

*Thematic global evaluation of European
Commission support in the sectors of ESI
(Employment and Social Inclusion) in partner
countries (including vocational training)*

Final Report

Volume 2

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Evaluation for the European Commission





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Germany



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Économique
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Framework contract for
**Multi-country thematic and regional/country-level strategy
evaluation studies and synthesis in the area of external co-
operation**

LOT 5:
**Evaluation of EC main policies and strategies in the areas of
external cooperation**

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Thematic global evaluation of European Commission support in the sectors of ESI (Employment and Social Inclusion) in partner countries (including vocational training)

FINAL REPORT

Vol. 2 :

**General Annexes
Evaluation Questions' Matrix**

September 2011

This evaluation was carried out by



Development
Researchers' Network

The evaluation was managed by the Evaluation Unit of DG DEVCO.

The authors accept sole responsibility for this report, drawn up on behalf of the Commission of the European Communities. The report does not necessarily reflect the views of the Commission

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SECTION 1: GENERAL ANNEXES

ANNEX 1: TERMS OF REFERENCE

annex 1:



EUROPEAN COMMISSION
EuropeAid Co-operation Office

Evaluation

**Thematic global evaluation of European Commission support
in the sectors of ESI (employment and social inclusion) in
partner countries
(Including vocational training)**

TERMS OF REFERENCE

19/11/2008

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4.3 Field phase

4.4. Final report-writing phase

4.5. Dissemination and follow-up

5. IDENTIFICATION OF THE EVALUATION QUESTIONS/ISSUES

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ANNEX 5 - QUALITY ASSESSMENT GRID

■ 1. MANDATE

Systematic and timely evaluation of its expenditure programmes is an established priority for the European Commission, as a means of accounting for the management of allocated funds and as a way of promoting a lesson-learning culture throughout the organization.

The Commission Services have requested the Evaluation Unit of the EuropeAid Co-operation Office to undertake an evaluation of the EC support in the sectors of employment and social inclusion (ESI), including vocational training.

This evaluation was included in the 2007-2013 work programme of the Evaluation Unit, as approved by the Commissioner for External Relations and European Neighborhood Policy in agreement with the Commissioner for Development and Humanitarian Aid on 26th March 2007.

■ 2. BACKGROUND

International commitments

- "Employment and social inclusion" (ESI) issues are overwhelmingly recognized as being crucial for the eradication of poverty and the achievement of sustainable social cohesion. Vocational training for demand-driven skills development and employability, labour market modernization, decent work, social protection and safety nets, as well as culture as a factor of socio-economic inclusion, are but few of the core issues that need to be addressed for ensuring successful poverty reduction in the framework of EC development cooperation.

- Reducing poverty by enhancing employability and decent work¹ thus promoting social inclusion and protection features high on the international agenda as well as in the EU development and cooperation policies. The conclusions of the September 2005 UN summit for the MDGs review recognized for the first time the paramount importance of employment and decent work for the achievement of the MDGs².

EU commitments

- The "European Consensus on Development"³ clearly indicates employment as a crucial factor to achieve a high level of social cohesion.

- Further to the recommendation of the European Parliament in 2005 a stronger 'social/employment' chapter has been introduced systematically in all bilateral Action Plans relating to countries that are part of the European Neighborhood Policy (ENP).

EC commitments

- Decent work and employability of human resources are acknowledged as vital for poverty eradication. In this context, the EC's partnership with ILO is confirmed to be crucial⁴.

¹ Decent work covers: employment, rights at work, social protection and social dialogue as well as the gender dimension

² 2005 World Summit Outcome (2 October) §47 devoted to employment.

