



**SECTOR "EDUCATION, EMPLOYMENT AND SOCIAL POLICY"
Minutes of the 8th Meeting of the Sector Working Group (SWG)**

Venue: Cisco Webex Meeting, hosted by Secretariat for European Affairs (SEA)

Date: 25 May 2021, Tuesday, 10:00 - 11:45

Meeting moderated jointly by Ms. Popovska, MoES/ IPA Coordinator; Ms. Slavkoska, MoLSP/ IPA Coordinator and Mr. Ondruš – EU/WEGlobal Project Key Expert 2.

Invited 97 attendees, 47 attendees were present during online plenary meeting.

Opening statements

Ms Ivana Popovska, MoES opened the meeting with a short introduction of the purpose of the meeting and the WG participants.

Minister of Education and Science, Ms Mila Carovska addressed first the participants. She stated that the Ministry is working intensively on achieving the agreed indicators and results. In January 2021, the Government adopted the Law on Adult Education and also passed the decisions on the establishment of the Regional Vocational Education and Training Centres (RVETCs), i.e. made the necessary legal amendments. She informed that the Ministry is currently working on publishing the tender for reconstruction of the RVETCs. During the period January – March 2021, the MoES and the Chamber of Commerce had more than 20 site meetings in order to agree on the quota for student enrolling especially in secondary VET education. Following the opening of the RVETCs, more than 300 companies participated in the research regarding their openness and willingness to participate in dual education. Ms Carovska then informed that the MoES is currently discussing the new Law on VET which should legally improve the collaboration between the chambers, schools, MoES and the Government in the process of defining the vocational education in order to meet the needs of the economy in the country. For the first time, this year there will be scholarships for the pupils who will be in dual education and in three years VET education.

Head of Cooperation in the EU Delegation to the Republic of North Macedonia, Mr. Nicola Bertolini pointed out that this meeting is very important in terms of the SRC "EU for Youth" which started last year and now it is the time to assess what has been done and what are the challenges.

Minister of Labour and Social Policy, Ms Shahpaska stated that last year's achievements are very important, especially having in mind that they were achieved during the COVID-19 pandemic, which is still on-going. The two priorities for the MoLSP during the past period have been saving every job and helping the vulnerable groups. According to the Ministry's estimation approx. 17,000 jobs were lost due to the pandemic. Thus, the Government prepared 6 packages of financial support to help the national economy, the enterprises and vulnerable groups which means that approximately 60,000 jobs were saved. The young people were especially affected by the pandemic in terms of employment. The Ministry is currently preparing the new Employment Strategy 2022-2027 and the Youth Guarantee will be included within it. In spite of the pandemic, the results from the implementation of the Youth Guarantee (YG) are satisfactory. About 25,000 young people enrolled in the YG and 25% of those got job offers and education which is not that bad performance. The Minister with the Director of the Employment Service Agency (ESA) will have a press conference to announce the public call about the Operative Plan for Active Programmes and Measures on the Labour Market. Nevertheless, the Ministry is trying to provide the young people a decent job that does not involve involuntary, temporary or part-time work and that intention will be reflected in the new national strategy for the forthcoming period, which under preparation. During this period, the Ministry is also working on the new law on labour relations and most likely the public debate on this law will be in the middle of June 2021. With this law, the Ministry is trying to harmonise the private and professional life of the workers, paternity leave, possibility for shared parental leave, as well as the possibility for provision of care for other members of the family. Ms Shahpaska also informed the participants that they are working on the new Strategy for Gender Equality for the period 2021-2026 and the National Strategy for Development of Social Enterprises, i.e. they are at the end of the establishment of the new centre for support of the enterprises which is very important for the people who are on the margins of society. She also pointed out that together with the EUD and other ministries, they are trying to minimise the consequences of the COVID-19 pandemic towards recovery of the economy and to raise the number of employed people, especially of young people, in the country.

Following **Ms Shahpaska, Ms Popovska** presented the Agenda for the meeting and since none of the participants had any comments, the Agenda was adopted and the meeting proceeded. Before the start of 2nd session, Ms Popovska shortly informed the participants that the Sector Reform Performance Contract was signed in March 2020 and is being implemented since then. The SRPC received assistance in the form of a Technical Assistance (TA) Project and it is the



TA that will elaborate the Self-Assessment Report together with the representatives from the MoES and MoLSP.

Presentation of First Self-Assessment Report for IPA 2019 Sector Reform Contract for Employment and Education "EU for Youth"

Galia Bozhanova, KE1/Team Leader to the TA gave a short presentation on the Sector Reform Performance Contract (SRPC) "EU for Youth" and the Technical Assistance (TA) Project. She then continued and explained the 4 components/areas under the TA Project. She also explained that the Duration of the project is 36 months starting from January 2021 and will finish in January 2023 and covers the whole territory of the Republic of North Macedonia; the key beneficiaries are the three ministries MoES, MoLSP, MoF and also ESA, and the co-beneficiaries are the subordinated structures under the ministries.

