the answers to the evaluation questions. In keeping with the above evaluation criteria, a number of evaluation questions were suggested, as outlined in Appendix 2.

### **3.3 Evaluation Methods and Instruments**

The evaluation was based on:

- a) Desk review: review of project reports and other documentation (listed in Appendix 3);
- b) In-person interviews with national government representatives, and employers’ and trade union representatives. Total of 6 interviews.
- c) In-person interviews with the ILO National Coordinator in FYR Macedonia, the National Project Coordinator and the National Project Assistant. Total of 3 interviews.
- d) Distance interviews (via Skype) with the Project Team Leader (Senior Specialist in Social Dialogue and Labour Law), and Employer’s Activities Specialist.
- e) Field visit to Skopje.

The List and Schedule of Persons Interviewed is provided in Appendix 4.

The interviews were structured and guided by the evaluation questions (Appendix 2).

This evaluation report is structured in line with ILO Checklist 5: Formatting Requirements for Evaluation Reports (ILO, Revised March 2014) and the Terms of Reference (Appendix 1).

### **3.4 Sources of Information**

The sources of information are listed in Appendix 3.

### **3.5 Limitations of the Evaluation**

- Due to recent changes in the managerial structure of the Ministry of Labour, some interviewees were not involved in all or some of the project activities.
- Interview with the ILO Specialist for Workers' Activities, who was involved in the project design and implementation of most of the activities for TUs was not carried out, as the Specialist retired at the end of October 2015.
- Due to the size of the project and number of outputs delivered in the reporting period, the available time frame for desk-review review of the project–related documentation, field mission and preparation of the report has been a challenge for the evaluator.

### **3.6 Rationale for Stakeholders Participation in the Evaluation Process**

The reasons for stakeholders' participation in the evaluation process include:

- Strengthened national ownership and commitment,
- Importance of stakeholders inputs for the project achievements and sustainability of the project results.

## **4. REVIEW OF IMPLEMENTATION**

Consultations around the Project were launched in 2013 and completed in 2014. The Agreement with the Contracting Authority – CFCD - was signed on 6th August 2014 by CFCD. Given the time lapse between the initial consultations on the project and the actual needs that have arisen since, including the

adoption of the Law on Amendments to the Law on Amicable Settlement of Labour Disputes (passed in 2007), the project log frame and action plan have been revised accordingly.

In summary, the key milestones have been:

- Project start: 1<sup>st</sup> October 2014
- Official project launch: 22<sup>nd</sup> October 2014 at the PSC meeting
- Mobilisation of the national project team: 3<sup>rd</sup> November 2014
- Establishment of the PSC: 22<sup>nd</sup> October 2014
- The activities under all three components have commenced in November 2014 and are on-going

A detailed list of project activities and the time frame are summarized in the Logical Framework and Revised Project Action Plan (Appendix 5). The original Action Plan was revised by the PSC at the meeting held on 26<sup>th</sup> March 2015.

A summary of outputs/activities that were carried out in the period 1<sup>st</sup> October 2014 to 18<sup>th</sup> February 2016 may be found further in the text, as follows:

### **Component 1: Enhancing the tripartite social dialogue on national and local level.**

Indicator of Achievement: - increase in number of ESC recommendations accepted  
- Target: increase of 30%

One of the identified bottlenecks in the background analysis is that the national ESC did not keep a record of the accepted/not accepted recommendations, opinions, and proposals. Therefore, one of recommendations was the establishment and implementation of a tracking mechanism. From the information at our disposal, by the beginning of the project, the Government had accepted 8 recommendations issued by the ESC. Namely, on introduction of the Law on Minimum Wage, on the ratification of 7 ILO conventions, amendment of the Labour Relations Law, amendment of the Law on OSH, introduction of the Law on Mobbing, amendment of the Law on Temporary Employment Agencies, Youth Employment Action Plan 2012-2015, initiative for resolving the status of the employees in the loss-making companies.

#### ***Expected result: 1.1 Tripartite Action Plan for enhancing capacity of the National and Local Economic and Social Councils implemented***

Outputs/ Activities	<ul style="list-style-type: none"><li>✓ Background assessment of the functioning of the NESC and LESC carried out.</li><li>✓ Background assessment of the functioning of the JCC carried out.</li><li>✓ A validation workshop of the assessments of the functioning of the NESC and LESC and JCC held.</li><li>✓ A tripartite workshop on development of a two-year NESC Action Plan on Social Dialogue held.</li><li>✓ A two-year Tripartite Action Plan on Social Dialogue developed and endorsed by the NESC. Also, the first ever NESC Annual Operational Programme prepared and implemented in 2015. The NESC Annual Operational Programme drafted for 2016, awaits approval. Moreover, the Rules of Procedures of the NESC and its Secretariat drafted and approved.</li><li>✓ The two assessments (on NESC&amp;LESCs and JCC) published in a single volume in the „<i>Assessment of the functioning of the tripartite social dialogue</i>” in Macedonian and English languages.</li><li>✓ <i>Publication on National Tripartite Social Dialogue: An ILO guide for improved governance published in Macedonian language.</i></li><li>✓ The first retreat of NESC and LESC held.</li><li>✓ NESC premises equipped with furniture, equipment and library.</li></ul>
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***Expected result: 1.2 Six (6) new local ESCs established***

Outputs/ Activities	✓	A number of advisory missions for establishment/support of LESC's carried out
	✓	Selection criteria for LESC's discussed by the PSC.
	✓	Three of six LESC's established in Resen, Veles and Sveti Nikole.
	✓	The three LESC's equipped with furniture, equipment and library.

***Expected result: 1.3 Monitoring mechanism of recommendations of the ESCs in place***

Outputs/ Activities	✓	Capacity building workshop to assist the NESC to identify bottlenecks and to devise procedural rules and operational arrangements regarding the monitoring mechanism held. The monitoring mechanism validated at the workshop and endorsed by the NESC
	✓	TOR/checklist (software application) for the monitoring mechanism drafted at the capacity building workshop and endorsed.
	✓	Software application for the tracking mechanism produced and ready to be installed.

***Expected result: 1.4 Improved visibility of the Economic and Social Council***

Outputs/ Activities	✓	The NESC's communication strategy developed and in the process of approval.
	✓	The NESC website in Macedonian and English languages developed ( <a href="http://www.ess.mk">www.ess.mk</a> ); a new logo for the NESC designed; NESC promotional materials printed (brochures, folders, notebooks and pens, as well as wall and entrance branding).

**Component 2: Encouraging collective bargaining and setting sectoral collective bargaining infrastructures.**

Indicator of Achievement: - coverage of collective bargaining at sectoral level increased by 10%

By the end of 2014, there were 17<sup>3</sup> sectoral collective agreements (CA) in place. In 2015, two additional sectoral CAs have been negotiated and signed. These two sectors, textile and agriculture, are among the six selected as of interest by the SP, under the project activities. The total number of employees covered by the CA (members of TU) is 77,444<sup>4</sup>, out of whom 11,090 are employees – members of agriculture and textile branch TUs.

Indicator of Achievement: -concluded collective agreements at enterprise level increased by 5%

By the end of 2014, a total of 63 collective agreements at enterprise level have been signed. In the course of 2015, additional 13 collective agreements have been negotiated<sup>5</sup>.

***Expected result: 2.1 A tripartite action plan on strengthening collective bargaining implemented***

Outputs/ Activities	✓	A gap analysis „National Regulatory Framework on Collective Bargaining“ carried out and validated. The gap analysis is prepared for publishing in Macedonian
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<sup>3</sup> Source: List of Collective Agreements provided by SSM and KSS

<sup>4</sup> Source: Table of Representativity of the Branch Trade Unions

<sup>5</sup> Source: Organization of Employers of Macedonia and Business Confederation of Macedonia

and English languages.