³ "European Consensus on Development" – Joint Statement by the Council and the Representatives to the Governments of the Member States meeting within the Council, the European

⁴ In 2002, the EC and the ILO have signed a Memorandum for strategic partnership. ILO has successively adhered to the Framework Agreement for Financial Assistance (FAFA). Nevertheless, studying the activities of ILO and ETF is not the part/focus of this work

- The EC adopted over time a number of key policy documents proposing stronger and more coherent future EU commitments to address employment and decent work and to contribute to the social dimension of globalization⁵.
- The financial perspectives for the EC external cooperation for the period 2007-2013 confirm that the EU strongly reiterates its commitment to promote productive employment, effective labour markets, employability and 'decent work for all' as global goals.
- The above mentioned principles are mirrored in the EC regional strategies adopted for Africa, Latin America (2005), the Caribbean and the Pacific Islands (2006).
- The new Joint EC-Africa Strategy strongly emphasizes the importance of employment and decent work in poverty reduction.
- In May 2006, the Commission adopted the Communication "Decent work for all", which includes an annex providing practical examples of actions that promote decent work that can be developed in the context of external assistance programmes⁶.
- Recently (June 2007), the DEV Working Party of the Council recommended the EC to strongly address ESI and decent work issues (including mainstreaming in 'non social' sectors) in the cooperation programmes⁷. These orientations are consistent with the European social model based on the Lisbon Strategy "Strengthening Economic Competitiveness by Ensuring Social Cohesion".
- The renewed European social agenda package of 02 July 2008⁸, including the staff working document "Report on the EU contribution to the promotion of decent work in the world"⁹ shapes the policy framework for EU employment, social policy and equal opportunities, including the external dimension. It reaffirms the EC support for the decent work agenda and for the social dimension of globalization. The Commission staff document on decent work takes stock of progress made since the decent work communication of 24 May 2006 and identifies progress to be made in the future on a very wide variety of EU internal and external policies, announcing a wide report on EU and MS efforts on decent work by 2011.
- Some elements regarding the approach followed in the EC projects and programmes
 - It is the demand driven answering to demands of the beneficiary country and not the top-down approach, caring for national ownership;

⁵ Communications "Policy Coherence for Development" (COM (2005) 134 final of 12/04/2005); "Accelerating progress towards achieving the Millennium Development Goals - The European Union's contribution" (COM(2005) 132 of 7/10/2005); and "Financing for Development and Aid Effectiveness" (COM(2005) 133 of 7/10/2005)

⁶ "Promoting Decent work for All", Commission Communication COM(2006) 249 and "The EU contribution to the implementation of the decent work agenda in the world" Commission Staff working document SEC(2006) 643/2

⁷ "Promoting Employment through EU Development Cooperation" (the conclusions of the Council Working Party on Development Cooperation. 6 June 2007. Doc. Council 10513/07)

⁸ COM (2008) 412 final Communication from the Commission to the EP, the Council, the CESE and the Committee of the Regions "renewed social agenda: Opportunities, access and solidarity in the 21st century Europe".

⁹ SEC (2008)2157, Commission Staff working Document accompanying the COM (2008)-412 on "Renewed social agenda: Opportunities, access and solidarity in 21st century Europe", summary of the impact assessment.

- the new approaches, like SWAP or SBS take into account the broad vision of the sector and try to link the support and the accompanying devoted funds to progress and reforms in the supported sector;
- There is a difference of approach between the "low income countries" and the "middle income countries". In the second case, the employment market is more dynamic and the needs in vocational training are more urgent compared to the first case where basic needs have to be supported (mainly in education and health) in order to reach MDG's;
- Since 2007, there exist new financial instruments to be used for the period 2007-2013;
- In annex 2 some elements are given regarding the main different specific approaches per region

▪ 3. PURPOSE AND SCOPE OF THE EVALUATION

The **PURPOSE** of the evaluation is to assess to what extent the Commission assistance has been relevant, efficient, effective and sustainable in providing the expected impacts in the employment and social inclusion (ESI) sectors. It should also assess the coordination and complementarity with other donors and actors, the coherence with the relevant EC policies and the partner Governments' priorities and activities as well as with international legal commitments in ESI.