2.1 Sector Policy Reforms in Education

Ms Popovska and Ms Kizevska from the MoES presented the sector policy reforms in education. Ms Popovska presented the general reforms and Ms Kizevska spoke about the reforms in Vocational Education and Training. Ms Popovska pointed out that 2020 was also challenging year for the education sector, however the Ministry managed in the last quarter of 2020 to adopt the legal documents and provided a mixed modality of education: online and learning with physical attendance. This pandemic in a way accelerated some of the reforms in the sector and made them happen faster. Ms Kizevska, Head Assistant of the Department for Secondary Education then made a short presentation focused on the VET reforms.

2.2 Sector Policy Reforms in Employment

Ms Slavkovska started her presentation referring to the National Employment Strategy 2016-2020, the Revised Employment and Reform Program 2022, the Youth Implementation Plan until 2022 and Operational Plan for Active Employment Programme and Measures and Labour Market Services. Ms Slavkoska pointed out these documents, since the Self-Assessment Report is based on the annual reports for achievement of the aforementioned strategies. Looking at the key market indicators for 2020, it can be seen that some of the indicators continue to improve and some of them are on the decline. There was also improvement in regards to the informal employment which is also related to the quality of employment. This is as a result of the Government implemented measures due to COVID-19 which managed to save and retain jobs (approximately 60,000 jobs were retained due to these measures).

In regards to the policy measures, on one hand there were the economic measures implemented by the Government and on the other hand continuous implementation of structural reforms and measures for the different strategies. In terms of the COVID-19 responses by the Government, Ms Slavkoska mentioned the different types of subsidies which helped retain a number of jobs, then relaxation of the Eligibility for Guaranteed Minimum Assistance which is the largest social protection programme leading to greater coverage had an important role in mitigating the COVID-19 consequences, several rounds of one-off cash-benefit support for minimum wage employees, as well as employees with children under the age of 10 were released from job during the state of emergency; extended parental leave and extension of parental leave and since women used this right mostly, this affected their participation on the labour market. In terms of the YG, it continued to be implemented on national level and more than 25,000 enrolled in the YG and 35% of the registered youth registered received an offer within 4 months (YG return) which is a very good result having in mind that the expected target was 30%.

Ms Slavkoska concluded that despite the challenges which 2020 presented, there was implementation of all planned measures in the sector.

2.3 Self-Assessment Report

Mr Ondrus shortly described the Sector Budget Support (SBS) Modality according to which the EU will provide financial help to the Republic of North Macedonia directly to the budget. The SBS is in amount of 16.5 million EUR. As part of the first fixed tranche, in 2020 North Macedonia received 3 million Euro. The next three tranches will be variable consisting of 2 parts: fixed part in amount of 1 million Euro related to the fulfilment of the general conditions, the sector policy reforms and their implementation, and a variable part which depends on the level of meeting the specific indicators.

2.4 Specific Indicators

2.4.1 Employment related indicators



Mr Petkovski, the ESA representative, gave a short presentation on the achievements in the employment related indicators: I2 – Percentage of participants (sex disaggregated) who successfully completed the Youth Guarantee with a positive outcome (as a % of those neither in education, employment nor training included in the Youth Guarantee), I6 - Number of participants (sex disaggregated) registered in the Youth Guarantee (entry level), I7 Number of Youth Guarantee staff trained, sex disaggregated (6 full day training days per person) and I8 - Number of ESA centres modernised/ upgraded (in the target regions). Mr Petkovski elaborated that I8 is the riskiest indicator which will not be achieved in terms of annual targets and also the final target presents a challenge.

2.4.2 Education related indicators

Ms Popovska elaborated the remaining education related indicators: I1 - Early leavers from education and training rate by sex (18-24) (sex-disaggregated), I3 - Regional VET Centres established in the target regions, I4 - Number of VET qualifications open for validation of non-formal and informal learning and I5 - Percentage of Regional VET Centres staff trained in line with the Human Resource development plan / Percentage of Regional VET Centres Staff trained to work with students with special educational needs.

