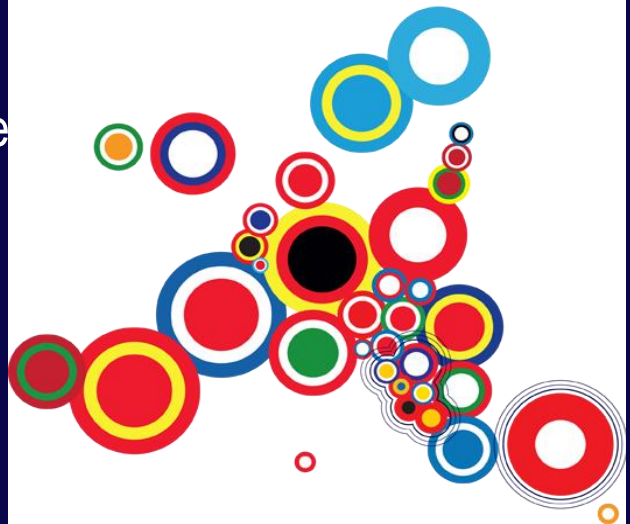




INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

IPA II BENEFICIARY

Support for Education, Employment
and Social Policy (SEESP)



Action summary

The purpose of this Action is twofold: to strengthen sector policy making and to support the implementation of the national employment, education and social inclusion strategies. This will contribute to reducing the high rate of unemployment, increasing labour market participation, in particular of young people and women, increasing access to quality education and training, improving skills matches and establishing a modern and flexible social protection system.

THIS SECTION SHOULD BE FILLED IN BY THE EU DELEGATION/EU OFFICE

| Action Identification | |
|--|---|
| Action Programme Title | Annual action programme for the Republic of Macedonia for the year 2017 |
| Action Title | Support for Education, Employment and Social Policy (SEESP) |
| Action ID | IPA 2017/040-202/01/MK/SEESP |
| Sector Information | |
| IPA II Sector | Education, Employment and Social Policy |
| DAC Sector | 11110 – Education and administrative management 16010 – Social/welfare services 16020 – Employment policy and administrative management |
| Budget | |
| Total cost | 23,865,000 |
| EU contribution | 23,700,000 |
| Budget line(s) | 22.02.01.02 |
| Management and Implementation | |
| Management mode | Direct and indirect management |
| <i>Direct management:</i> EU Delegation | Measures 1 and 4 will be managed under direct management by the EU Delegation to the Republic of Macedonia |
| <i>Indirect management:</i> National authority or other entrusted entity | Measures 2 and 3 will be managed under indirect management. The Central Financing and Contracting Department (CFCD) will be the Contracting Authority and will be responsible for all administrative and procedural aspects of the tendering process, contracting matters and financial management including payment of project activities. The Head of CFCD will act as the Programme Authorising Officer (PAO) of the project. Ms. Radica Koceva (PAO) Central Financing and Contracting Department Ministry of Finance Tel: +389-2-3231 219 Fax: +389-2- 3106 612 e-mail: radica.koceva@finance.gov.mk |
| Implementation responsibilities | shared between the EU Delegation and the CFCD |
| Location | |
| Zone benefiting from the action | Republic of Macedonia |
| Specific implementation area(s) | Country-wide |
| Timeline | |
| Final date for concluding Financing Agreement(s) with IPA II beneficiary | At the latest by 31 December N+1 |
| Final date for concluding delegation agreements under | At the latest by 31 December N+1 |

| | | | |
|---|--|------------------------------|--------------------------|
| indirect management | | | |
| Final date for concluding procurement and grant contracts | 3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 189(2) of the Financial Regulation | | |
| Final date for operational implementation | 6 years following the conclusion of the Financing Agreement | | |
| Final date for implementing the Financing Agreement (date by which this programme should be de-committed and closed) | 12 years following the conclusion of the Financing Agreement | | |
| Policy objectives / Markers (DAC form) | | | |
| General policy objective | Not targeted | Significant objective | Main objective |
| Participation development/good governance | <input type="checkbox"/> | x | <input type="checkbox"/> |
| Aid to environment | x | <input type="checkbox"/> | <input type="checkbox"/> |
| Gender equality (including Women In Development) | <input type="checkbox"/> | x | <input type="checkbox"/> |
| Trade Development | x | <input type="checkbox"/> | <input type="checkbox"/> |
| Reproductive, Maternal, New born and child health | x | <input type="checkbox"/> | <input type="checkbox"/> |
| RIO Convention markers | Not targeted | Significant objective | Main objective |
| Biological diversity | x | <input type="checkbox"/> | <input type="checkbox"/> |
| Combat desertification | x | <input type="checkbox"/> | <input type="checkbox"/> |
| Climate change mitigation | x | <input type="checkbox"/> | <input type="checkbox"/> |
| Climate change adaptation | x | <input type="checkbox"/> | <input type="checkbox"/> |

| | |
|----------------------|-----------------|
| ABBREVIATIONS | |
| AE | Adult Education |
| AE | Adult Education |

| | |
|----------|--|
| ALDS | Amicable Labour Dispute Settlement |
| CAE | Center for Adult Education |
| CFCD | Central Financing and Contracting Unit |
| CSO | Civil Society Organisation |
| DG NEAR | Directorate-General for Neighborhood and Enlargement Negotiations |
| ELD | Early Learning and Development |
| EMIS | Education Management Information System |
| EQAVET | European Quality Assurance Reference Framework |
| ESA | Employment Service Agency |
| ESRP | Employment and Social Reform Programme |
| ETF | European Training Foundation |
| GPA | Grade Point Average |
| ILO | International Labour Organisation |
| IPA | Instrument for Pre-accession Assistance |
| ISCED | International Standard Classification of Education |
| ISCO | International Standard Classification of Occupations |
| LESC | Local Economic and Social Council |
| MF | Ministry of Finance |
| MLSP | Ministry of Labour and Social Policy |
| MoES | Ministry of Education and Science |
| NESC | National Economic and Social Council |
| NPAA | National Programme for Adoption of the Acquis Communautaire |
| NQF | National Qualification Framework |
| NBMQF | National Board for Macedonian Qualification Framework |
| OECD-DAC | Organisation for Economic Co-operation and Development -Development Assistance Committee |
| OSH | Occupational Healthy ans Safety at Work |
| PEFA | Public Expenditure and Financial Accountability |
| PFM | Public Finance Management |
| RIC | Roma Information Centers |
| RVETC | Regional VET Centers for Excellence |
| SEA | Secretariat for European Affairs |
| SEE | South East Europe |
| SIGMA | Support for Improvement in Governance and Management |
| SP | Social Partners |
| SWG | Sector Working Group |
| VET | Vocational Educational and Training |
| VNFIL | Validation of non-formal and informal learning |

1. RATIONALE

PROBLEM AND STAKEHOLDER ANALYSIS

Employment

Low level of employment, wide gender gap in employment and low level of **employment of young people and vulnerable groups** remain key challenges in the country. The employment structure is unfavorable, dominated by low level occupations. The Government has been implementing a set of employment policies aiming at boosting labour demand, enhancing labour and skills supply and better functioning of the labour market. Since 2010 IPA I contributes to active labour market measures by improving their scope and quality. Recent evaluations¹ demonstrate high effectiveness of the supported labour measures, which calls for enhanced funding, with a particular focus on long-term unemployed people and people having particular difficulties to get employment.

Women are a very vulnerable category on the labor market. Society still features divisions and stereotypes regarding “male” and “female” occupations. Women are usually not active in the labor market due to their household obligations and other barriers when trying to access the labour market (lack of flexible working; direct and indirect discrimination). IPA I assessed the implementation of equal opportunity of women and men in the country and promoted alternative child care services for increased participation of women in the labour market. The need for further transposition of the EU acquis on gender equality and strengthened gender mainstreaming in the policies has been identified. Moreover, it is necessary to develop and implement sound employment practices that will eliminate discrimination and promote equality of opportunity.

Another challenge is existence of **informal employment** especially among men engaged in elementary occupation and in sectors such as agriculture, tourism, construction, personal services. The government has been fighting the undeclared work mainly through deterrence measures applied by its inspections services. IPA I provided support to the the State Labour Inspectorate to improve their capacity and fight more effectively against undeclared work. Greater cooperation is still necessary with other inspection services and institutions. Specific schemes for formalization of informal work need to be introduced in the relevant economic sectors in consultation with social partners.