The evaluation should serve policy decision-making and project management purposes. The main users of the evaluation will be DG DEV, DG Relex, the Europe Aid Co-operation Office and the EU Delegations. Other EC services like DG EMPL may benefit from the results of this evaluation too. The evaluation should also generate results of interest to a broader audience, including governments of partner countries, Member States, civil society and others.

All the aspects of **EC support to ESI sectors**¹⁰ in partner countries fall within the **scope of this evaluation**. Support to vocational training activities is also to be covered.

All regions where EC co-operation is implemented (with the exception of regions and countries under the mandate of DG Enlargement) are included **in the scope** of this evaluation.

The evaluation should come to a **general overall judgment** of the extent to which Commission policies, strategies and sector programmes, including Sector Budget Support and General Budget Support, have contributed to the achievement of the objectives and intended impacts, based on the answers to the agreed **evaluation questions**.

The evaluation should cover activities that fall within the relevant sub-sectors, financed from thematic and geographical budget lines/instruments, both old and new EC financial instruments relevant for the selected time period (TACIS, EDF, DCI, ENPI etc.).

The evaluation shall lead to **CONCLUSIONS** based on objective, credible, reliable and valid findings and provide the EC with a set of operational and useful **recommendations**.

¹⁰ It is not foreseen to work with the extended notion-frame since it would not be relevant for the timeframe of the programmes to be evaluated which are supposed to have been completed by the years of 2006-2007 at the latest's the extended notion would hardly be applicable for that evaluation

The evaluation shall be forward looking and take into account the most recent policy and programming decisions, providing lessons and recommendations for the continued support to the ESI sectors within the present context and relevant political commitments (such as the European consensus, the Paris Declaration and all regional instruments) as well as taking into account the current processes within the Commission.

The evaluation will include a comprehensive desk phase followed by **COUNTRY STUDIES** to be carried out in a maximum of **8 different representative countries** (considering geographical criteria as well as various types of co-operation). The evaluators will identify and formulate in-depth questions and test hypotheses for country studies, allowing the following issues to be addressed: relevance, effectiveness, efficiency, effects and sustainability of aid delivery to the ESI sectors. The countries to be visited and the case studies will be selected in consultation with the Reference Group, taking into account different experiences in the area of support to the ESI sectors as well as different country/regional contexts.

The period to be covered by this evaluation is the last 10 years "1999-2008". To provide relevant and forward looking recommendations, also the DCI/ENPI programming and the 10th EDF programming should be seriously looked into, so that all its implications on ESI in Neighboring and ACP countries are examined.

▪ 4. METHODOLOGY AND APPROACH

The overall methodology guidance is available on the web page of the Evaluation Unit under the following address:

[HTTP://EC.EUROPA.EU/COMM/EUROPEAID/EVALUATION/METHODOLOGY2/INDEX](http://ec.europa.eu/comm/europeaid/evaluation/methodology2/index) .

The evaluation approach should encompass the following fundamental tasks:

- i. identify, explain and priorities the Commission's objectives in the field of ESI, their logic and coherence, their **relevance** both to EU objectives and to the needs of recipient countries, the intended impact¹¹ corresponding to each objective, and finally how these intended impacts fit within broader and changing contexts (sociological, cultural, economic, political).
- ii. identify all recorded **impacts** including unintended impacts or deadweight/substitution effects (and compare them to intended impacts); assess **effectiveness** in terms of how far the intended results were achieved and also - to the extent that the interventions were effective - their **efficiency** in terms of how far funding, personnel, regulatory, administrative, time and other resource considerations contributed to, or hindered the achievement of results;
- iii. consider the **sustainability** of ESI activities, that is an assessment of whether key results, taking account in particular of the institutional capacity required to maintain consistent levels of access and service delivery;
- iv. Assess how far the development and delivery of ESI programmes has taken account of **cross cutting issues** (environment, capacity-building, etc.);

¹¹ Please note the ordering of the five criteria. In the context of the programmes of the External Relations Directorates-General, the increased focus on *impact* is of particular importance given the current emphasis on results-based management as well as on partner Governments to focus their policies more on poverty alleviation, good governance, democracy, and sound macroeconomic management.