Following the presentation of the indicators, **Ms Slavkovska** continued with the summary of the findings of the Self-Assessment Report. She again clarified that the SRPC is kind of a reward programme and the funds will be disbursed based on performance. The findings from the Self-Assessment report in terms of meeting the general conditions and specific indicators and the relevant financial value is as follows:

Indicator	Annual Target for 2020	Outcome	Action	Value
I1 - Early leavers from education and training rate	N/A	N/A	N/A	N/A
I2 - Percentage of YG participants who successfully completed YG (exit level)	At least 20 % of those registered for 2020 under the Youth Guarantee in the target regions	Achieved 29% (3,065 persons)	No action needed	EUR 630,000
I3 - Regional VET centres established in the target regions	The necessary legal provision to allow establishment of Regional VET centres to be adopted and published in the Official Gazette of North Macedonia	Achieved (with the Official Gazette official status change)	No action needed, BUT, The renovation and procurement for equipping the Regional VET Centres in line with their areas of specialisation should be finalised in 2021. The adoption of the New Law on Adult Education is a precondition for VNFIL.	N/A
I4 - Number of VET qualifications open for VNFIL	N/A	N/A	N/A	N/A
I5 - Percentage of Regional VET Centres staff trained in line with the HR development Plan (of whom percentage trained to work with students with special educational needs)	The analysis of the training needs in the perspective of upgrading the selected VET schools into Regional VET Centres must be completed	Achieved (with the TNA report)	No action needed	EUR 200,000
I6 - Number of participants registered in the YG	3000 young people are enrolled in the Youth Guarantee in the targeted regions	Achieved (Overachieved with 10,353 young people)	No action needed, BUT, depending on the situation with COVID-19 and other influencing factors, this indicator will be carefully observed and, if necessary, modifications will be proposed at a later stage.	EUR 900,000
I7 - Number of YG staff trained (in the target regions)	30 employees of the ESA involved in the implementation of the YG in the target regions receive at least 6 full-time training days	Achieved (with 32 employees)	No action needed, BUT, the cumulative value of indicator will be achieved only if the same employees at the ESA centres are trained more than once, i.e. continuously in different	EUR 100,000



			upgrading courses.	
I8 - Number of ESA centres modernised/upgraded (in the target regions)	3 ESA local centres in the targeted regions modernised	Not achieved	Meetings are ongoing for the determination of next steps with the EUD.	EUR 300,000

Mr Ondrus clarified that following the submission of the Self-Assessment Report and its accompanying documents – annexes to the EUD in North Macedonia, they will be assessed by the institutions of the EU which will eventually lead to the disbursement delivery. The deadline for the submission of the Self-Assessment Report and Disbursement Request is 31 May 2021 and Mr Ondrus asked the participants to present their comments/remarks, if any, which could also be reflected in the Report.

Comments/ Discussion:

Mr Aegerter, Deputy Head of Mission to the Swiss Embassy, thanked the ministers for the organisation of the meeting and congratulated on the achievements. He concluded that there has been a lot of progress, reforms going in the right directions - all despite the challenging environment of COVID-19 pandemic. Mr Aegerter stated although the Swiss cooperation is not part of this Programme, nevertheless they are here to provide support. In broader terms, regarding the details of the SAR, which are clear and informative, he highlighted that many dual VET classes have been developed with strong engagement of the private sector. He underlined the importance of this which will also enhance the efficiency of the measures. He recommended more attention to be given to digital skills and applied digital skills that are important at all job levels and in all areas not only in VET. The SRPC should also have in mind the project E4E funded by the Swiss Cooperation creating link between the training measures and employment. He was glad to see in the report that there is fight against the informal economy which remains a critical challenge. Nevertheless, it is good to see that North Macedonia has recognised this issue and is taking measures to fight it. The Swiss Cooperation is involved in a lot of aspects of the 'EU for Youth' program and will continue to do so and they are very happy to hear that there will be another SWG meeting during which where the development of other donor actions can be presented. They are also looking forward to a dialogue between all donors and what roles they can play in support of the government reforms.

Mr Fugger thanked the ministers for the organisation, the great presentation and achieved progress in the sector. He used this opportunity to inform the participants about the bilaterally implemented project 'Piloting supported employment services for youth in North Macedonia' with 5 NGOs in close cooperation with the centres for social work, the employment centre and MoLSP. They plan to present the results of their findings at the end of June 2021 since they target the NEETs which is still a challenge for the country as it can be seen from the presentation. According to the interim results, one issue that needs to be discussed is to have a legal basis within the Law regulating labour market service that supported employment services are provided in future by NGOs. Mr Fugger expressed that they are very much interested to receive some feedback on this topic. Furthermore, they have started a bigger program in supporting Western Balkan countries in different areas/sectors and have already received project applications and the decision from the Minister will also be published in June 2021.

Ms Slavkoska replied that the Ministry in cooperation with UNDP and Swiss Development Agency are analysing the Law on employment and insurance against unemployment and this aspect will also be taken into consideration and the intentions is to further modernise and adopt a new law.