National Economic and Social Council (NESC) is the only tripartite **social dialogue institution** at national level, with a consultative role to the Government on labour, employment and social protection related policies, laws and programmes. IPA I created tool for communication and monitoring the effectiveness of NESC’s opinions. New Economic-social councils at local level were established. Nonetheless, lack of budget prevents NESC to implement specific activities, such as research, promotional campaigns, meetings, hosting of the website, etc. This affects its capacity to provide sound recommendations and to participate in the discussion of the economic and social reform agenda in the country. Furthermore, IPA I encouraged collective bargaining and setting sector collective bargaining infrastructures. However, social partner organizations lag behind in providing assistance, training, and legal protection to their members. Their capacity to plan and programme capacity-building activities needs to be enhanced.

Education

The education system comprises a mix of pre-school, elementary (6-15 years), secondary (15-18/19 years) and higher education. Elementary (9 years) and secondary education are compulsory and free (of charge) for all students. The system of secondary education includes: general education (gymnasium), vocational education, art schools and education for children with special educational needs on their mother tongue. The higher education sector comprises 5 public and 9 private

¹ “Impact evaluation of active labour market programmes in former Yugoslav Republic of Macedonia: key findings”, ILO, 2015

universities and five non-university private institutions. There are approximately 59,359 students enrolled in higher education institutions, 85% of whom are attending public universities. According to the data of the MoES, only 1,049 students or 1.82% in the year 2011 are enrolled in post-secondary education institutions

Since 2012, 53 institutions for adult education have been verified, and 130 special programmes for adult education (programmes for non-formal learning) have been accredited leading to qualifications or partial qualifications. These programmes are designed in accordance with occupational standards. In addition, 190 separate vocational education and training programmes for acquiring specific knowledge, skills and competencies have been verified since 2014. Within the National Qualifications Framework establishment process, a catalogue of qualifications was prepared providing, primary, secondary, higher and adult education and professional qualifications which would be referenced to the European Qualifications Framework².

Involvement of children in **pre-school education** remains insufficient and the system has limited capacities for involvement of bigger number of children. Despite the significant progress in increasing the available pre-school facilities, 20.1% of children aged 0-6 attended pre-school institutions in 2015³. Participation of children aged between 3 years and the mandatory school age reached 28.4% and it significantly lags behind the EU-28 average of 93%. Pre-school institutions implement “Programme for Early Learning and Development (ELD)” (developed by the Bureau for Development of Education) that observe the ELD Standards. ELD standards for children aged 0-6 have been launched by MLSP in 2009 and cover motor, socio-emotional and cognitive development of children. However, the ELD standards are incomplete. In 2015 a ELD programme for children with disabilities was introduced. Learning environment in the pre-school institutions is unsatisfactory and implementation of the norms and standards in pre-school institutions is inconsistent. Kindergartens’ directors, teachers and the other staff must pass an exam and obtain a 5-year license to work in the pre-school institution. To renew the license, the staff need to be continuously trained. Mechanism of professional development and career advancement of those employees is insufficiently developed while the system of their licensing needs to be revised.

During initial phase of preparation of the Education Strategy 2017-2020, a number of challenges regarding the primary and secondary education were identified: establishment of standards for defining the learning outcomes, preparation of effective, efficient and relevant curricula; equipping schools with modern and accurate didactic means, materials, upgrading teaching resources and ICT equipment, training of and improvements on teaching methods and introduction of interactive learning approaches. Also, there is a need for adoption of relevant and effective system for quality assurance. Although, during the last two years a number of psychologists, pedagogues and special educators have been employed in the compulsory education, the schools remain insufficiently supported to ensure inclusiveness of the education process.

As regards vocational education and training the need of a holistic approach, that will lead to better educational outputs for all, has become apparent. Furthermore, the links between the VET supply and the labor market demand and cooperation with business sector specifically in terms of students’ practical training and work-based learning should be improved. Also, the system of professional development of school staff and career advancement of students needs to be modernized.

As for the adult education, the interest of employees who participated in adult education programmes have been increased as a result of promotional events, established system for verification of adult education programmes and providers, established partner connections between the relevant national institutions. Still, the lack of comprehensive system for adult education and validation of non-formal and informal learning remains a main challenge. That is why stronger

² http://mrk.mk/?page_id=408&lang=mk

³ <http://www.stat.gov.mk/Publikacii/2.4.16.01.pdf>, p.9 and data from MLSP

partnerships between employers, businesses and training institutions are needed and introduction of new initiatives emphasizing the indissoluble links between training and employment i.e NQF, life-long learning, work-based learning, adult and continuing education should be encouraged.

Social protection, social inclusion and equal opportunities

Deinstitutionalisation, decentralisation and pluralisation of social services for the most vulnerable citizens, especially persons with disabilities remain a key challenge. The Strategy for Deinstitutionalisation 2008-2018 will be revised in 2017 to ensure a new momentum in the decentralisation process, Deinstitutionalisation so far was mostly limited to persons with mental/intellectual disability. The state has supported foster care and establishment of 32 day-care centers for children with disability (run by social work centers), 6 day-care centers for adults (18+) with mental disability (managed by non-governmental organisations, but with financial support of the MLSP), 17 housing units for supported living in the community (managed by non-governmental organisation, but funded by MLSP). To date 59 persons from the biggest residential home in the country were moved (shifted) to community based living situation. However, there are 357 persons with disabilities still residing in the residential homes (larger institutions). In addition, there is an increased demand for supported living by new entrants in the system, both children and young people who turned 18 years of age. To move (shift) gradually an additional number of residential home beneficiaries to community based living and to prevent any new admissions into the residential homes, MLSP plans to double the number of community based housing units for supported living by 2025.

There is a lot of work ahead to promote independent living close to the family and community and participation in the labour market for adults with disabilities, including persons with multiple disabilities. First, the territorial coverage of day-care centers for persons with disabilities aged 18+ must be expanded as they are currently concentrated in Skopje, Negotino, Radovish and Kumanovo. Second, basic models and standards for professional rehabilitation and personal assistance for people with mental/intellectual disabilities are currently being devised with IPA I assistance, but these are not put into practice yet. Such services have to be adapted according to the type of disability/impairment. As the rehabilitation and the process of transition is a multi-dimensional process, there is a need for intensive trainings and cooperation of professionals from social, medical and education areas, which now is lacking. Third, non-state actors, such as NGOs have been active in delivery of alternative care services. Their participation needs to be further promoted by encouraging new providers in the market and by enriching the offer of quality services.

Social entrepreneurship is in early phase of development in the country. Although the concept is not recognized in the legal framework, there are civil society organisations that have been running economic activity which fit the definition of social enterprises. The MLSP has drafted a law on social entrepreneurship, which will create a framework for operation of social enterprises, which still needs to be adopted. Key challenges on the mid-run are to create support infrastructure and to enable access to financing for social enterprises.

Roma people are among the poorest and most vulnerable groups. The unemployment and activity rate among Roma are very low compared to the population in general. The housing situation of Roma is particularly difficult with a large portion of the population living in inadequate, unhygienic environments. Roma Information Centers (RIC) and Roma mediators have been an important link between Roma communities, public institutions (employment centers, social protection institutions, health-care providers and schools) and local authorities and their role needs further strengthening. Despite numerous policies and initiatives in recent years to improve the situation of Roma people, such as the introduction of Health Mediators, Teacher Assistants and Roma Coordinators at the local level, the range and effectiveness of social services and initiatives to promote their inclusion into society needs to be enhanced.

Stakeholders

The **principal stakeholders** are the Ministry of Labour and Social Policy (MLSP), the Ministry of Education and Science (MoES), the Employment Services Agency, the VET Centre, the Centre for Adult Education, the Bureau for Educational Development, the State Examination Centre, social protection institutions and social dialogue institutions. For the most part, the stakeholders possess the institutional, human and technical resources to drive the reform process. Additional support through this Action Document will be provided to strengthen the Ministries' capacity and cooperation for evidence-based policy making.

Other stakeholders include the general education and VET schools, adult education providers and civil society organisations. The end recipients are job-seekers, disadvantaged and marginalised social groups, teachers, students, and employers.

OUTLINE OF IPA II ASSISTANCE

The purpose of this Action is twofold: to strengthen sector policy making and to support the implementation of the national employment, education and social inclusion strategies. This will contribute to reducing the high rate of unemployment, increasing labour market participation, in particular of young people and women, increasing access to quality education and training, improving skills matches and establishing a modern and flexible social protection system.

The Action will be implemented through 4 activities.

Activity 1 “Institutional capacity strengthening for sustainable sector reforms” will focus on upgrading the existing forecasting system and analytical capacities of the leading ministries in this sector as well as on advancement of social dialogue. Data collection in MLSP, MoES, ESA and social protection institutions will be improved for greater relevance and usage of data for policy making, policy monitoring and citizens' information purposes. Dialogue with social partners will be extended and focused on key issues where practical working solutions for improvements will be crafted such as occupational health and safety etc.