- ✓ Validation workshop on the gap analysis and Action Plan on Strengthening Collective Bargaining held.
- ✓ A tripartite Action Plan on Strengthening Collective Bargaining including a number of gender related measures developed, and awaits approval
- ✓ Six sectors of interest selected by the Social Partners and endorsed by the PSC;

***Expected result: 2.2 A training programme for workers and employers on collective bargaining is in place***

- |                        |  |
|------------------------|--|
| Outputs/<br>Activities | <ul style="list-style-type: none"><li>✓ Three training sessions on development of collective bargaining skills in six sectors delivered to EOs.</li><li>✓ <i>ILO Guide on Collective Bargaining for EOs</i> adapted to the national context and translated into Macedonian language.</li><li>✓ Six training sessions on development of collective bargaining skills in six sectors delivered to TUs.</li><li>✓ <i>Social Dialogue: A Manual for Trade Union Education</i> – translated into Macedonian language and published.</li></ul> |
|------------------------|--|

***Expected result: 2.3 Employers' and workers' organizations apply new tools and services to reach out to members***

- |                        |  |
|------------------------|--|
| Outputs/<br>Activities | <ul style="list-style-type: none"><li>✓ Strategic plans for ORM and BKM developed and endorsed.</li><li>✓ Governance charters for ORM and BKM developed and endorsed.</li><li>✓ Training on advocacy and lobbying delivered to EOs.</li><li>✓ Five instead of three originally planned joint position papers of the EOs on enabling business climate for sustainable enterprises with focus on <i>Access to Finance, Fair Competition, Entrepreneurial Culture, Rule of Law, and Regulatory Framework</i> developed and validated at the validation workshops.</li><li>✓ ILO Publication <i>On Enabling Business Environment for Sustainable Enterprises</i> published in both Macedonian and English languages.</li><li>✓ Marketing and communication plans for ORM and BKM developed, approved, and in the process of implementation.</li><li>✓ Websites of ORM re-designed.</li><li>✓ A joint marketing and communication strategy for the three TUs developed and under implementation.</li><li>✓ Two workshops on PR activities for TUs under the marketing campaign organized.</li><li>✓ Websites for TUs in a process of redesigning.</li><li>✓ Two workshops on developing initiatives for recruiting TUs' members on national and sectoral levels with SSM and UNASM held.</li><li>✓ A common website on workers' rights instead of creation of a call center at national level designed.</li></ul> |
|------------------------|--|

***Expected result: 2.5 Database on social partners' membership and collective agreements is in use***

- |                        |   |
|------------------------|---|
| Outputs/<br>Activities | <ul style="list-style-type: none"><li>✓ Assessment of the existing regulatory framework for data collection and compilation relating to social partners' membership and collective agreements</li></ul> |
|------------------------|---|

conducted and validated.

✓ The tripartite validation workshop of the Assessment of the existing regulatory framework for data collection and compilation relating to social partners' membership and collective agreements held.

✓ Database on social partners' membership and collective agreements developed, and awaits installation on the Ministry's server.

### **Objective/Component 3: Establishing an operational amicable settlement of labour disputes**

Indicator of Achievement: - A mechanism for Amicable Settlement of Labour Disputes is established

By the end of 2014, there was no mechanism for amicable settlement of labour disputes in place. The entire system has been established through the activities and support of the project.

Indicator of Achievement: - 60% of referred cases resolved

By the period of drafting of this evaluation report a total of three cases have been referred to the system, two of which have been successfully resolved.

#### ***Expected result: 3.1 A permanent training program is in place for conciliators/arbiters***

Outputs/  
Activities ✓ A curriculum for training of conciliators and arbitrators, including a list of required competences developed by the Project and validated by the MLSP, and published on the websites of the MLSP and the NESC.

✓ Tripartite Licensing Commission established and trained. Guidelines on development of Rules of Procedures provided in one day technical discussion with the members of the Commission and the secretary of the NESC.

✓ Training programme validated through a pilot training of trainers for conciliators and arbitrators – a total of 15 candidates.

✓ A group of 42 candidates, including trainers, trained for conciliators and arbitrators, 21 persons, i.e. 50% of whom have been issued a licence

✓ Six instead of three of the best performing candidates for trainers attended a fellowship programme to the ITC ILO course on improving the performance of Labour Dispute Resolution systems, *Managing Interpersonal Workplace Conflicts*.

#### ***Expected result: 3.3 A case management system is created and in use***

Outputs/  
Activities ✓ Assessment, concept and ToR for case management system developed.

✓ Database / software developed. The Labour Disputes Information Management system was presented at the NESC retreat, and awaits installation on the Ministry's server.

#### ***Expected result: 3.4 Awareness campaign targeting social partners and general public's on the advantages of amicable settlement of labour disputes is carried out***

Outputs/  
Activities ✓ Awareness raising campaign for ASLD designed and produced (key messages designed, video and radios spots produced, and web-banner, poster and flyer designed).

✓ Publication of the ITC ILO *Labour Dispute Systems: Guidelines for Improved Performance* published in Macedonian language.

✓

## 5. MAIN FINDINGS

The main findings are structured in line with the evaluation questions relating to design and relevance, project effectiveness and efficiency, sustainability, and emerging risk and opportunities.

### 5.1 Design and Relevance of the Project

The PSDP was designed in consultations with the national Government and the main employers' and workers' organizations operating in the country. Their participation in the consultation process around the project design enabled them to identify common objectives and interventions aiming to enhance tripartite and bipartite social dialogue as a means to achieve sustainable growth and social progress. Such tripartite participatory approach since a very early phase of project inception has secured the necessary national ownership of the project.

Regarding the relevance of the project, the PSDP supports the country's efforts on its path towards the EU integration in building a sound system of industrial relations, as required by the progress reports of the European Commission (EC) on several occasions, as well as a culture of social dialogue. Furthermore, major directions in building an initial project outline have been suggested by the previous ILO interventions aimed to support functioning of the national ESC, and improve the mechanism for amicable resolution of labour disputes under the DWCP for FYR Macedonia 2010-2013, and particularly by the ILO regional technical cooperation project on "Improved Labour Dispute Settlement" that was implemented during 2012-2014.

The PSDP is also embedded in the current DWCP for FYR Macedonia 2015-2018 under the Priority 2 that is related to Effective social dialogue. According to the interviewees the project design reflect desired results of each project beneficiary, and is still relevant when it comes to the national reality and their needs, as it has been the case few years ago, when the consultations around the project have been launched. Also, initial analysis and gap assessments confirmed the project interventions have been opportune and appropriate.

### 5.2 Project Effectiveness and Efficiency

#### 5.2.1. Effectiveness

Realization of the project objectives is supported by 45 outputs/activities, as set out in the project document. A desk-review of the available project documentation and interviews with the project staff resulted in the following review of completed and on-track activities:

*Component 1: Enhancing the tripartite social dialogue on national and local level.*

Seven (7) activities were completed (1.1.1; 1.1.2; 1.1.3; 1.1.6; 1.3.1; 1.3.2; and 1.4.2) and six (6) are on track (1.1.4; 1.1.5; 1.1.7; 1.2.1; 1.2.2; and 1.4.1) out of thirteen (13).

*Component 2: Encouraging collective bargaining and setting sectoral collective bargaining infrastructures.*

Ten (10) activities were completed (2.1.1; 2.1.2; 2.2.2; 2.3.1; 2.3.1; 2.3.2; 2.3.3; 2.3.6.; 2.4.2 and 2.5.1) and twelve (12) are on track (2.1.3; 2.1.4; 2.1.5; 2.1.6; 2.1.7; 2.2.1; 2.3.4; 2.3.5; 2.4.1; 2.4.2; 2.5.3; and 2.5.4) out of twenty two (22) .