- v. Assess what is the **EC added value** of the actions, not only as concerns financing, but also regarding policy dialogue and other aspects. Co-ordination, complementarity and synergies with EU Member States and other donors are also to be examined. In this respect, the evaluation should build on Paris declaration principles.

The evaluation basic approach consists of **5 phases**, subdivided in **subsequent methodological stages** (phases for which consultant contribution is requested are marked in grey).

| <i>Five Main Phases of Development:</i> | <i>Methodological Stages:</i> |
|---|---|
| 1. Preparation Phase | <ul style="list-style-type: none"> ▪ Reference group constitution ▪ ToR drafting |
| | <ul style="list-style-type: none"> ▪ Launch Note |
| 2. Desk Phase 3. Field Phase 4. Synthesis phase | <ul style="list-style-type: none"> ▪ Structuring of the evaluation ▪ Data Collection, verification of hypotheses ▪ Analysis ▪ Judgments on findings |
| 5. Feedback and Dissemination | Dissemination Seminar in Brussels |
| | <ul style="list-style-type: none"> ▪ Quality Grid ▪ Summaries ▪ Evinfo (summary for OECD and Commission databases) ▪ <i>Fiche contradictoire</i> (a statement of key recommendations followed by the Commission's response) |

4.1. Preparation Phase

The evaluation manager, within the Evaluation Unit, identifies the Commission services to be invited to the Reference Group (RG), which will ensure that the Commission expertise is fully utilized and all the relevant information is provided.

The evaluation manager prepares the *Terms of References* (ToR) for the evaluation and sends them to the Contractor.

The contractor will then present a *Launch Note* that shall contain: (i) the contractor understanding of the ToR, (ii) the proposed composition of the core evaluation team with individuals' *Curriculum Vitae* and (iii) the proposed work plan and budget for the evaluation.

4.2. Desk phase

4.2.1 INCEPTION REPORT

Following the approval of the *Launch Note* by the Evaluation Unit, the work will proceed to the structuring stage which shall lead to the production of an *Inception Report*.

The *Inception report* will be divided into two parts. The first part will contain a draft overview of EC financial contributions (commitments and disbursement) and their typology. This overview

will also include all modalities of operations (classical projects, SWAP projects and General and Sector Budget Support if applicable).

The second part of the inception report will consist of the analysis of all relevant key documents, including the relevant policy, programming documents and agreements. On the basis of the information collected, the evaluators will:

- (1) **Reconstruct the intervention logic** of the EC aid to partner countries within the ESI sectors, by producing policy impact diagrams relevant for the evaluated period and geographic sub-areas;
- (2) Propose a set of criteria for selection of country studies. Based on these criteria, justify the first proposal of several **representative countries to be visited and of case studies** which would be examined in detail during the desk phase.

Out of this sample of case studies, maximum 8 representative countries will be selected for the field phase of the evaluation. All the specific aspects of the intervention logic for each selected country are to be highlighted.

- (3) Specify the **methodological tools** that will be used;
- (4) Present a **preliminary set of evaluation questions (EQ)** together with judgment criteria for each EQ and provisional indicators for each of the proposed judgment criteria;
- (5) Present the approach to ensure **quality assurance** throughout the different phases of the evaluation.
- (6) Present a detailed **work plan**, specifying the organization and time schedule for the evaluation process.

The Contractor will present the *Inception Report* which shall be formally approved by the Evaluation Unit. The Reference Group will comment on the *Inception Report* and validate the Evaluation Questions and the proposed list and outline for Country Case Studies.