Activity 2 “Empowering the education and training system” will address the capacity and quality of pre-school institutions in accordance with the standards for early childhood development. With the aim to ensure equal access to quality education for all, it is foreseen to strengthen the system for quality assessment in education as a grounds and basis for evidence based policy and decision-making, to support the professional development of the school teachers and staff and students achievements. In order to make individuals more competitive and mobile in education & training and in the labor market, further improvements in the system and process for quality assurance in qualifications acquisition and development is needed as well as for operationalizing the National Qualification Framework register.

Activity 3 “Promoting skills development, employment and working conditions” will support activities which lead to employment and employability of the young people and other harder to employ individuals, such as Roma. It will seek to improve certain aspects of the working conditions and promote decent work, inter alia through better legal, policy and institutional framework. At the same time the priority will be given to practical education and training in VET and improving the quality assurance in VET, adult and post-secondary education. Close links between VET and adult education, employers / social partners will be promoted, by investments in work-based learning, post – secondary education, developing the system for updating occupational standards, standards for qualifications and curricula aligned to the VET reform process begun with IPA I including for implementation of the new modularized approach. An innovative concept for establishment of VET Regional Centers of Excellence will be explored with a view to using existing higher capacity VET centres to support other VET schools and engage employers in practical trainings regionally in the country.

Activity 4 “Social protection, social inclusion and equal participation in labour market and society” will support further de-institutionalisation of social protection services and will boost the quality and range of services for persons with disabilities and other vulnerable groups. Access of Roma Community to social protection, housing, education and health will be enhanced. The concept for inclusive education will be operationalised by developing and advancing support mechanisms for children and students from vulnerable groups such as: children and students from families with low income, drop-out students (focus on females, Roma, other ethnic communities) and children and students with disabilities and special educational needs. Support services for social enterprises initiatives will be introduced to help them develop or implement their social mission and strategy.

RELEVANCE WITH THE IPA II STRATEGY PAPER AND OTHER KEY REFERENCES

This Action is grounded in the results and priorities for financial assistance as defined in the **Indicative Strategy Paper 2014-2020**. The Action will contribute to a more inclusive and effective labour market by financing employment programmes and services, by modernising the way ESA delivers its services, by reinforcing the labour market institutions e.g. minimum wage, employment protection, gender equality and social dialogue. To improve match between skills demand and supply, the Action will advance forecasting of labour market skills by competent institutions. Furthermore, more modern social protection system will be achieved by accelerating the establishment of non-institutional social protection services for persons with disability and by delivery of integrated and targeted solutions for the most vulnerable, such as Roma. Upgrade of the quality of information in the administrative databases and cross-referencing of information from various sources will lead to better statistical indicators for policy makers. Improved the quality of teaching and inclusiveness in compulsory education and further investments for increasing the attractiveness of VET and AE.

The latest **EC Progress Report (November 2016)** rates the sectors of Education and Training and Employment and Social Policy as moderately prepared. Access to quality education for all should be improved, in particular for children with disabilities and children from Roma communities. Additional efforts are needed to tackle unemployment and improve the labour market conditions, in particular for young people, the long-term unemployed and socially disadvantaged groups. Appropriate institutional and financial resources should be made available to implement the existing social inclusion, the Roma action plans and the poverty alleviation strategy.

The interventions described below accord with and are reflected in the Government’s principal planning documents for the Education, Employment and Social Policy Sector, notably the **Employment and Social Reform Programme (ESRP), Comprehensive Education Strategy 2017-2020, the National Employment Strategy 2016-2020 and the National Strategy on the Alleviation of Poverty and Social Exclusion in the Republic of Macedonia 2010-2020.**

The Action is closely linked to the core **ESRP** policy reforms in these three sub-sectors for smart, inclusive and sustainable growth: **1) Labour market and employment:** improving the unemployment situation of the most vulnerable groups of people (young people, long-term unemployed, etc.); tackling informal employment; promoting work and service quality of the public employment service; strengthening and intensifying the social dialogue at all levels and fostering collective bargaining. **2) Human capital and skills:** Reducing the drop-out rate among students in education and early school leavers; providing equal access to education for all; strengthening the process of development of qualifications in the life-long learning perspective and the quality assurance of education; strengthening workforce employability and building learning pathways in the context of the life-long learning. **3) Social inclusion and social protection:** Promoting the decentralization of social protection services; strengthening and advancing the process of deinstitutionalization; further development of social services and pluralization; improving the social inclusion of Roma.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

IPA I addressed the main challenges and has both speeded up and magnified the national activities that would have taken place even in the absence of support but in line with the level of national funding available. For example, financing additional scope of active labour market measures broadened the territorial coverage, diversity and frequency of the different support to the unemployed. It brought flexibility in implementation of the measures all-year around and had a positive impact on the local supply of adult trainings.

Moreover, IPA interventions promoted new policy solutions on a systemic level for addressing the challenges in these areas (for example, social entrepreneurship, modernization of VET and adult educational programmes, supporting development of NQF, vocational rehabilitation of people at disadvantage, measures for reconciliation of work and family life, the need for delivery of integrated services and pathway approach).

Furthermore, IPA I helped the country for the first time to set up structures in three ministries for management of EU funds in the area of human resources development, which were meant to prepare the ground for the Structural Funds. During a 10 year-period of preparation and implementation, the Ministry of Finance (MF), the Ministry of Labour and Social Policy (MLSP) and the Ministry of Education (MoES) gained significant experience in managing public funds following the principles of sound financial management and transparency. The same applies for the Employment Service Agency - implementation of direct grants was the single most significant catalyst for change. In addition, the principles of programming, consultations, monitoring and evaluation influenced the national policy making and enhanced the quality of public investment. Finally, implementation of IPA I enhanced the interaction between many institutions/organizations.

Main lessons learned during the design and implementation of IPA I are the following:

- channel the assistance as much as possible through public institutions since it enables co-financing of the national policies, on one hand and effectively enhances the capacities of the institutions through learning-by-doing;
- have a greater focus on results and deliverables;
- support to smaller actors is difficult but in the long-run fosters development of local market for social services of general interest – this increases the absorption capacities in the country;
- for maintaining the momentum, build on achievements and recommendations of previous projects, especially those that developed, tested and introduced new models/concepts/services;
- foresee mechanisms for on-going and ex-post evaluation of pilot actions (implemented through grants) and explore the possibility for their incorporation in the system;
- plan large scale actions with longer duration;
- promote balance between the need to have clear but sufficiently flexible action design, to be adapted when needed in time for its launch;
- careful sequencing and bundling of projects. Given the limited flexibility in programme design and implementation, the timing of the technical assistance needs to be synchronized with related equipping/adaptation activities;
- activities with cross-cutting sector element or many stakeholders should include strong coordination mechanisms;
- coordination between various activities taking place at the same time should be promoted within a sector.

2. INTERVENTION LOGIC

LOGICAL FRAMEWORK MATRIX

| OVERALL OBJECTIVE | OBJECTIVELY VERIFIABLE INDICATORS (*) | SOURCES OF VERIFICATION | |
|---|---|--|---|
| To reduce the high rate of unemployment, increase labour market participation, in particular of young people and women, increase access to quality education and training, improve skills matches and establish a modern and flexible social protection system. | Progress made towards meeting accession criteria Employment rate 15-64 years, total % Unemployment rate (15+), Total % Increased students' achievements on international tests | European Commission; Eurostat/State Statistical Office Educational tests (i.e. PISA) | |
| SPECIFIC OBJECTIVE | OBJECTIVELY VERIFIABLE INDICATORS (*) | SOURCES OF VERIFICATION | ASSUMPTIONS |
| To improve the effectiveness of the country's policy in the sectors of education, employment and social inclusion | No of persons in employment, including self-employment 6 months upon benefiting from employment programmes or services of this Action % of early leavers from education and training: percentage of population aged 18-24 with at most a lower secondary education and not in further education and training Decreased drop-out rates (segregated data for primary, secondary-gymnasium, VET) Number of persons benefiting from non-institutional (alternative) community based social services Trade Union Density rate and Employers density rate | ESA database; ESA/MLSP reports; MoES/ CAE data base; State Statistical Office reports; MLSP database on social protection institutions; Official reports from the social partners; report generated from the MLSP database on SP membership; | Economic stability to ensure job creation and revenue flow; Political stability to ensure all commitments are implemented; |