*Component 3: Establishing an operational amicable settlement of labour disputes.*

Four (4) activities were completed (3.1.1; 3.1.2; 3.2.1; 3.3.1; and six (6) are on track (3.2.2; 3.2.3; 3.3.2; 3.3.3; 3.4.1; and 3.4.2) out of ten (10).

From the above review it could be noticed that 21 activities or 47 percents were completed in the referenced period, and remaining 24 activities or 53 percents of activities are on track, even though it is

expected the former percentage would be higher, as the delivery of some on-track activities which have been prepared / developed is still pending approvals/initiative of relevant authorities.

In-person interviews that were conducted with representatives of the project beneficiaries during the field mission to Skopje revealed that the project activities are deemed relevant to the stated objectives and needs of project beneficiaries, as well as the information and other outputs that have been provided since its inception. This is particularly valid for the activities aimed at strengthening the NESC, which was re-vitalized just a few years ago (2010) with the ILO assistance and the system for amicable settlement of labour disputes; establishment of local ESCs; and building capacities of employers' and workers' organizations to provide new services and tools to their membership and improve collective bargaining skills of their members involved in negotiation process. In sum, the project has matched the programmatic goal and has been in line with the strategic documents of most of project beneficiaries, but most importantly, the social dialogue process and cooperation between partners have been improved. The credit for such improvement was given to the project and the ILO, which was praised for its neutrality and equal treatment of all the project beneficiaries.

The interviewed government representatives (some of them are newly appointed and have not been involved in the project design and previous activities) suggested placing more focus on strengthening the ASLD mechanism in the remaining period of the project implementation, which is considered to be insufficiently used by potential users. Accordingly, they urged for an immediate launch of promotional campaigns, prompted by the lack of adequate visibility of the NESC and of the ASLD mechanism among the general public and potential users. Also, they pointed out possible difficulties created by different role of a conciliator vs. an arbitrator, and called for differentiation of mandates of conciliator and arbitrator, which would involve legislative changes, to be initiated by the Government and social partners. First-hand experience in practices of similar institutions in other countries was listed among the desired activities, even though a tripartite delegation has previously been exposed to this type of experience, which actually contributed to the design of the national mechanism. With regards to the NESC functioning, a need for an involvement of other Ministries which are not current members of the NESC and a more pro-active engagement of the social partners' representatives in the NESC Secretariat was pointed out. Even though the expansion of the NESC membership would undoubtedly enhance the NESC capacities, particularly bearing in mind a menu of topics to be addressed from the European integration perspective, a lengthy consultation process over the legislation to be adopted/amended to reflect the Government representativity in the NESC might affect the NESC effectiveness, which needs to be further enhanced, given its young age, as previously indicated. In this respect a better participation of the current membership in the NESC and improved operation of its Secretariat would spontaneously call for the expansion of its membership and expedite decisions thereof.

Representatives of the Organization of employers of Macedonia have expressed their concerns over the participation in the project activities of a peer organization lacking representative status. They also asked for more diversified international consultancy that would enable information sharing, including through study visits, when it comes to more advanced systems of social dialogue, and for more involvement in the selection process of consultancy in general, referring mainly to the absence of such involvement in case of the selection of consultants who worked on the background assessments and dissatisfaction with some of those, even though the reasons for such discontent were not further elaborated. In their view, activities related to increasing visibility of social dialogue (lack of campaign) were not sufficiently pronounced, and therefore such activities should be strengthened and further assistance in this regard to be provided to the organization, such as education of media and/or media expert that would report on the activities of the organization. Also, it would be useful to organise separate training sessions on collective bargaining for different organizations, given the different level of involvement in the collective bargaining process. For the purpose of increased visibility towards general public and government institutions, but also identity of an organization and distinctive branding of services provided to its membership it was suggested to proceed with separate publications, including re-publishing of the common ones which have already been published. Furthermore, assistance regarding the implementation of the position papers would be needed.

According to the interviewed Trade Unions' representatives there is a need to give more attention to CB on lower levels, i.e. company level, even though according to the indicator of achievement that was

mentioned earlier in the report has revealed an increase by 5% of the CB coverage at the company level. However, as the collective bargaining at this level is still in infancy stage, it would be useful to consider how to involve a number of companies in the project activities. Poor unionisation and unawareness of young people who are to enter the labour market not only about rights at work, but of the notion of social dialogue and the need for their engagement through proper structures was indicated as a possible course of action. Moreover, capacities of Trade Unions in protecting rights at work of specific groups of workers through sectoral collective agreements, such as temporary workers (engaged by agencies for temporary work) need to be addressed through future project activities. A recent comparative study on temporary workers done with CESOS can serve as a basis when designing such interventions. With regards to joint events for the three Trade Unions it was suggested to organise them on neutral locations.

Most of the interviewees pointed out challenges related to the lack of adequate human and financial resources, and a need for assistance in that regards, as well as a need for additional equipment and training facilities. All the events have been positively evaluated by the participants. The average score for the overall satisfaction is 4.87 out of 5.

### 5.2.2 Efficiency

Most of the outputs/activities were delivered in a timely manner, unless their delivery was not associated with external factors which are beyond the ILO control. A Review of Implementation with the implementation schedule is provided in Appendix 6.

From the technical resource perspective, technical expertise and advice are deemed to be sufficient and adequate, but there are requests for more exposure to European practice in dealing with SD/CB related issues, as mentioned earlier in the Report. Concerning the accessibility and responsiveness of the ILO staff engaged in the project and particularly of the national project staff and the National Coordinator no concerns have been expressed in that regard. The appointment of a new National Project Coordinator which took place because of the resignation of the previous one has had no implications on the project coordination and implementation of the project activities.

The project has had sufficient and adequate financial resources to implement its activities. Project resources were used in a cost effective way and synergies between the activities were created whenever possible.

### 5.2.3 Effectiveness of Monitoring

The project is regularly monitored by the PSC and the National Project Coordinator. The National Project Coordinator reports on the progress in the project implementation to the PSC and other beneficiaries.

The PSC is regularly updated on the progress of the project implementation, and both the PSC and beneficiaries of the project received a Narrative Interim Report which provided a comprehensive review of the activities delivered in the first year of the project implementation, i.e. in the period October 2014-September 2015. Also, the donor has been provided with monthly updates on undertaken project activities and plans for subsequent month through flash reports, since November 2014.

## 5.3. Gender Concerns

Gender issues were adequately addressed in the Action plan on Collective Bargaining which includes piloting of the ILO methodology (available in Macedonian language) for Job evaluation in terms of equal pay for work of equal value in the leather industry, as well as in the banking sector. A discussion on the Action Plan on Collective Bargaining was supported by interventions of resource persons who participated in a back-to back training on Promoting gender equality and addressing the gender pay gap through collective bargaining.

Also, women participation in the project activities was strongly encouraged and each event provided gender disaggregated data of participants, which demonstrate quite a good gender balance in the activities.



The total number of participants to all the activities organized by the project and classified by gender is 191 female and 236 male.

Moreover, the NESC and LESC's libraries were provided with ILO publications, as follows: Promotion of gender equality – neutral evaluation of jobs of equal pay in Macedonian Language; The Gender Pay Gap in the FYR Macedonia both in English and Macedonian Languages; and Good practices and challenges on the Maternity Protection Convention (No 183) and the Workers with Family Responsibilities Convention No 156: A comparative study.