Mr Hudolin, Head of Section OPS2 in the EUD, congratulated both sectors for their achievements in terms of SRPC, as well as the Technical Assistance project. This report is evidence what was achieved in the past, it outlines successfully how the strategic objectives been achieved by the Government. Regardless where the money come from, because there are also national funds provided and attention will need to be paid how to demonstrate that the institutions/Ministries have had sufficient resources in order to implement those efforts. Together with the MoF, the ministries will need to further increase the efforts on cooperation and to address the resources where they are needed. This should be common work for the future. The next step at the moment would be to provide comments to the institutions for the finalization of the report, then the assessment in the EUD in North Macedonia and then in Brussels.

Mr Citarella, Program Manager within EUD on the SRPC on Education, who is following the process of preparation of the SAR and general monitoring of the SRPC. This is the first experience of the EU to support the Government of North Macedonia by this type of modality. He pointed out that this is not an easy modality, because it implies strong ownership of the program by the national authorities. One of the products of this ownership is the national Self-Assessment Report here presented. This an important result which was achieved under very difficult conditions. One of the main instruments of SBS is policy dialogue and having in mind the conditions under which everyone is working this policy dialogue has not been easy to be implemented. Mr Citarella believes that the results from the assessment are good and the report is improvable. Another aspect that can be improved is the coordination



which the BS should promote with other donors, interventions and national institutions. According to him a very good result is on time submitted report with good quality. There is room for improvement but that is for the forthcoming months.

Ms Prodanova, EUD commented that this program was conceived as a donor joint action, although there were no legal provisions, when it was programmed there was the Swiss aid, UNDP, World Bank and it was agreed that without common legal framework, everyone is pursuing the same goal. This is how Ms Prodanova sees the program especially on the component of education. All donors should keep to this commitment and these RVETCs should be the very first example of successful donor coordination beyond a simple exchange of information. This should be coordination in the real sense of the word that everyone is investing to making these centres really working and being a unique model in the Western Balkans. She asked the MoLSP and ESA what the plans are to improve the YG.

Ms Slavkoska replied that improvement of the quality of YG services is an area identified that needs further improvement such as increasing the capacities / human resources of ESA's centres, restructuring of some of the policies and services – ESA has started digitalisation of some of its services, there is also need for more investment in the active employment labour market measures, because the Ministry saw that the performance and type of programs that are available are of proper satisfactory quality – these information are from the review of the national employment strategy. Ms Slavkovska added that there will be further work on the legal basis which regulates the work of ESA. Mr Petkovski only added to this that ESA will be working on providing services to the future job seekers online.

Ms Shahpaska added that it is very important to build the capacity of ESA's staff. 32 of them already had a training, but they need continuous trainings if ESA wants to provide good and quality services to the young people under the YG scheme. Regarding the active employment labour market measures and programs, the Ministry is giving now priority to the young unemployed people younger than 34 which will increase the number of young people in the Operational Plan,

Any other business

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Concluding remarks by the Co-chairs

Ms Popovska proposed 28.5.2021, noon as end date for collection of comments on the Self-Assessment report. The participants did not have any objections.

Ms Popovska informed the participants that the Self-Assessment report will be submitted to the EUD in the country on 31.5.2021.

Next meeting of SWG is tentatively set to be organised on 1.9.2021.

Mr Citarella suggested increasing the number of SWG meeting thus strengthening the donor coordination which was supported by the Ms Patrizia Di Giovanni, representative from UNICEF and Ms Natasha Angjeleska, representative from FOSM. **Ms Popovska** conveyed the opinions of Ms Di Giovanni and Ms Angjeleska which were provided as comments in the Chat section. She also proposed organisation of technical meetings for the SWG since the meetings attended by ministers, Delegation and other representatives are logistically more difficult for organisation. Also, Ms Angjeleska proposed that the materials should be submitted at least 7 days prior to the meeting.

Ms Evgenija Kirkovski, representative from NIPAC's office expressed her positive surprise on the positive accomplishments. She agreed with Mr Citarella that more meetings are needed and asked him to share with the NIPAC office any comments, proposals regarding the possible topics for future meetings that would meet the expectations of all participants in the process.

Annexes:

Annex I	Agenda
Annex II and	Presentation - First Self-Assessment Report for IPA 2019 Sector Reform Contract for Employment Education "EU for Youth"
Annex III	First Self-Assessment Report on IPA 2019 Action Programme - Sector Reform Contract for Employment and Education IPA 2019/041-263/07.03/MK/Youth
Annex IV	2020 Annual Report on implementation of Revised Employment and Social Reforms Programme 2022 - (r)ESRP2022