| RESULTS | OBJECTIVELY VERIFIABLE INDICATORS (*) | SOURCES OF VERIFICATION | ASSUMPTIONS |
|--|---|---|--|
| Result 1 Strengthened sector governance, policy framework and statistics | <p>Number of labour market analyses prepared / % of all labour market and employment measures subject to analysis from a gender perspective /No of students covered by statistics</p> <p>No. of beneficiaries with improved (upgraded) data collection and data analysis skills</p> <p>% of NESC opinions on economic and social reforms upon which feedback by the Government is received</p> <p>Number of local employment pacts concluded</p> | <p>Intervention's report;</p> <p>MLSP, MoES, ESA reports and Skills Observatory reports;</p> <p>NESC tracking mechanism;</p> <p>Minutes from the NESC sessions;</p> <p>LESC meeting minutes;</p> | <p>The country continues to address the priorities, objectives and measures set out in the Employment and Social Reform Programme and the respective sub-sector planning documents, meet their obligations as defined in the Accession Partnership and the National Programme for the Adoption of the Acquis and provide the needed funding for this</p> <p>Social partners, civil society organisations, universities, schools, training and consultancy providers, business sector, municipalities demonstrate a will and capacity to be involved in implementation of the activities;</p> |
| Result 2 Equitable access to quality inclusive education at all levels | <p>Number of additional spaces for children 0-6 years created in pre-school institutions</p> <p>No of revised/modernised and verified educational programmes</p> <p>Number of trained school staff /% of pre-school teachers and caregivers involved in professional development programmes /% of school staff in primary schools trained for early recognition and support of pupils with special educational needs</p> <p>Number of qualifications developed and adopted (and integrated/registered inside the NQF register) according to the labour market needs;</p> <p>No of Sector Qualification Committees established and operational</p> | <p>State Statistical Office, MLSP database on pre-school institutions;</p> <p>Primary and secondary schools data;</p> <p>MoES and MLSP orders;</p> <p>Record and reports of the Bureau for Development of Education;</p> <p>MoES Orders;</p> <p>SEC reports;</p> <p>NBMQF Minutes;</p> <p>EMIS available on-line;</p> | <p>Social partners, civil society organisations, universities, schools, training and consultancy providers, business sector, municipalities demonstrate a will and capacity to be involved in implementation of the activities;</p> |
| Result 3 Improved employability and access to labour market and decent work | <p>Increased number of participants in post secondary education</p> <p>No of revised/modernised and verified adult</p> | <p>State Statistical Office;</p> <p>Governmental decree on the concept;</p> | <p>There is indigenous interest in entering in social entrepreneurship,</p> |

| | | | |
|--|--|---|--|
| | <p>educational programmes</p> <p>Number of persons involved in employment programmes and services supported by the Action – segregated data by gender/age group/ethnicity</p> <p>Number of new measures to fight undeclared work developed, piloted and implemented</p> <p>Number of organisations in the private or public sector supported in introduction of flexible work organisation arrangements or any other type of change that facilitates reconciliation of work and family life of their employees</p> | <p>Decree on the establishment of institutionalised VNFIL system;</p> <p>Progress reports of the corresponding institution/body on the results of the validation procedures;</p> <p>Progress reports of the corresponding institutions such as ESA, VET Center, CAE, National Examination Center, Municipalities and VET schools;</p> <p>ESA database; ESA/MLSP reports; documents on the attendance of persons participating in employment programmes; resumes of participants; copies of certificates/diplomas (in case they are issued); evaluation reports;</p> <p>Governmental information; intervention reports</p> | <p>employment and education on behalf of the target groups</p> |
| <p>Result 4 Improved quality and availability of social services enabling better life quality, independent living and participation in the community of vulnerable people</p> | <p>Number of non-institutional (alternative) community based services developed - cumulative</p> <p>No of establishments adopting and respecting the standards for social and vocation rehabilitation</p> <p>Number of persons benefiting from the supported social housing and social services established in</p> | <p>MLSP database on social protection institutions, State Statistical Office reports, Database on social enterprises; intervention reports</p> <p>RIC reports and database; MLSP reports, Government</p> | |

| | | | |
|--|--|---------------------|--|
| | <p>the context of deinstitutionalization</p> <p>Number of students from vulnerable groups supported by mentors and tutors and by scholarships</p> <p>School attendance rate among the supported students</p> <p>Number of Roma benefiting from improved living conditions in their communities</p> <p>Number of social enterprises supported (segregated data by type of activity, gender, vulnerability and ethnic sensitiveness)</p> | <p>information;</p> | |
|--|--|---------------------|--|

Measure 1: Institutional capacity strengthening for sustainable sector reforms

Activity 1.1 Upgrading labour market, education and social protection data collection and analysis

The aim of this activity is to upgrade the skills forecasting system, improve the quality of data from survey and administrative sources and institutional analytical capacities.

With EU support, in 2013 MLSP established the HERMAC model for labour market long-term forecasting, which enables basic mismatch analyses according to ISCO and ISCED. This activity will update, adjust and test the HERMAC model based on demographic projections, employer and vacancies surveys, education data, employment projections or sector studies.

This activity also entails improvement of the methodology of the Skill Needs Analysis carried out annually by ESA since 2009 and upgrade of recording in the ESA job vacancy bank (including its IT job vacancy platform) so that it provides reliable information to job seekers on jobs and occupations most demanded by the labour market.

At the beginning of 2016 the Ministry of Education and Science, in cooperation with the European Training Foundation (ETF) through a World Bank loan started with the implementation of Tracer study. The aim of the Tracer Study is to provide feedback for improvements in TVET and higher education, therefore a broad range of aspects of employment and work as well as prior learning experiences has been included in the study. MoES will continue to provide information on performance. This Tracer study is part of the Skills Observatory management information tool addressing the dynamics of labor market conditions and supply of training programmes. The Skills observatory is foreseen to be established in 2017 in order to support the development of evidence-based policymaking for vocational and professional education in the country. The Skills Observatory is to provide adequate information, data and data analysis about the capacity building institutions, the employability status of student leavers and student graduates and inform about the dynamics of the skills/qualifications supply as well as employability of graduates from different VET/HE curricula.

The investments of IPA II in this segment are to further improve the policy making regarding the relevance of the secondary education curricula and higher education study programmes as well as adult learning training programmes in relation to labor market needs. It will further strengthen the capacities for performance of tracer studies as part of the Skills Observatory, as well as provide trainings on analysis of the data for evidence-based policy making and thus influence the process of professional orientation of students and adults regarding their employability.

With regards to the social protection data, MLSP will be supported in generation of standard reports on social institutions' daily operations, statistical reports and data for quality policy analysis.

Moreover, MLSP and MoES will be assisted with review or thematic evaluations and assessments of the sub-sector strategies or ESRP. Finally, capacities and mechanisms for gender mainstreaming and gender impact analysis on sector and sub-sector level will be strengthened. The later includes collection and analysis of statistical data at national and local level across all sectors, disaggregated by gender.

Activity 1.2 Enhancing capacity of the NESC to pro- actively participate and deliver high quality opinions on the national broader economic and social reform agenda

Building on lessons learnt in the IPA I intervention on promoting social dialogue, the proposed activity aims at assisting the National Economic and Social Council (NESC) to become a self-

sustainable independent advisory body to the Government. The best cost-effective suitable model for NESC funding will be sought and its implementation facilitated. The activity will also assist in the process of revisiting the current tripartite agreement on the functioning of the NESC, which currently constitutes its legal basis. The Council will be assisted to increase its participation in the national policy dialogue over a span of economic and social reforms, including decent job creation, enabling environment for sustainable enterprises, future of work. Targeted technical capacity building would be secured for the newly created NESC standing committees on labour relations and wages, employment and labour market policy, social security and OSH, concerning inter alia policy impact assessment, implementation, monitoring and evaluation.

The activity will assist in the process of aligning legal and institutional frameworks to international labour standards and EU acquis. Based on legal and implementation gap analysis carried out under IPA1, policy and legal advice will be provided to tackle shortcomings in the realization of fundamental rights, including Freedom of Association, right to strike, right to collective bargaining as enshrined in ILO conventions no. 87, 98, 144, 151, 154 and EU acquis. For this purpose, the knowledge of the members of the NESC and its standing committee on monitoring the implementation of ratified conventions will be increased.

With regards to the newly created mechanism for peaceful settlement of labour disputes, the MLSP and the NESC committee on ALDS will be guided to fully take over the management of the mechanism. The activity will provide legal policy advice in extending the conciliation to individual labour disputes and clarifying the roles of the conciliators and arbitrators.

Activity 1.3 Strengthening local labour market governance through enhanced social dialogue at the local level

Current role and functioning of the existing 15 local economic and social councils (LESC) in the local labour market will be assessed. This will be achieved by organizing peer review missions and exchange visits between the LESCs, aiming at identification of good practices and innovative solutions in addressing unemployment and skills mismatch in the local labour market. The activity will assist the operational LESCs to negotiate and conclude local employment pacts, addressing among other youth unemployment and vocational and educational programmes. OSH dialogue on local level will be established and facilitated.