#### **5.4. Sustainability**

The project was designed to ensure sustainability of the activities by addressing weaknesses of the existing system of tripartite and bipartite social dialogue, and through direct participation of the tripartite constituents in its formulation and implementation.

Inclusion of diagnostics in all the components of the project as a starting point in defining courses of action is also likely to support the sustainability of actions in the afterlife of the project as they have guided policy makers and social partners in building lasting structures.

Provision of learning methodologies will enable beneficiaries of such methodologies to carry out learning activities after the completion of the project, and will also provide one element of sustainability in a long run.

Sustainability of the project results will also depend on human and financial resources of some project beneficiaries, among which some are understaffed and faced with challenges of financial nature. This is also applicable to the NESC and LESC's Secretariats which need to have earmarked funds for their operations.

Even though the project has so far succeeded to address many of identified shortcomings and lay down the foundation for smooth functioning of the NESC, three LESC's and a mechanism for amicable settlement of labour disputes, and despite a fact that a variety of stakeholders benefited from participation in project activities it is difficult to come up with a prognosis regarding the sustainability of the project interventions upon the completion of the project. However, without a doubt a real political willingness of the national and local authorities to fully use the established institutional mechanisms and support through allocation of sufficient human and financial resources, particularly the ESC's Secretariats, for their functioning will be the driving force in keeping the established structures sustainable.

Moreover, further strong political commitment and continuous governmental financial and operational support to the newly created mechanism for ASLD will be critical for securing its sustainability beyond the lifespan of the project. In order to preserve the achievements of the project, it is crucial for the MLSP to take over the maintenance and administration of databases developed by the project, and foster high quality delivery of labour conciliation/arbitration services through securing continuation of the programme of permanent training of conciliators and arbitrators and fully using the Case Management Information System set up by the Project.

#### **5.5 Emerging Risks and Opportunities**

Volatility that has characterised the political landscape of the country since the inception of the project has had an impact on the delivery of the project activities and dynamics by creating political uncertainty and disruption of decision making in the public administration, particularly since October 2015 when the project has entered into the second year of the implementation.

Five months elapsed since the government reshuffling and since then very few activities have been organized due to decision making gaps, as mentioned above. This situation will most likely last until August/September given the forthcoming parliamentary elections in June 2016. From the project implementation perspective this may entail further delays in the final year of the project implementation.

On the other side, the need for functional institutional frameworks for tripartite and bipartite social dialogue will still be in place, and perhaps be even more pronounced, that would require preparation of a proposal for no-cost extension for additional six months (from October 2016 onwards) if all the project outcomes are to be realised.

## **6. Conclusions and Recommendations**

### **6.1. Conclusions**

From the foregoing and in regard to relevance and strategic fit, it can be concluded that the project is appropriate to the objectives of the ILO, the country DWCP, and tripartite constituents. In particular, the PWDP is in line with the ILO Programme and Budget Outcome (P&B) 2010-2015, Outcome 12 on Social Dialogue and Industrial Relations, Indicator 12.2.:“Number of members states that, with ILO support, strengthen the machinery for collective bargaining labour dispute settlement, in line with international labour standards and in consultations with social partners. “, as well as to the P&B 2016-2017.

In regard to the design, the project is structured appropriately to the context of the country and needs of the constituents particularly in regard to strengthening the NESC and ASLD mechanism, but also in regard of enhanced capacities of beneficiary organizations to provide new services to their memberships.

Country-wide promotion of social dialogue to address socio-economic challenges at local levels through establishment and support to local ESCs has also been praised as a valuable asset of the project. However, it appears that a more proactive approach and commitment of all the project beneficiaries is required to achieve the set goals.

The visibility of the NESC and of the partner organizations has been enhanced. Awareness is still to be raised on the newly created mechanism for amicable settlement of labour disputes which is still quite unknown to wider public and insufficiently used.

While there are activities which will require support of a new government, such as the establishment of the remaining three LESC, particularly in light of an ongoing migrant crisis, it seems that there are pending activities which could be implemented without further delays, for instance the installation of the three databases developed by the project .

In a situation when some project activities suffer delays due to external factors, it might be difficult to achieve indicators of success within the project cycle, unless the project is extended beyond the planned date of closure.

Much is to be done on promoting collective bargaining at company level. It is associated with poor unionisation and lack of information available to workers, and particularly when it comes to young people – to be new entrants to the labour market - about potentials of social dialogue, and particularly on local level, e.g. LESC.

Capacities of the project beneficiaries differentiate among the beneficiary organizations. Not all participating organizations operate under the same conditions. While some might have sufficient resources (human, financial and technical) to provide adequate services to their memberships, some are faced with challenges in that respect.

Despite satisfaction with cooperation among the partner organizations and participation in joint events there are requests to organise separate events, or if joint events then to be organised outside the premises of either beneficiary organization.

### **6.2 Recommendations**

At this mid-point of the project, and based on this Internal Mid-Term Evaluation, it is possible to make a number of recommendations with a view to addressing key issues and ensuring the PSDP remains on track, as follows:

1. The Project Steering Committee at its meeting scheduled on 31 March might wish to discuss the findings and recommendations of this report including a proposal for a no-cost extension of the project until April 2017, as being necessary if the project objectives are to be met.
2. The Project Steering Committee may find useful to discuss the concerns raised in this report and recommend steering measures regarding the number of LESC's to be further established or the geographical areas to be selected.
3. The Project Team may wish to include a summary of bottlenecks occurred and /foreseen in the project implementation in the monthly reports when the case may be so as to alert the PSC and the concerned stakeholders on time in case of delays in the implementation of the agreed Action Plan, in the remaining period of the project cycle, no-cost extension period included.
4. In order to preserve the achievements of the project, it is crucial for the MLSP to take over the maintenance and administration of databases developed by the project, and foster high quality delivery of labour conciliation/arbitration services through securing continuation of the programme of permanent training of conciliators and arbitrators and fully using the Case Management Information System set up by the Project.
5. In order to allow timely and swift implementation of related project activities, the MLSP should proceed with the installation of software applications of the three databases into the system of the MLSP with no further delay and organize the relevant trainings for the users as soon as the databases are installed.
6. The Project should explore with the concerned social partners feasible modalities to extend capacity building related to collective bargaining to company level, so as to include a number of selected enterprises in the project activities.
7. The Project should explore with the concerned TUs how to further strengthen their technical capacities to address issues related to the protection of rights at work of specific groups of workers, such as temporary workers.
8. In order to fully benefit from capacity building, the beneficiary organizations should pay more attention to the selection of their representatives in training activities delivered by the Project.
9. The Project should explore with the concerned stakeholders best modalities for awareness raising on the importance of collective bargaining and social dialogue among young people, particularly students and to design and implement adequate activities in the remaining period.
10. The Project should take necessary steering measures to tailor further assistance according to capacities of beneficiary organizations, and when appropriate and feasible to organise the remaining/newly designed activities, such as workshops, round tables and/training sessions, separately and/or on neutral locations.
11. The Project should further provide assistance to employers' organizations in the implementation of position papers.
12. The Project should explore with the concerned organizations opportunities to organise training sessions on social dialogue targeting media and if possible to select specialized journalists and train them in specific subject matters, so that they can adequately report on the activities of specific organizations as a part of efforts aimed to promote social dialogue.
13. The Project should explore modalities on how best to support the project beneficiaries in terms of provision of additional premises, human resources at least by the end of the project cycle, equipment and training facilities.

## 7. Lessons Learned and Good Practices

Building on legal and institutional foundations laid down by previous ILO TC projects implemented in the country (e.g. TA on NESC and Law on ASLD) has secured necessary follow up and continuity, enabled the expansion of the current scope of the Project and increased the likelihood of its sustainability.