4.2.2 DESK PHASE REPORT

Upon approval of the *Inception Report*, the team of consultants will proceed to the Desk Phase of the evaluation. The Desk Phase shall be the moment when relevant information in Headquarters is gathered and analyzed.

The desk report takes up the points dealt with in the inception report and goes into as much detail as necessary. In this stage, consultants are asked to:

- (1) Present a final set of **evaluation questions** along with appropriate **judgment criteria** and relevant quantitative and qualitative **indicators**;
- (2) Present a set of selected **case studies and a list of counties to be visited**, the selection criteria applied and the relevant identified questions, judgment criteria and indicators;
- (3) Present the methodology for **data and information collection and validation**, both for the Desk phase and for the forthcoming field phase.
- (4) Present the **methods of analysis** of the information and data collected in order to draw findings that would enable to draw general conclusions; due to the difficulty of this exercise any limitation should be made explicit;

- (5) Present the way to come to **judgments** that directly relate to the Judgment criteria, though adaptable should the field findings require doing so.
- (6) Present the **preliminary findings responding to the evaluation questions** and the first hypotheses to be tested in the field based on the specific methods identified in the *Inception Report*.

At the completion of this work, the evaluation team will present a *Desk Phase Report* setting out the results of this first phase of the evaluation including all the above listed tasks (the core part of the *Inception Report* will be annexed to the *Desk Phase Report*). The RG will comment on *Desk Phase Report* based on which the necessary amendments will be specified. Formal approval of this report is to be made by the Evaluation Unit.

4.3 Field phase

Following satisfactory completion of the Desk Phase, the evaluation team will proceed to the field missions¹².

The fieldwork shall be undertaken on the basis set out in the Final Desk Phase Report. Planned field mission will be agreed by the RG and by the EC Delegations of countries proposed for visits. If during the course of the fieldwork any significant deviations from the agreed methodology and/or schedule are perceived necessary, the Consultant must receive the approval of the Evaluation Unit before they can be applied.

Prior completion of each country visit the Evaluation team shall prepare for the EC Delegation concerned a debriefing of the field mission, seeking to validate the data and the information gathered.

For each country case study and following completion of the field mission, the team will proceed to prepare **country notes** to be submitted to the Evaluation Unit within fifteen (15) working days after returning from the field (see Annex 2 for an outline structure of the country notes). These notes will be annexed to the *Final Report*. When all field missions are conducted, and before the start of the Final report phase, the Evaluation team shall present results of the field phase in a form of detailed debriefing for the Reference Group.

4.4. Final report-writing phase

Following the formal approval of *Desk Phase Report* the evaluators will submit the *Draft Final Report*.

The *Draft Final Report* will follow the structure set out in Annex 4, taking in due account comments received during de-briefings in Delegation and meetings with the RG. The *Draft Final Report* shall include the answers to the evaluation questions and a synthesis of main conclusions of the evaluation.

The evaluation manager will verify the quality of the submitted draft report, on the basis of the quality assessment grid in Annex 5. If the quality of the draft report is acceptable, the manager circulates it to the Reference Group members for comments. The report will then be discussed in the last RG meeting with the Evaluation Team.

On the basis of the comments expressed by the EC services (RG members and Delegations) the Evaluation Team shall make appropriate amendments and submit the *Final Report*. If comments are rejected by the evaluation team, they shall explain reasons in writing.

¹² Nevertheless, if considered necessary for the adequate preparation of the field phase, the contractor might undertake pilot mission in parallel to the Desk Phase (subject to approval of the Evaluation Unit).

The *Final Report* quality will be again judged according to the quality assessment grid in Annex 5. The *FINAL REPORT* should clearly account for the observations and evidences on which findings are made so as to support the reliability and validity of the evaluation. The report should reflect a rigorous, methodical and thoughtful approach. Conclusions and recommendations shall build upon findings.