In addition, a network will be established, which will allow the functioning LESCs to exchange information and compare practices.

Activity 1.4 Developing new services, increasing the visibility and effectiveness of Trade Unions and Employer's organization

The Social Partners (SP) will modernize their services and attract new members and retain the existing ones. This can be realized by an in-depth analysis (members' requirements) and development of relevant demand driven services (e.g. legal advice, policy advice, OSH assistance, HR assistance, etc). However, the main weakness identified is the lack of resources and appropriate skills of staff and outdated information and communication tools in the regional, but also in central SP offices. Therefore, strategic approach will be two - fold: first, establishing local and regional offices (where needed) or strengthening the existing offices of relevant workers' and employers' organisations; and second, service needs analysis, development, marketing and service delivery in a specific, demand driven areas, for example: effective organizing and international labour standards, policy analysis (e.g economic, environment, legal, social), understanding economic concepts, networking and effective advocacy skills, communications and PR/media skills, legal advice web design, HR, financial and accounting skills for SMEs, soft skills, etc. SP central and regional offices will be equipped with appropriate IT equipment and software for more efficient and effective

membership and services management. New services will be promoted in line with new marketing and communication strategies.

Measure 2: Empowering the education and training system

Activity 2.1 Improving the content, learning environment, inclusiveness and quality of pre-school education and care

The goal is to raise the quality of pre-school education and care by modernizing the framework for early learning and development of children and the framework for career development of pre-school staff.

The activity encompasses revision of Standards and the Programme for Early Learning and Development for children aged 0-6, their piloting and introduction in the kindergartens. Moreover, description of didactic resources and materials to be used in the learning process (e.g. toys, equipment) will be developed or revised. This includes didactic materials promoting multiculturalism and those for children with special educational needs. A mechanism will be developed to increase involvement of parents in planning of the pre-school education and to support of family-based education.

Furthermore, the activity will modernise the system for professional and career development of pre-school institutions' teachers and other staff. Namely, professional standards, job profiles and programme for career development of employees of pre-school institutions will be developed and introduced. Trainings for the pre-school institutions' staff will be organized.

A pre-school mapping will be undertaken to gather information regarding national and donor investments, status and needs assessment in and of pre-school institutions ongoing and planned. The mapping is to be a pre-condition prior to advancing with Activity 2.2.

Activity 2.1 will also assist the line Ministry in preparing the tender documentation for works and supplies to be supported under Activity 2.2.

Activity 2.2 Expanding the network of public pre-school institutions in rural and urban areas

The activity will enable more children to access pre-school education and care according to inclusive education approach. IPA II will co-finance infrastructure investments of municipalities, which may include construction of new or expansion/adaptation of pre-school buildings and facilities as well as primary schools to be converted into pre-schools. It will also support investment in the supply of equipment according to needs assessment from the mapping report.

Activity 2.3 Further support to the implementation of the National Qualifications Framework

Under the IPA II the further implementation of the NQF will be built towards establishing a coordinated and more effective system of quality assurance in qualifications development, validation and accreditation process. This will enable the process of development and acquisition of knowledge, skills and competences. The IPA II support in this area will build on the ground work of IPA I and will further strengthen the institutional structure responsible for the NQF. It will support establishment and operationalization of the sector qualifications committees, where the employers have an active and direct role. As vital to the employability of young adults, support for the process of development of learning outcomes, as well as validation of non-formal and informal learning is also foreseen.

It is envisaged support to be given for establishment and operationalization of at least six sector qualifications committees. In 2017 two Sector Committees (for the Tourism and IT sector) are being established with the support of the IPA I. The new Sector Committees, to be established

under IPA II, will be responsible for identifying the needs for different types of qualifications in line with the labour market and the societal needs, analysis and evaluation of existing qualifications, reviewing of proposals for the introduction of new qualifications, assessment standards, occupational standards and standards of qualifications. This Activity will also support operationalisation of a new NQF (qualifications) register.

Activity 2.4 Development of the National system for providing quality assessment and improving profession developments of teachers and student achievements

This activity will support development and improvement of the system for quality assessment in education required for evidence based policy and decision making. The system for quality assurance will be improved through data analysis provided by the international surveys on student's achievements, by integral evaluations conducted by the State Education Inspectorate, self-evaluations done by the schools, external testing in compulsory education, including data gathered of the State Matura, School Matura and vocational exams for the secondary education.

The education system is lacking a harmonized structure that effectively recognizes the work of the teachers and advances their professional development on the one hand and the achievements of pupils/students on the other. There is a need to establish and develop a national system for evaluation of the teachers' work, at all levels of education, which will also include a more effective system of pupil/student evaluation. This activity will also support the Bureau for Educational Development and State Examination Centre as well as all other relevant educational institutions contributing in the development of a plan for continuous training and capacity building of teaching staff in order to improve the system of in-service teacher training. Assessment of the quality of training programmes for teachers and identifying teachers' requirements should be done for providing relevant data for further improvement of training programmes and thus professional competences of educational staff.

The recent reform of teaching curricula in compulsory education means that there is also a need for supporting pre-service education programmes of novice school teachers. This activity will support teacher training institutions in the introduction of new pedagogical and methodological approaches for inclusive education with a special focus on the subjects that are part of the external examination and State Matura. This process will also provide recommendations for new study programmes for Pedagogical and Defectology Faculties.

The general educational system will be strengthened by improving the standards for quality assurance, increasing the teacher competences and strengthening of the system for assessment of student achievements.

Measure 3: Promoting skills development, employment and working conditions

Activity 3.1 Enhancing systematic approach towards workforce development by increasing the attractiveness, inclusiveness and relevance of VET and AE systems

This activity tackles practical education and training in VET schools, including enabling adequate access to training in companies, developing training networks and improving the quality assurance in VET, as well as coordination and monitoring of employers involvement. Also, close links between VET and adult education will be promoted and further developed. In that direction, the national authorities will be further supported in the intervention for optimization of the VET and AE systems in terms of expenditures, relevance, attractiveness and inclusiveness.

With an aim of ensuring efficiency, impact and visibility of the reforms and promotion of innovation and high level of performance (excellence) with a perspective to expand the entire VET and AE systems, Regional Centers of Excellence are planned to be introduced by transforming

selected number of existing VET schools. As a first step analyses for optimization of VET and AE system will be done, after which selection of the existing VET providers will be done and support to them will be provided in order to improve their capacities to transform into Centers of Excellence. The new concept of RVETCs will include strategic policy approaches for managing, financing, promoting, monitoring and assessment of performance and results delivered. This will require a concentration of effort and resources and provide greater confidence to the system. This will lead to both improving the quality and increasing enrolment in VET.

Improvements of the work of 'VET school companies' (VET schools which also provide specialized services) and the work based learning concept are planned to be realized through business guidance and mentoring, focused on better cooperation between business and the VET schools. In this regard analyses, development of system policies and amending of legislation for ensuring sustainability of the 'VET school companies' and work based learning are foreseen. This activity will also support the system for professional development of VET teachers, the upgrading of their knowledge and skills in the occupation they pursue. Accordingly, training sessions for VET teachers and other school staff based on accurate needs assessment and international and national best practices needs to be designed and delivered.

Activity 3.2 Support to comprehensive and inclusive Adult Education system in the Lifelong Learning perspective

The Concept for non-formal education and informal learning was developed in 2015 in cooperation with the European Training Foundation (ETF), and a system has been designed for the validation of non-formal and informal learning (VNFIL). With support of IPA II, it is planned this system to be fully prepared and implemented by 2020. Implementation of the process of VNFIL the validation of individuals' knowledge and skills acquired in non-formal or informal education and training will help individuals to obtain proper, official certification which will improve their employability and career prospects. Within this activity adults will be provided with a possibility to complete their compulsory education, as set out in the national legislation for adult education, thereby making them more competitive on the labor market.

Activity 3.3 Improving the system for post-secondary education

Under IPA I revision of the Concept of post -secondary education is already prepared. Further investments are needed in order post-secondary education system to fit labour market needs and this can be obtained by: establishment of flexible and faster mechanisms for introduction of programmes that are reflecting labour market demand in a given region, by strengthening cooperation with social partners for needs' identification of qualifications and developing modern and attractive occupational standards and curricula (including all necessary teaching, learning and assessment materials). Special focus will be given for recognition of prior learning obtained by formal, non-formal or informal paths in order to facilitate entry into the formal post-secondary education.

Activity 3.4 Alignment of the VET and AE quality assurance systems with the EQAVET

The European Quality Assurance Reference Framework for VET (the Framework) provides policy makers and stakeholders a means to document, develop, monitor, evaluate and improve the effectiveness of the VET provision and quality management practices. The Framework can be applied at both system and VET provider levels and can therefore be used to assess the efficiency of VET provision. It is adaptable to the different national systems and it can be used in accordance with national legislation and practice.