Synergies with projects of other bilateral and multilateral donors such as the USAID's project on establishing LESC's in six municipalities under the Youth Employability Skills (YES) Network, and a number of EU funded projects in case of the employers' organizations, such as: GEMA (Gender Equality Management); CSR (Corporate Social Responsibility); WIM (Workers involvement in management); and Strong Social Dialogue in the Western Balkans have provided valuable lessons learnt and are likely to contribute a stronger impact of the Project intervention.

Involvement of the beneficiaries in adjusting project activities to their evolving needs and joint planning are indispensable for achieving project objectives.

Permanent exchange of information and feedback between the project staff and project beneficiaries has been contributing to the success of the project so far.

Regular use of evaluation forms to obtain participants' feedback on relevance and quality of events organization, agendas and resource persons allows tailoring of training activities to the needs and expectations of beneficiaries.

Project flexibility in addressing and adjusting the project activities to beneficiaries' needs has been well appreciated by all stakeholders.

Continuity in decision making and proper handing over to the new management at the level of the MLSP has proved critical for delivery of some of the project activities.

Timely response of all stakeholders, in particular the MLSP to technical requirements of the project (e.g. installation of databases on the Ministry's server) is crucial for related activities delivery and further achievement of project outcomes.

A pro-active and standing involvement of all tripartite members of the NESC Secretariat is key to ensure the fulfilment of its expanded tasks.

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**TERMS OF REFERENCE**  
FOR THE  
MIDTERM INTERNAL EVALUATION OF THE “PROMOTING SOCIAL DIALOGUE”  
PROJECT (MKD/13/02/MKD)

**Donor:**

European Union through the Government of the Former Yugoslav Republic of Macedonia (Ministry of Finance, Central Financing and Contracting Department – CFCD)

**Implementing Agency:**

International Labour Organization (ILO), DWT/CO-Budapest

**Type of Evaluation:**

Internal Evaluation

**Timing**

Midterm

**Date & Duration of the evaluation:**

February- March, 2016 (1 day distance interviews with the DWT/CO-Budapests, 2 day mission to FYR Macedonia, 3 days desk work, 5 days drafting the report, 3 days finalizing the report based on the feedback obtained on the draft)

**Geographical coverage:**

FYR Macedonia

**Duration of the project 24 months:**

01st October, 2014 to 30th September, 2016

**Total amount of the project:**

€ 1,371,071 (US\$1,742,148.66 at the UN exchange rate at which the funds were received in October 2014) International Labour Organization DWT and Country Office for Central and Eastern Europe

**1) Background of the project**

In FYR Macedonia, the ILO promotes decent work as a national objective and assists constituents to make progress towards achieving that objective. Advancement of social dialogue is one of the priorities in the DWCP for FYR Macedonia in the period 2015-2018.

The EU funded project “Promoting social dialogue” contributes to achievement of the goals under this priority of the DWCP. This project builds on the extensive work done by the ILO to support the establishment of the National Economic and Social Council, develop amicable settlement of labour disputes legislation, and strengthen the capacities of Employers and Workers organizations

The overall objective of project is to extend and enhance tripartite and bipartite social dialogue as a means to achieve economic growth and social progress. The problem of social dialogue is addressed from three levels and the project aims to achieve the following specific objectives:

1. Enhanced institutional capacity of stakeholders in charge of tripartite and bipartite social dialogue in terms of sustainability, efficiency and functionality in order to provide a comprehensive participation of all

- the relevant stakeholders, especially of the social partners, in the creation, development and implementation of economic and social policies;
2. Strengthened social partnership on the industry/branch/company level including a coordinated and effective machinery for collective bargaining;
  3. Establish an operational mechanism of amicable settlement of labour disputes and trained specialized conciliators and arbitrators for labour disputes.

The project is managed and technically backstopped by the ILO DWT and Country Office for Central and Eastern Europe, based in Budapest, which provides the necessary administrative support and technical and project-backup services. A Local project office is set up in Skopje to manage and coordinate the activities with one National Project Officer and a Project Assistant. The project team report directly to the Senior Specialist on Social Dialogue and Labour Law based in DWT/CO Budapest.

## **2) Scope, Purpose and Clients of the Mid-term Evaluation**

The purpose of the midterm internal evaluation of the “Promoting Social Dialogue” project is to evaluate progress made and make recommendations on how to improve the sustainability of achieved results. The project evaluator should review and assess the progress and achievements of the project from the 1st of October 2014 to date. The objectives and outputs as mentioned in the Project Document will be the starting point of the evaluation. The project should be evaluated in terms of efficiency, effectiveness, relevance and finally sustainability of the project, as they are briefly described below.

Generally, the evaluation will:

- 1) Review the achievements of the Project by assessing to what extent the stated objectives and major outputs have been achieved;
- 2) Review the efficiency and effectiveness of the project implementation;
- 3) Review to what extent the program is still relevant and is continuing to meet the needs of its original target groups;
- 4) Review the likelihood of sustainability of the project outcomes
- 5) Review emerging risks and opportunities.
- 6) Draw conclusions in terms of the progress made and if need recommends steering measures to be taken in the further implementation of the project.

The internal evaluation will serve the following - external and internal - clients’ groups:

- The ILO DWT-CO Budapest
- The ILO Headquarters management and backstopping units
- The tripartite constituents
- The Donor

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. Its findings will contribute and feed into the upcoming high-level evaluation of the ILO’s work in the Western Balkans States (scheduled for March – July 2016).

## **3) Key evaluation questions**

This project evaluation should address the progress of the project to date – in this, it should deal with the following main ‘effect and impact concerns’: validity of project design, delivery of project strategy, and project performance. The latter should include relevance, effectiveness, efficiency, sustainability, causality and unanticipated effects, alternative strategies and gender concerns. Finally, the project assessment should also deal with the lessons learned during the project. OECD/DAC Criteria for Evaluating Development Assistance will be used to interpret the answers to the evaluation questions.

Specific questions to be addressed include:

## **A. Are we doing the right thing?**

### **Rationale/Relevance**

1) Do the problems/needs that gave rise to the project still exist, have they changed or are there new needs that should be addressed?

## **B. Are we doing things in the right way?**

### **Effectiveness of achieving expected results and Efficiency in the use of inputs and satisfaction of intended beneficiaries**

1) What progress has been made towards achieving project objectives and is that progress sufficient?

2) What outputs have been produced and delivered so far and has the quality of these outputs been satisfactory?

3) Were the events, activities organized by the ILO relevant to the stated objectives?

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

5) Have you received appropriate information on international and regional experiences, modern approaches and best practices?

6) How effectively does the project management monitor project performance and results?

7) Has data been collected to measure the outputs of the project?

8) Is it necessary to collect additional data?

9) Have resources (funds, human resources, time, expertise etc) been used efficiently?

10) Have activities been delivered in a timely manner?

11) Have activities been cost effective?

12) Did the target groups participate in the formulation and implementation of the project?

## **C. Are there better ways achieving results?**

### **Lessons learned and good practices for future application**

13) What are the major lessons learnt through the project implementation so far and what are the implications for the project implementation?

14) Do you have any suggestions for improvement of future activities or the project as a whole?

### **Special considerations:**

#### **Gender Concerns:**

15) Have women and men in the target groups benefited equally from the project activities?

16) To what extent did the project mainstream gender in its approach and activities?

17) To what extent did the project use gender/women specific tools and products?

#### **Knowledge Sharing:**

18) Has sufficient attention been given to documenting the project experiences and achievements?

19) In what ways has the knowledge pertaining to these project experiences and achievements been documented?

20) Have the project experiences and achievements been shared with stakeholders within and outside the ILO (with similar ILO projects in-country and in the region, other donors' projects, government agencies etc.)?