Recommendations must be:

- Linked to the conclusions
- Clustered, prioritized and targeted at specific addressees
- Useful and operational
- If possible, presented as options associated with benefits and risks.

The final version of the *Final Report* shall be presented in a way that enables publication without any further editing. The *Final Report* shall be written in English and submitted to the Evaluation Unit in 200 copies.

4.5. Dissemination and follow-up

Following the approval of the final report, the evaluation manager will proceed to dissemination of the results (conclusions and recommendations) of the evaluation: (i) make a formal judgment on the evaluation using a standard quality assessment grid (see Annex 5); (ii) prepare an Evaluation Summary following the standard DAC format (EvInfo); (iii) prepare and circulate a three-column *Fiche Contradictoire* (FC). The FC is prepared by the Evaluation Unit in order to ensure feedback from the evaluation and an active response from the Commission services. All three documents will be published on the Web alongside with the *Final Report*.

The Evaluators will be required to assist in dissemination and follow-up activities. In co-ordination with the Evaluation Unit, they shall present the conclusions and recommendations during a seminar in Brussels. Limited number of other brief presentations might also be required.

5. IDENTIFICATION OF THE EVALUATION QUESTIONS/ISSUES

The evaluation will be based on a set of key evaluation questions which are intended to give a more precise and accessible form to the evaluation criteria and to articulate the key areas of interest of EC services, thus optimizing the focus and utility of the evaluation.

Evaluators will identify the evaluation questions building upon the purpose and scope of the evaluation as specified under chapter 3 above. The evaluation questions should also reflect particular interests from EC services represented in the Reference Group.

It is expected that the following main topics/issues will be addressed:

- Overall profile of EC support to ESI: geographical focus, poverty focus, continuity over time, etc.
- (1) Alignment of EC support to ESI with national development priorities (PRSPs etc.) and with national ESI sector plans (it covers procedure issues);

Contribution of the EC support - in terms of impacts and sustainability- to

- (a) Nationally identified priorities in ESI
- (b) Internationally agreed objectives

ESI service delivery, in terms of:

- Population covered (with a focus on gender equality); accessibility; issues related to equity and ethnicity/minorities;
- Quality and quantity
- Alignment with partner Countries ESI programmes/instruments/procedures.

Awareness raising on issues such as HIV/AIDS, nutrition needs, environment, and other transversal topics (e.g. Good governance).

Financing mechanisms and aid modalities (including sector and general budget support operations) and effectiveness of the linked sector policy dialogue.

Co-ordination, complementarity and synergies with MS and other donors,

- (2) Coherence with the EC/EU's own policy priorities, in particular in the ESI sectors (priorities both of the development/external policies and EU internal policies in the ESI sectors);
- (3) Complementarity among various instruments (e.g. National Indicative programmes, Regional indicative programmes, thematic budget lines).

EC added value.

▪ **6. MANAGEMENT AND SUPERVISION OF THE EVALUATION**

The responsibility for the management and supervision of the evaluation will rest with the Evaluation Unit of the EuropeAid Co-operation Office. The progress of the evaluation will be followed closely by the Reference Group (RG) consisting of members of EC services concerned.

The RG will act as the main interface between the Evaluation Team and the Commission Services. The principal function of the Reference Group is to follow the evaluation process and more specifically:

- to advise on the scope and focus of the evaluation and the elaboration of the Terms of Reference;
- to act as the interface between the consultants and the Commission services;
- to advise on the quality of the work of the consultants;
- to facilitate access to information and documentation;
- to facilitate and assist in feedback of the findings and recommendations from the evaluation.

Several Reference Group meetings (about 4/5) will take place during the process of the evaluation, as indicated below in a time schedule.

7. EVALUATION TEAM

This evaluation is to be carried out by a team with advanced knowledge and experience in development co-operation in general terms and in various aid implementation modalities (including the SWAP, SBS, GBS etc.).