The Framework stresses the importance of common ten indicators which are already used as a “tool box” by EU countries as they work on adapting and developing their VET systems. IPA II will support the process of identification of the most appropriate set of indicators for the country for monitoring and reporting purposes under the EQAVET framework. IPA II will build on the recommendations from IPA I for modernizing the system of licensing of directors. It will include support for the alignment of the national systems of VET and AE with the EQAVET.

Activity 3.5 Implementing targeted employment services and active labour market policy measures, such as on-the-job training in the companies, employment aids to increase the employability, measures for reconciliation of family and working life

The activity will contribute to the annual Operational Plans for active employment programmes and measures, in the respective year by supplementing the funding of the national active employment measures and services and financing broader scope of jobseekers with different background and needs.

Jobseekers will be offered employment service or measure, according to the assessed degree of their employability, performed by ESA (easy employable persons, hard employable persons, very hard employable persons). The specific measures and target population to be supported with this Action will be defined at the time of negotiation of the direct grant. Wherever possible, active measures will be combined with measures for reconciliation of work and family life (child support liabilities) to encourage participation of parents in the labour market activities.

Activity 3.6 Strengthening ESA’s services for jobseekers and employers through design, piloting and implementation of targeted set of services and measures for young people and harder to employee individuals as well as fostering joint cooperation with other institutions in the delivery of services

The activity will develop and test approaches to coordinate or integrate delivery of labour market services and measures in order to enhance the employment outcomes for hard to employee persons (e.g. long-term unemployed – registered as active jobseeker for more than 1 year, women, Roma or individuals from other vulnerable groups such as social assistance beneficiaries).

With IPA I support, ESA piloted active labour market projects in four regions in the country. Building on the main lesson learnt, the activity foresees close collaboration/partnership or involvement of social partners and other stakeholders at the local level both in the design and delivery of the measures and services. ESA staff will be trained insofar as it is required for implementation of the new approaches/programmes.

Secondly, to ease the transition from school to work, the activity will finance ESA’s efforts to develop or implement dedicated services targeting youth, which include “youth day” in largest employment centers, youth Info-points and access to the Youth Start programme.

To increase labour market prospects of Roma people, the activity will apply active labour market measures targeting Roma, combined with anti-discrimination measures. A strong emphasis will be put on completion of education and adult education, vocational training for specific occupations demanded in the labor market, tailored on-the-job trainings, support for entrepreneurship and job creation.

Activity 3.7 Supporting the implementation of selected legal, policy, institutional and awareness raising measures facilitating transition to formality

The proposed activity is a follow-up of the recommendations on policy measures⁴, which were provided within IPA I.

The activity encompasses introduction and testing (if appropriate) of system (procedures, legislation, etc.) for legalization in selected sectors with the highest incidents of undeclared activities such as agriculture, construction, home repair, trade, tourism and hospitality or personal services.

The activity will also include design and launching of a public awareness campaign on the detrimental effects of informal activity. The campaign will be targeted at the general public, employers (businesses) and labour force.

Finally, MLSP and State Labour Inspectorate will engage with the MoES to ensure that training course on workers' right and on the negative effects of undeclared employment is designed and included in regular education curricula.

Activity 3.8 Improvement of the legal, institutional framework and the measures for fighting gender based discrimination at work and reconciliation of family and professional life

IPA I focused on diversification of childcare, but recommended encouragement of employers towards the issue of reconciliation of work and family life, and increased participation of men in the care and upbringing of children. The activity encompasses review and improvements of the legal provisions and measures for reconciliation of family with work, promotion of flexicurity at work and assessment of the costs for putting in place those measures in practice. Flexible working arrangements will be tested with selected employer(s) and the costs and effects of their implementation will be evaluated.

Measure 4: Social protection, social inclusion and equal participation in labour market and society

Activity 4.1 Supporting modernization and de-institutionalisation of social services

The activity will include TA support for modernisation and reform of social services and enable alternative forms of community based social services to allow persons with disabilities to leave the residential institutions and live in the community with appropriate support. Moreover, through strengthening of community services new entrants into institutional care will be slowed and prevented.

Moreover, staff at central and local level will be trained to manage the transition towards deinstitutionalization into non-institutional and alternative community based care and services including personal assistance for persons with disabilities. Capacity development of non-state providers will be enhanced for delivery of non-institutional care services and their participation in the market of social protection services.

IPA II support will, thereby, expand the coverage and diversity of the rehabilitation services and personal assistance for people with mental, physical and multiple disabilities. Namely, the purpose is to develop and implement biopsychosocial, social and vocational rehabilitation and personal assistance capacity for facilitating their integration in the labour market

Activity 4.2 Development, implementation and expansion of the range of social services

⁴ Three types of measures were proposed: measures to improve the working organisation, methodology, working processes and procedures within the SLI, measures to improve Inter- Institutional cooperation/coordination between stakeholders involved in the fight against undeclared work, measures to fight the most common types of undeclared work

IPA I developed and piloted basic model of vocational rehabilitation and personal assistance for persons with disability. However, the development of these services is still in its infancy. The activity will co-finance the establishment and running of supported community based housing, small group homes, day-care centers, home-care, personal assistance, rehabilitation and other support social services.

Activity 4.3 Establishing support services for social enterprises

Following initial recommendations of IPA I, IPA II will establish center(s) for support social businesses. The center(s) will be established by selecting existing organizations(s) (e.g. CSO, consultant companies) or creating one by local experts. By the end of the activity, the center(s) should grow in self-sustainable organization(s) for support of social entrepreneurship.

The center(s) will provide diverse range of services to social enterprises, such as education and training, business coaching, sharing of office space or equipment, etc. To secure access to financing, a call for grants for development/grow of social business will be designed and managed,

The center(s) themselves will be provided with human resources development activities (training, internships, study visits, mentoring, etc.), and in kind support for implementation of events, publication, ad hoc expertise, renting equipment for conducting trainings, etc.

Activity 4.4 Combating discriminations by improving inclusiveness in compulsory education

The concept for advancing inclusive education shall be further supported under the IPA II in terms of improving the system for identification of vulnerable children and students and those with special needs at municipal and school level. It will also support mechanisms and practices for inclusion in education of children and students from vulnerable groups such as: children and students from families with low income, drop-out students (focus on females, Roma, other ethnic communities) and children and students with disabilities and special educational needs. Based on the already established good practices with Roma students in the country, the inclusive education and scholarship scheme will be enhanced and expanded by targeting a wider range of vulnerable children (extending from Roma children to children with disabilities and other vulnerable children) in order to decrease the dropout rate and improve their educational achievements. Realisation of inclusive education in schools will be enhanced through means of a scholarship scheme and capacity building of all relevant stakeholders.

In order to improve the learning environment to and meet the individual student needs – an action that depends significantly on teachers working with both, students and parents in either carrying out formative assessments or targeted/tailored instruction, the competences of school staff dealing with vulnerable groups has to be strengthened. It will effect students` motivation and their learning achievements and thus will lead towards an increase in student retention rates, raise of individuals' Grade Point Average (GPA) and decrease of student dropout.

Activity 4.5 Facilitating social inclusion of Roma

The activity intends to improve living conditions in Roma settlements and facilitate the reduction of poverty and fostering social inclusion of the Roma population. Interventions range from improvement of housing conditions, legalisation of Roma settlements and housing, preparation and implementation of plans for forced evictions, to development of social infrastructure including educational, health care, child care etc. and support to community services for Roma.

Measure 5: (Horizontal) Evaluation

The European Commission will carry out an ex-post evaluation for this Action to receive an independent assessment of the relevance, efficiency, effectiveness, impact and sustainability of the project

RISKS

The following risks have been identified for the implementation of this Action

- Political - Prolonged political crisis would impact negatively and strongly both the country's commitment to the implementation of the Socio-economic and Economic Reform programmes and the management of the EU funds. This risk is beyond the scope of the parties involved in the implementation of the action. Already in 2016, the lack of a stable government had a negative impact on the adoption of the reform programmes and related legislation (f.e. the law on social entrepreneurship). The elections of 11 December 2016 give some chances for overcoming the already 3-year acute political crisis. Yet, the risk continues to be present.
- Social – despite the many efforts invested so far, the interest of entering into employment of some communities remain limited. This concerns particularly women from ethnic minorities, where social and cultural stereotypes create a barrier to the women's active participation in the work and social life. This risk has been assessed and mitigation measures planned under all priority areas. Still, overcoming of traditional stereotypes is a long process, which will require more than one action to deliver results.