#### **Sustainability:**

21) What is the likelihood of sustainability of outcomes?

22) What project components or results appear likely to be sustained after the project and how?

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#### **4) Methodology**

- a) Desk review: review of project reports and other documentation;
- b) Interviews with the Project team leader (senior specialist on social dialogue and labour law), employer's activities specialist, workers activities specialist, Budapest based project staff, ILO National Coordinator in FYR Macedonia, the national project coordinator and the national project assistant;
- c) Interviews with national government representatives as well as employers' representatives and trade union representatives.
- d) Field visit to Skopje.

The evaluator will have access to all relevant material on the project from ILO DWT/CO Budapest and the national project office in Skopje. The documentation will include the project document, work plans, progress reports, evaluation reports (i.e. Amicable Labour Disputes Settlement project, DWCP / Macedonia final review) and other relevant documents. Key documentation will be sent to the evaluator in advance.

#### **5) Findings, Conclusions and Recommendations**

The evaluator should include, but not be limited to, the questions raised in Section 3 in his/her evaluating work and the resulting findings, conclusions and recommendations. The project team will arrange the necessary field visit and share all the necessary project info with the Evaluator.

#### **6) Main deliverables**

The evaluator will present an initial report on the 26th February 2016 to the evaluation manager. The draft report will be translated into Macedonian language by 29 February. The Evaluation manager will share the report with the project team and relevant stakeholders on 29 February. This will allow the project stakeholders and staff to discuss findings and provide comments and additional information, if need be during the week, COB 04nd March, 2016. Subsequently, a final evaluation report will be submitted on the 11th of March, 2016. The final report will be available in English and Macedonian language.

The report should be prepared in English and preferably be no more than 25 pages in length, excluding annexes. It is suggested to structure the report<sup>1</sup> as follows:

- o Executive Summary with key findings, conclusions and recommendations
- o Project background
- o evaluation methodology
- o description of the current status of the project (stocktaking), per each of the specific objectives
- o findings
- o conclusions and recommendations
- o lessons learnt
- o good practices
- o annexes including the TORs, a list of those consulted by the evaluator

#### **7) Management arrangements, Provisional work plan and timetable**

The internal evaluation will be conducted by an ILO official with no prior involvement into the project. It will be managed by the ILO NC in FYR Macedonia.

It is envisaged that the evaluator will be engaged for approximately 14 working days:

Desk Review: 3 days

Interviews with Budapest team leader and Budapest based project staff: 1 day through skype.

Field visit to Skopje: 2 days for interviews with national project staff and stakeholders.

Report writing: 5 days for the first draft + 3 days for addressing comments.

The "Promoting Social Dialogue" project will cover all related costs.



<b>Task</b>	<b>Time frame</b>	<b>Responsible Unit/ person</b>	<b>Consultations</b>
1. Draft TORs prepared	1 February 2016	ILO NC	DWT/CO Budapest/ Regional Evaluation Officer/ Project team
2. Identification of ILO evaluator	2 February 2016	DWT/CO Budapest/	DWT/CO Budapest/ National project Coordinator/Regional Evaluation Officer
3. Internal and external consultations to finalize terms of reference	08 February 2016	DWT/CO Budapest/National Coordinator	DWT/CO Budapest/ Regional Evaluation Officer/EVAL (for final approval)
4. Preparation of background documents, materials, reports and studies by objectives	09 February 2016	Project team	DWT/CO Budapest
5. Meetings scheduled for the reviewer to get inputs from national stakeholders	10 February 2016	National Project Coordinator	DWT/CO Budapest

## Appendix 2

Specific questions to be addressed include:

### **A. Are we doing the right thing?**

#### **Rationale/Relevance**

1) Do the problems/needs that gave rise to the project still exist, have they changed or are there new needs that should be addressed?

### **B. Are we doing things in the right way?**

#### **Effectiveness of achieving expected results and Efficiency in the use of inputs and satisfaction of intended beneficiaries**

1) What progress has been made towards achieving project objectives and is that progress sufficient?

2) What outputs have been produced and delivered so far and has the quality of these outputs been satisfactory?

3) Were the events, activities organized by the ILO relevant to the stated objectives?

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

5) Have you received appropriate information on international and regional experiences, modern approaches and best practices?

6) How effectively does the project management monitor project performance and results?

7) Has data been collected to measure the outputs of the project?

8) Is it necessary to collect additional data?

9) Have resources (funds, human resources, time, expertise etc) been used efficiently?

10) Have activities been delivered in a timely manner?

11) Have activities been cost effective?

12) Did the target groups participate in the formulation and implementation of the project?

### **C. Are there better ways achieving results?**

#### **Lessons learned and good practices for future application**

13) What are the major lessons learnt through the project implementation so far and what are the implications for the project implementation?

14) Do you have any suggestions for improvement of future activities or the project as a whole?

#### **Special considerations:**

##### **Gender Concerns:**

15) Have women and men in the target groups benefited equally from the project activities?

16) To what extent did the project mainstream gender in its approach and activities?

17) To what extent did the project use gender/women specific tools and products?

##### **Knowledge Sharing:**

18) Has sufficient attention been given to documenting the project experiences and achievements?

19) In what ways has the knowledge pertaining to these project experiences and achievements been documented?

20) Have the project experiences and achievements been shared with stakeholders within and outside the ILO (with similar ILO projects in-country and in the region, other donors' projects, government agencies etc.)?

**Sustainability:**

21) What is the likelihood of sustainability of outcomes?

22) What project components or results appear likely to be sustained after the project and how?

Appendix 3

List of documents provided for the Evaluation

1. Project document
2. Project Log Frame
3. Updated Project Log Frame
4. Project Action Plan
5. Revised Project Action Plan
6. Draft Action Plan on Collective Bargaining
7. Narrative Interim Report October 2014-September 2015
8. Monthly Fleshes November 2014-January 2016 (inclusive)
9. List of outputs/activities with implementation schedule

Appendix 4

List and Schedule of Persons Interviewed during the field mission to Skopje

<b>17 February 2016, Wednesday</b>
09.00 Confederation of Free Trade Unions (KSS) – Mr. Blagoja Ralovski, President
12.00 Organization of Employers of Macedonia (ORM) – Ms. Svetlana Ristikj, Secretary general, and Belinda Nikolovska, Executive Director
14.00 Union of Independent and Autonomous Trade Unions of Macedonia (UNASM) – Mr. Slobodan Antovski, President
16.00 ILO National Project Staff – Ms. Natasha Mechkaroska Simjanoska, National Project Coordinator – Ms. Sofija Glavinova Jovanovska, Project Assistant
<b>18 February 2016, Thursday</b>
10.00 Federation of Trade Unions – Ms. Lidija Naskovska, Advisor of the President
12.00 Business Confederation (BKM) – Mr. Mile Boshkov, President
14.00 Ministry of Labour – Mr. Goran Neshevski, Secretary of ESC – Ms. Lenche Kocavska, State Counselor – Ms. Mirjanka Aleksevaska, Head of Labour Department – Ms. Maja Papatolevska, Associate in the Labour Department/Chair of the Project Steering Committee
<b>19 February 2016, Friday</b>
09.30 ILO National Project Staff – Mr. Emil Krstanovski, ILO National Coordinator
11.00 ILO National Project Staff – Ms. Natasha Mechkaroska Simjanoska, National Project Coordinator – Ms. Sofija Glavinova Jovanovska, Project Assistant