CONDITIONS FOR IMPLEMENTATION

- The action will be implemented through a mixed modality combining both direct management and indirect management with beneficiary country. In the context of entrustment of budgetary implementation tasks, an assessment of the established financial management and control systems by the Commission auditors will need to be conducted. The implementation of this part of the action will thus be only possible if reasonable assurance that the systems would guarantee sound financial management is obtained through this assessment.

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

For activities that will be implemented through indirect management by the beneficiary country, the **Contracting authority will be the Central Financing and Contracting Department (CFCD)** within the Ministry of Finance. Activities will be implemented by **Operating structure**, which apart from CFCD includes the **IPA units** in the Ministry of Education and Science and the Ministry of Labour and Social Policy.

Namely, the existing structures for implementation of the pre-accession assistance will be adjusted for indirect management with the beneficiary country of IPA II assistance in line with the requirements of the new regulations.

National IPA Coordinator and the Secretariat for European Affairs have the mandate for overall coordination of the programming of the IPA and other foreign assistance.

Ministry of Education and Science and the Ministry of Labour and Social Policy are the policy-making bodies responsible for managing issues in their field of competence as defined in the Law on the organisation and the competences of state bodies and related substantive laws.

Following the introduction of sector approach under IPA II, a Sector Working Group (SWG) for Education, Employment and Social Policy sector was established. The SWG is responsible to align the national planning process in the sector with the IPA programming ensuring that all EU funds are properly targeted to achieve synergy with the national funds and increase the impact on the sector.

IMPLEMENTATION METHOD(S) AND TYPE(S) OF FINANCING

Interventions under this Action programme will be delivered via twinning, direct grants to public bodies and international organisation, service and supply.

4. PERFORMANCE MEASUREMENT

METHODOLOGY FOR MONITORING (AND EVALUATION)

In line with the IPA II Implementing Regulation 447/2014, an IPA II beneficiary who has been entrusted budget implementation tasks of IPA II assistance shall be responsible for conducting evaluations of the programmes it manages.

The European Commission may carry out a mid-term, a final or an ex-post evaluation for this Action or its components via independent consultants, through a joint mission or via an implementing partner. In case a mid-term or final evaluation is not foreseen, the European Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner. The evaluations will be carried out as prescribed by the DG NEAR guidelines for evaluations. In addition, the Action might be subject to external monitoring in line with the European Commission rules and procedures set in the Financing Agreement.

A sector Monitoring Committee will be set up in line with the provisions of the IPA II legal documents.

Specific SCs will be set up either at contract level.

Progress in implementation of the Action will be considered by the SWG on annual basis.

INDICATOR MEASUREMENT

| Indicator | Baseline (value + year) (2) | Target 2020 (3)⁵ | Final Target (year) (4) | Source of information |
|--|--|---|---|---------------------------------|
| IMPACT INDICATORS | | | | |
| Progress made towards meeting accession criteria | Moderately prepared (2016) | Good level of preparation | Negotiation chapters opened and closed (2022) | European Commission |
| Employment rate 15-64 years, total % | 43.52% (2010) | 50.8% | > 53% (2022) | Eurostat |
| Unemployment rate (15+) Total % | 32.0% | 21.5% | < 19% (2022) | State Statistical Office |
| Increased students' achievements in international tests | | | | |
| OUTCOME INDICATORS | | | | |
| Number of persons in employment, including self-employment 6 months upon benefiting from employment programmes or services of this Action Segregation of data by - gender ; male/female - age group | Minimum 1000 expected women - 60% women young people (18-29) - 70% | Minimum 1500 ⁶ women - 50% women young people (18-29) - At least 30% | Same as 2020 | ESA database; ESA/MLSP reports; |
| % of early leavers from education and training: percentage of population aged 18-24 with at most a lower secondary education and not in further education and training | 11,3 % (2015) | 10,5% | 9,5% | State Statistical Office |

⁵ Most of the projects will end between 2020 and 2023 or 2024, depending on the year of conclusion of the Financing Agreement. Therefore targets set for 2020 will be achieved by the final target year.

⁶ 30% of persons benefiting from employment programmes or services of this Action

| | | | | |
|--|---|---|--------------|---|
| Students drop-out rate in compulsory education– segregated data per - type of educational level/type: primary, secondary-gymnasium, VET; - gender, - status ; students with special educational needs, talented pupils, students from low-income families and from rural areas) | 99, 48% of Roma 582 students awarded with scholarship finished successfully the 2015-2016 school year and enrolled in the next grade) | Students drop-out rate in primary and secondary education decreased by 10% from the data for 2016/2017 school year. | Same as 2020 | State Statistical office, MoES EMIS system, Primary and secondary schools data |
| Number of persons benefiting from non-institutional (alternative) community based social services - segregated data by type of service (day-care centers, home-care and other support social services, excluding foster families) and gender/ethnic group/disabilities - cumulative | 611 (2016) 611 beneficiaries in day-care centers 0 beneficiaries of home-care 0 beneficiaries of other support social services | 800 | Same as 2020 | MLSP database on social protection institutions, State Statistical Office reports |
| Trade Union Density rate and Employers density rate | Trade Union Density rate - 22% ⁷ (2016) | 25% | 26% | The official reports from the social partners; report generated from the MLSP database on SP membership |

OUTPUT INDICATORS

⁷ Trade unions density rate calculated on the basis of the number of decisions on the representativeness of trade unions (117,856 employees) and the total number of employees of 541,459 in the first quarter of 2016 as per the State Statistical Office Labour Force Survey Release 2.1.16.23- Employed by economic status and sectors of activities. Note: Precise data will be established as of 2017 when the MLSP database on social partners membership will become functional

| | | | | |
|--|------------------------|--------------|--------------|---|
| No of labour market analysis prepared ⁸ % of all labour market and employment measures ⁹ subject to analysis from a gender perspective | 0 | 1 (30%) | 2 (70%) | MLSP and ESA reports; Governmental information; intervention reports |
| No of persons (students/unemployed/employed/adult learners) covered by statistics | 0 | 50% | 75% | |
| No of beneficiaries with improved skills for data collection and data analysis and forecast skills | 5 | At least 15 | At least 20 | Intervention's report |
| % of NESC opinions on economic and social reforms upon which feedback by the Government is received | 0 | 50% | 80% | NESC tracking mechanism |
| Number of local employment pacts concluded | 0 | 3 | 4 | LESC meeting minutes |
| Number of additional spaces for children 0-6 years created in pre-school institutions | 0 (2016) ¹⁰ | 400 | Same as 2020 | State Statistical office, MLSP database on pre-school institutions |
| Revised programme for pre-schools education meeting the requirements of the ELD Standards adopted | 0 | 1 | Same as 2020 | Official gazette |
| % of pre-school teachers and caregivers involved in professional development programme / % of school staff in primary schools are trained for early recognition and support of pupils with special educational needs | 0 | At least 30% | At least 50% | Intervention reports; MLSP and MoES database |
| No of revised/modernised and verified | 0 /130 | 3/150 | 200 | MoES/ CAE data base |

⁸ Analyses for educational and policy making purposes

⁹ Labour market and employment measures which are part of the ESRP, National Employment Strategy and its related documents

¹⁰ In 2015, 32660 children attended pre-school institutions

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|---|--|--|--------------|---|
| educational programmes for adults | | | | |
| Number of qualifications developed, adopted (and integrated/registered inside the NQF register) according to the labour market needs | 0 (2016) ¹¹ | 60 | 100 | Government Decisions; MoES Orders; NBMQF Minutes; Reports of the appropriate body |
| No of Sector Qualification Committees established and operational | 0 | 6 | 10 | Government Decisions; MoES Orders; NBMQF Minutes; Reports of the appropriate body |
| Number of students enrolled in post-secondary education | 600 | 750 | 900 | MoES EMIS system and CAE data base |
| Number of persons involved in employment programmes and services supported by the Action, segregated data by gender, age group, ethnicity | 4720 ¹² women - 60% women young people (18-29) - 70% Roma - 32 | Minimum 5000 women - 50% women young people (18-29) - At least 30% Roma - 200 | Same as 2020 | ESA database; ESA/MLSP reports; documents on the attendance of persons participating in employment programmes; resumes of participants; copies of certificates/diplomas (in case they are issued); evaluation reports. |
| Number of new measures to fight | 0 | 1 | 2 | MLSP reports; |

¹¹ Until 2016, only electronic data-base of qualifications was developed (mrk.mk), which encompasses approximately around 1500 qualifications for all levels of education (primary, secondary, higher and adult education). Having in mind that the qualifications have to be quality assured, meaning their revision has to be done by passing the quality assurance procedures, which will be enabled with the development of the relevant NQF register, the baseline is 0. The 60 qualifications that are planned to be developed until 2020 and 100 by the end of the Programme, will be part of the process of development of new qualifications which is separate than the process of revision of old qualifications.