Appendix 5

Revised Action Plan

Year 1													
	Year 1												
	Half-year 1						Half-year 2						
Activity	Month 1 OCT	2 Nov	3 DEC	4 JAN	5 FEB	6 MAR	7 APR	8 MAY	9 JUN	10 JUL	11 AUG	12 SEP	Implementing body
0.1 - Mobilisation of team	Oct												ILO
0.2 - Establishment of the Project Steering Committee	Oct												ILO
0.3 - Assessment of what is running in the country for each component	Oct	Nov											ILO
0.4 - Midterm review												Sep	ILO
0.5 - PSC meetings						Mar						Sep	ILO
0.6 - External evaluation													
0.7 - Final conference													ILO
0.8 - Draft final report													
0.9 - Delivery of the final report to the Contracting Authority													ILO
1.1.1 Assessments of three year functioning of the ESC		Nov	Dec	Jan									ILO
1.1.2 Assessments of the functioning of JCC EESC		Nov	Dec	Jan									ILO
1.1.3 Validation WS of the two assessments and development of Action Plan					Feb								ILO
1.1.4 Monitoring of the implementation of the recommendations (ESC's retreats)													ILO
1.1.5 Eight (8) thematic tripartite training workshops (knowledge exchange)													ILO
1.1.6 Equipment for the national ESC Secretariat		Nov	Dec	Jan									ILO

1.1.7 Research for ESC													ILO
1.2.1 Advisory missions for establishment/support of local ESC						Mar	Apr	May	Jun	Jul	Aug	Sep	ILO
1.2.2 Equipment for the newly established local ESC Secretariat (computers + furniture + information tools/library)									Jun	Jul	Aug	Sep	ILO
1.3.1 Monitoring mechanism: drafting of TOR/checklist					Feb	Mar							ILO
1.3.2 Validation and Capacity Building Workshop						Mar							ILO
1.4.1 Communication strategy									Jun	Jul	Aug	Sep	ILO
1.4.2 Creation of web sites and promotional material					Feb	Mar			Jun	Jul	Aug	Sep	ILO
2.1.1 CB gap analysis			Dec	Jan	Feb								ILO
2.1.2 Validation WS						Mar							ILO
2.1.3 Sectoral seminars to promote the collective bargaining													ILO
2.1.4 Training for Ministry officials on role of public authorities in promoting CB													ILO
2.1.5 Training for LI on FOA and protection of trade union representatives													ILO
2.1.6 Negotiation techniques training for Ministry officials in the capacity of negotiating CB in public sector													ILO
2.1.7 Training for Judges on relevant ILS (C.87, C.98, C.151, C.154)													ILO
2.2.1 Development of collective bargaining skills for EOs, including new product (Guide for EOs on CB) and service (collective bargaining skills training programme in six sectors)													ILO
2.2.2 Development of collective bargaining skills for TUs, including new product (Guide for TUs on CB) and service (collective bargaining skills training programme)								May					ILO

2.3.1 Development of strategic plan for EOs				Jan	Feb										ILO
2.3.2 Governance training and development of governance charter for EO's						Ma r									ILO
2.3.3 Development of employers position papers of enabling business climate					Feb	Ma r	Apr	Ma y							ILO
2.3.4 Developing and implementing marketing and communication strategy for EOs									Jun e	Jul	Au g	Sep			ILO
2.3.5 Developing and implementing marketing and communication strategy for TUs								Ma y	Jun	Jul	Au g	Sep			ILO
2.3.6 Developing incentives for recruiting union members ("young trade unionist school")								Ma y							ILO
2.4.1 Gap analysis and policy paper developed															ILO
2.4.2 Tripartite workshop to present ILO recommendations on full compliance with fundamental rights at work.															ILO
2.5.1 Assessment of existing regulatory framework for data collection and compilation (SP membership and CA)					Feb	Ma r									ILO
2.5.2 Tripartite validation workshop						Ma r									ILO
2.5.3 Development of the database											Jul	Au g	Sep		ILO
2.5.4 Training of users of the database												Se p			ILO
3.1.1 A curriculum for training of conciliators/arbiters is developed and validated							Ap r	Ma y							ILO
3.1.2 Pilot Training of trainers for conciliators and arbiters									Ju n						ILO
3.2.1 Training of 3 persons in ILO/ITC												Se p			ILO
3.2.2 Training of conciliators and arbiters													Se p		ILO
3.2.3 Training on assisted collective bargaining															ILO
3.3.1 Assessment, concept and TOR for case management system											Au g	Se p			ILO

3.3.2 Database /software developed												Au g	Se p	ILO
3.3.3 Training for the users of the database												Au g	Se p	ILO
3.4.1 Campaign on ALDS									Ju n	Jul	Au g	Se p	ILO	
3.4.2 International conference on ASLD institutions														ILO



Appendix 6

List of outputs/activities with implementation schedule

Expected result:	Outputs/Activities	Implementation Schedule	
		Planned	Actual
<b>1.1 Tripartite Action Plan for enhancing capacity of the NESC and LESC implemented</b>	✓ Background assesment of the functioning of the NESC and LESC's carried out.	Nov and Dec 2014, Jan 2015	-Draft submitted in Jan 2016 -Validated on 25-26 Feb 2015
	✓ Background assesment of the functioning of the JCC carried out.	Nov and Dec 2014, Jan 2015	-Draft submitted in Jan 2016 -Validated on 25-26 Feb 2015
	✓ A validation workshop of the assesments of the functioning of the NESC and LESC's and JCC held.	Feb 2015	25 Feb 2015
	✓ A tripartite workshop on development of a two-year NESC Action Plan on Social Dialogue held.	Feb 2015	26 Feb 2015
	✓ A two-year Tripartite Action Plan on Social Dialogue developed and endorsed by the NESC. Moreover, the Rules of Procedures of the NESC and its Secretariat drafted and approved. Also, the first ever NESC Annual Operational Programme prepared and implemented in 2015. The NESC Annual Operational Programme drafted for 2016, awaits approval.	- Feb 2015-end of project -The first and second year of the project implementaation	-Endorsed on 27 Jul 2015 -11 Mar 2015; -Feb 2016.
	✓ The two assesments (on NESC&LESC's and JCC) published in a single volume in the „Assessment of the tripartite social dialogue” in Macedonian and English languages.		Sep 2015
	✓ <i>Publication on National Tripartite Social Dialogue: An ILO guide for improved governance</i> published in Macedonian language.		Sep 2015
	✓ The first retreat of NESC and LESC held.	Sep 2015-Jun 2016	- 15 Oct 2015
	✓ NESC premises equipped with furniture, equipment and library.	Nov and Dec 2014, Jan 2015	Dec 2014 - Jan 2015
<b>1.2 Six (6) new LESC's established</b>	✓ A number of advisory missions for establishment/support of LESC's carried out	Mar 2015-Jul 2016	Local missions: 2 to Gevgelia (30 Oct. 2015 and 21 Jan 2016) 1 to Ohrid (15 Sep 2015) 4 to Resen (30 Apr 2015; 28 Jul 2015; 30 Sep 2015 and 24 Dec 2015) 4 to Veles (2 Apr 2015; 26 Aug 2015; 2 Oct 2015 and 23 Dec 2015) 4 to Sveti Nikole (2 Apr 2015; 26 Aug 2015; 27 Aug 2015 and 2 Oct 2015)
	✓ Selection criteria for LESC's discussed by the PSC.		-Selection criteria discussed by the PSC on 26 March 2015