¹² This is the total number of persons supported in the frame of the IPA I funded project "Support to the Employment of Young People, Long-Term Unemployed and Women (II)

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|---|--|---|--|---|
| undeclared work developed, piloted and implemented ¹³ | | | | Governmental information; reports of the intervention |
| Number of organisations in the private or public sector supported in introduction of flexible work organisation arrangements or any other type of change that facilitates reconciliation of work and family life of their employees | 0 | 2 | 4 | Reports of the intervention |
| Number of non-institutional (alternative) community based services for persons with disabilities developed – cumulative | 55 (2016) | At least 70 | Same as 2020 | Intervention reports MLSP database |
| No of establishments adopting and respecting the standards for social and vocation rehabilitation | 0 | 2 | Same as 2020 | Intervention reports Official Gazette |
| Number of persons who benefit out of the supported housing and social services established in the context of deinstitutionalization (cumulative) | 81 (2016) | At least 100 | At least 130 | MLSP database on social protection institutions |
| Number of students from vulnerable groups supported by mentors and tutors | (600 Roma secondary schools students supported by mentors and tutors | 600 Roma secondary schools students supported by mentors and tutors | 1200 Roma secondary schools students supported by mentors and tutors | MoES Reports Primary and secondary schools data |
| School attendance rate among the | / ¹⁴ | At least 90% | At least 95% | School data and internal |

¹³ The indicator refers to new measures in the field of undeclared work. E.g. introduction of “voucher” system for seasonal workers in agriculture or tourism, tax rebate schemes, educational activities. The specific measures will be designed in the frame of the activity.

¹⁴ Approximately around 4500 students are planned to be supported with the scholarships under the AD2017. Baseline cannot be estimated because the target group of the Roma scholarship project refers only to Roma secondary students.

| | | | | |
|--|----------|-------------|--------------|--|
| supported students | | | | MoES reports |
| Number of Roma benefiting from improved living conditions in their communities | 0 | 1000 | Same as 2020 | Intervention reports |
| Number of social enterprises supported, breakdown by: - type of support received - field of activity - gender sensitiveness (management/ownership or business focus) - vulnerability/minority sensitive (management/ownership or business focus) | 0 (2016) | At least 50 | At least 100 | Database on social enterprises; intervention reports |

5. SECTOR APPROACH ASSESSMENT

The Sector is compliant with the requirements, albeit that in certain areas further work is needed to sustain the achievements as elaborated in the Roadmap for the Sector Approach annexed to the Sector Planning Document.

There are highly relevant Education, Employment and Social Policy Sector strategies and Action Plans, which address the main challenges facing their respective sub-sectors and which are aligned with national strategic documents, the Accession Partnership, the NPAA, Europe 2020 and SEE 2020. The Employment and Social Policy Reform Programme (in final stage of preparation) will bring core priorities and accompanying measures in the area of employment, education and social protection in more general sector strategic framework.

The institutional arrangements are in place to drive and coordinate the reform processes in the Education, Employment and Social Policy areas. Further efforts will be made to strengthen inter-ministerial coordination, to address staffing problems, and ensure that the necessary technical equipment and tools are available to the institutions.

The sector and donor coordination has been ensured in line with the Sector Policy Co-ordination Framework as developed by the SEA and adopted by the government

Performance assessment framework for the sector is being developed. Further support will be needed to strengthen analytical capacities of the ministries develop and apply policy monitoring tools in line with OECD-DAC Guidelines and streamline structures and processes for receiving and commenting monitoring reports.

The government is actively pursuing policies targeted at macro-economic stability and fiscal prudence. Public Finance Management will be further strengthened by the elaboration of a PFM reform strategy on the basis of the recommendations of the SIGMA and PEFA. Annual and multi-annual programming budgeting will be addressed through the PFM strategy and the ministries should be supported to ensure that their strategies/action plans are presented in the proper programme format with associated indicators.

6. CROSS-CUTTING ISSUES

GENDER MAINSTREAMING AND EQUAL OPPORTUNITIES

Gender equality will be promoted with special actions aimed at men and women. The legal framework will be modernized and specific measures will be devised and implemented to fight gender based discrimination and to reconcile family and professional life. Access of women to the employment services and measures will be encouraged. Preventing drop-out among females students shall be given special attention. Overall, activities for incorporating the gender perspective in the sector policies will be supported.

The monitoring indicators for measuring the success of the Action will be gender-sensitive and broken down by gender/gender disaggregated for the purposes of action monitoring. Activities targeting directly individuals will create equal opportunities for both men and women from the target group to access the specific service or measure. The impact of this document on gender equality will be considered as part of its evaluation.

MINORITIES AND VULNERABLE GROUPS

All Priority Areas are designed to promote access for minorities and vulnerable groups to social protection services, educational and employment opportunities, to ensure their further incorporation into the mainstream economy, and to support the implementation of the Government's social inclusion policies. In this context, the principal target groups will include

the Roma, persons with disabilities and young persons. Namely, it is foreseen to introduce targeted approaches and services for the persons belonging to the aforementioned groups and thus create equal opportunities for them to access the offered services. The monitoring indicators will be segregated by ethnicity and vulnerability wherever possible for the purposes of action monitoring. The impact of this document on promoting equal opportunities will be considered as part of its evaluation, where relevant.

ENGAGEMENT WITH CIVIL SOCIETY (AND IF RELEVANT OTHER NON-STATE STAKEHOLDERS)

The role of social partners (employers' associations and trades unions) and civil society organisations has been mainstreamed into the design, management and implementation of the interventions foreseen under this Action. In particular, representatives from these structures will be engaged in the implementation of a credible and relevant education reform, employment strategy, designed to strengthen the interface between the educational system and the labour market, both through consultations and implementing specific initiatives. Technical capacity of the social partners will be increased in relation to the minimum wage setting, employment protection legislation, non-standard forms of employment, informal employment and undeclared work. They will be assisted to develop services for their members. Involvement of the various actors, including CSOs will be stimulated in particular in the area of delivery of social services and promotion of social entrepreneurship. In addition, the social partner and CSOs will be involved in the sector coordination mechanisms.

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

The Action will not have a direct impact upon the environment or prompt the elaboration of climate adaptation and mitigation measures.

7. SUSTAINABILITY

The sustainability of the assistance provided under IPA II will be ensured in several ways, primarily through the continuation of a comprehensive policy dialogue with the principal stakeholders, the central public authorities, the social partners and civil society organisations. The dialogue will focus not only on reinforcing the need to implement coherent sector policies, aligned with national, regional and sub-sector strategies, and consistent with the provisions of the Accession Partnership, Europe 2020 and SEE 2020, but also on the allocation of sufficient funding in the annual and multi-annual budgets to ensure that the policy gains are sustained.

Moreover, progress will be measured by continuous monitoring of the output, result and impact indicators contained in the relevant Government strategies and action plans. This will be achieved by strengthening the capacities of the ministries to carry out comprehensive policy monitoring and/or when necessary by commissioning independent progress reviews.

8. COMMUNICATION AND VISIBILITY

Communication and visibility will be given high importance during the implementation of the Action. The implementation of the communication activities shall be funded from the amounts allocated to the Action.

All necessary measures will be taken to publicise the fact that the Action has received funding from the EU in line with the Communication and Visibility Manual for EU External Actions. Additional Visibility Guidelines developed by the European Commission (DG NEAR) will have to be followed.

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed programme objectives and the accession process. Actions shall be aimed at strengthening general public awareness and support of interventions financed and the

objectives pursued. The actions shall aim at highlighting to the relevant target audiences the added value and impact of the EU's interventions and will promote transparency and accountability on the use of funds.

A budgeted communication and visibility plan should be included in the work plan of any EU-funded activity, highlighting the external communication activities that need to take place at key stages in the life of the action. However, there should also be provision in any communication plan to capture and incorporate in it any unforeseen visibility opportunity that may arise unpredictably. A good communication reflex and the ability to exploit unexpected opportunities to the benefit of the action are often as important as more formal efforts and may even sometimes be free of cost. Organising a public event or participating in an event organised independently from the action (for example, conferences, workshops, seminars, fairs, exhibitions, etc.) may offer excellent opportunities for generating interest in an action's particular achievements, in addition to the EU-funded project promotional materials. Those attending EU-funded training courses, conferences, seminars, fairs, exhibitions and workshops should be made aware that the EU is financing the event and media should be informed accordingly.

Having in mind importance of digital communication in today's era of web technologies and social media, creation of EU-funded projects' communication materials in an internet friendly format is essential.