	✓ Three of six LESC's established in Resen, Veles and Sveti Nikole.		-Resen, 28 Jul 2015 -Veles, 26 Aug 2015 -Sv. Nikole, 27 Aug 2015
	✓The three LESC's equipped with furniture, equipment and library.	Jun 2015-Jul 2016	-Procured Sep 2015 -Installed Oct 2015
<b>1.3 Monitoring mechanism of recommendations of the ESCs in place.</b>	✓Capacity building workshop to assist the NESC to identify bottlenecks and to devise procedural rules and operational arrangements regarding the monitoring mechanism held. The monitoring mechanism validated at the workshop.	Mar 2015	25 Mar 2015
	✓ TOR/checklist (software application) for the monitoring mechanism drafted at the capacity building workshop and endorsed. Software application for the tracking mechanism produced and ready to be installed.	Feb – Mar 2015	Endorsed on 27 Jul 2015 by the NESC
<b>1.4 Improved visibility of the ESC</b>	✓The NESC's communication strategy developed and in the process of approval.	Jun-Sep 2015	- Developed Aug-Sep 2015 - Presented at the NESC retreat on 15 Oct 2015
	✓NESC website in Macedonian and English languages developed ( <a href="http://www.ess.mk">www.ess.mk</a> ); a new logo for the NESC designed; NESC promotional materials printed (brochures, folders, notebooks and pens, as well as wall and entrance branding).	Feb – Mar 2015 and Jun 2015 - Jun 2016	-Presented to the NESC on 11 Mar 2015 Apr – Sept 2015

Objective/Component 2: Encouraging collective bargaining and setting sectoral collective bargaining infrastructures: activities commenced in November 2014 and are on-going

Expected result:	Outputs/Activities	Implementation Schedule	
		Planned	Actual
<b>2.1 A tripartite action plan on strengthening collective bargaining implemented</b>	✓ A gap analysis „National Regulatory Framework on Collective Bargaining“ carried out and validated. The gap analysis is prepared for publishing in Macedonian and English languages.	Dec 2014, Jan-Feb 2015	-Carried out in Feb 2015 -Validated on 24 Mar 2015
	✓ Validation workshop on the gap analysis and Action Plan on Strengthening Collective Bargaining held.	March 2015	24 Mar 2015
	✓ A tripartite Action Plan on Strengthening Collective Bargaining including a number of gender related measures developed.		Prepared on 22 Sep 2015
	✓ Six sectors of interest selected by the Social Partners and endorsed by the PSC	Dec 2015-Jun 2016	Endorsed by the PSC on 26 Mar 2015
<b>2.2 A training programme for workers and employers on collective bargaining is in place</b>	✓ Three training sessions on development of collective bargaining skills in six sectors delivered to EOs	February 2016	-1 Feb 2016 trade and construction - 2 Feb 2016 transport and tourism - 4 Feb 2016 agriculture and textile
	✓ ILO Guide on Collective Bargaining for EOs adapted to the national context and translated into Macedonian language.	Feb – May 2016	Verified at WS 1-4 Feb 2016
	✓ Six training sessions on development of collective bargaining skills in six sectors delivered to TUs.	May, Oct, Nov and Dec 2015	- 12-13 May 2015 transport; -14-15 May 2015, trade&commerce; -6-7 Oct 2015 construction&trade;

			-8-9 Oct 2015 tourism; - 17-18 Nov 2015 textile - 19-20 Nov 2015 agriculture
	✓ <i>Social Dialogue: A Manual for Trade Union Education</i> – translated into Macedonian and published.	May 2015	Sept 2015
<b>2.3 Employers' and workers' organizations apply new tools and services to reach out to members</b>	✓ Strategic plans for ORM and BKM developed and endorsed.	Jan-Feb 2015	-BKM WS 27-28 Jan 2015 -ORM WS 29-30 Jan 2015
	✓ Governance charters for ORM and BKM developed and endorsed.	Mar 2015	-ORM Good Governance WS held 3-4 March 2015 -BKM Good Governance WS held 5-6 March 2015
	✓ Training on advocacy and lobbying delivered to EOs.		19 May 2015
	✓ Five instead of three originally planned joint position papers of the EOs on enabling business climate for sustainable enterprises with focus on <i>Access to Finance, Fair Competition, Entrepreneurial Culture, Rule of Law, and Regulatory Framework</i> developed and validated at the validation workshops.	Feb-May 2015	-Validation WS for for the first 3 papers held on 5 May 2015 and for the last 2 in Sep 2015
	✓ ILO Publication on <i>Enabling Business Environment for Sustainable Enterprises</i> published in both Macedonian and English languages.		Sep 2015
	✓ Marketing and communication plans for ORM and BKM developed and approved.	Jun 2015-Jun 2016	Oct 2015
	✓ Websites of EOs' re-designed.	Jun 2015-Jun 2016	Dec 2015
	✓ A joint marketing and communication strategy for the three TUs developed and under implementation.	May 2015-Jun 2016	Sep 2015
	✓ Two workshops on PR activities for TUs under the marketing campaign organized.		18 Dec 2015 16 Feb 2016
	✓ Websites for TUs in a process of redesigning.	May 2015-Jun 2016	Dec 2015 – Mar 2016
	✓ Two workshops on developing initiatives for recruiting TUs' members on national and sectoral levels with SSM and UNASM held.		-1° WS held on 26-27 May 2015 - 2° WS held on 27-28 May 2015
	✓ A common website on workers' rights instead of creation of a call center at national level designed.	May 2015-Jun 2016	Oct 2015 – Mar 2016
	<b>2.5 Database on social partners' membership and collective agreements is in use</b>	✓ Assessment of the existing regulatory framework for data collection and compilation relating to social partners' membership and collective agreements conducted and validated.	Feb-March 2015
✓ The tripartite validation workshop of the Assessment of the existing regulatory framework for data collection and compilation relating to social partners' membership and collective agreements held.		Mar 2015	-24 Mar 2015

	✓ Database on social partners' membership and collective agreements developed, and awaits installation on the Ministry's server.	Jul 2015-Feb 2016	-Developed in Jun 2015; -Finalized in Sep 2015; -Presented at a joint retreat of NESC and LSCs held on 15 Oct 2015
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Objective/Component 3: Establishing an operational amicable settlement of labour disputes activities commenced in November 2014 and are on-going.

Expected result:	Outputs/Activities	Implementation Schedule	
		Planned	Actual
<b>3.1 A permanent training program is in place for conciliators/arbiters</b>	✓ A curriculum for training of conciliators and arbitrators developed and validated by MLSP, and published on the websites of MLSP and the NESC.	Apr-May 2015	-Developed in Apr 2015 -Validated in May 2015
	✓ Tripartite Licencing Commission established and trained. Instructions on development of Rules of Procedures provided.		18 May 2015
	✓ Training programme validated through a pilot training of trainers for conciliators and arbitrators. – a total of 15 candidates	Jun 2015	8-12 June 2015
	✓ A group of 42 candidates including trainers trained for conciliators and arbitrators.	Jun 2015-Jul 2016	Jun 2015 – Jan 2016
	✓ Six instead of three of the best performing candidates for trainers attended a fellowship programme to the ITC ILO course on improving the performance of Labour Dispute Resolution systems, <i>Managing Interpersonal Workplace Conflicts</i> .	Sep 2015	14-18 Sep 2015
<b>3.3 A case management system is created and in use</b>	✓ Assessment, concept and ToR for case management system developed.	Aug 2015-Mar 2016	Sep 2015
	✓ Database / software developed. The Labour Disputes Information Management system was presented at the NESC retreat, and awaits installation on the Ministry's server.	Aug 2015-Mar 2016	15 Oct 2015
<b>3.4 Awareness campaign targeting social partners and general public's on the advantages of amicable settlement of labour disputes is carried out</b>	✓ Awareness raising campaign for ASLD designed and produced (key messages designed, video and radios spots produced and web-banner and flyer designed).	Jun 2015 - Apr 2016	
	✓ Publication of the ITC ILO <i>Labour Dispute Systems: Guidelines for Improved Performance</i> published in Macedonian language.		Sep 2015