Special expertise will be required concerning support in employability and social inclusion measures. Previous experience of conducting big evaluations for international organizations (ILO etc.) will be considered as an asset. The team leader must have a proved experience in EC evaluation methodology.

Consultants should possess an appropriate training and documented experience in the management of evaluations as well as evaluation methods in field situations. The team should comprise a reasonable mix of consultants familiar with the different regions. The team must be prepared to work in English, and possess excellent drafting skills. Knowledge of French and Spanish in particular for the field phase, is required.

The Evaluation Unit recommends strongly that consultants from beneficiary countries will be employed (particularly, but not only, during the Field Phase).

Furthermore the team-leader shall have considerable experience in managing evaluations of a similar size and character. In addition, each country team should be led by an experienced member of the team (or directly by the team leader).

The agreed Team composition may be subsequently adjusted if necessary in the light of the final Evaluation Questions once they have been validated by the Reference Group.

A declaration of absence of conflict of interest has to be signed by each consultant and annexed to the launch note.

8. TIMING

The evaluation will start in December 2008 with completion of the *Final Report* scheduled for February 2010 and the *Dissemination seminar* taking place in March 2010.

The following is the *indicative* schedule¹³:

| <i>Evaluation Phases and Stages</i> | <i>Notes and Reports</i> | <i>Dates</i> | <i>Meetings</i> |
|--|--|---------------------|------------------------|
| Terms of Reference + Contract | Launch Note | December 2008 | |
| Starting Stage | | January 2009 | |
| Desk Phase | | | |
| Structuring Stage | Inception Report | March 2009 | RG meeting |
| Desk Study | Draft Desk Report | July 2009 | RG meeting |
| | Final Desk Report | September 2009 | |
| Field Phase | October 2009 | | |
| | Presentation for the RG (including final notes on case | November 2009 | RG meeting |

¹³ The dates mentioned in the above table may only be changed in view of optimising the evaluation performance, and with the agreement of all concerned.

| | | | |
|------------------------------|-----------------------|----------------|------------|
| | studies) | | |
| Final Phase | Report-Writing | | |
| | Draft Final Report | February 2009 | RG meeting |
| | Final Report | June 2010 | |
| Dissemination Seminar | | September 2010 | |

9. COST OF THE EVALUATION AND PAYMENT MODALITIES

The overall cost of the evaluation should not exceed **450 000 €**.

This amount includes a provision for the international feedback seminar in Brussels. Seminar will be organized by the Evaluation Unit to present the results of the Evaluation; the presentation will be followed by a debate that shall be open to a large audience including Member States, other donors, international organizations, foundations and representatives of Civil society organizations. The budget for the seminar (fees, per diems and travel) will be presented separately in the launch note.

According to the service contract, payments modalities shall be as follow: 30% at the acceptance of the *Inception Note*; 50% at acceptance of *Draft Final Report*; 20% at acceptance of *Final Report*. The invoices shall be sent to the Commission only after the Evaluation Unit confirms in writing the acceptance of the reports.

■ ANNEX 1 – KEY DOCUMENTATION (non-exhaustive list)

EC Policy documents:

- "The European Consensus"- Joint statement by the Council and the representatives of Governments of the Member States meeting with the Council, the European parliament and the Commission" – Official Journal C 46(2006)

- "Strategy EU-Africa" comprising a chapter "Human and Social development and a n action plan [HTTP://EC.EUROPA.EU/DEVELOPMENT/ICENETR/REPOSITORY/EAS2007_JOINT_STRATEGY_EN.PDF](http://ec.europa.eu/development/icenetr/repository/EAS2007_JOINT_STRATEGY_EN.PDF) zoom=100

Communication on an EU strategy for Africa: Towards a Euro-African pact to accelerate

- European year for Combating Poverty and Social Exclusion (2010-) <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2007:0797:FIN:EN:PDF>

- EC Staff working Paper (2007) "Promoting Employment trough EU development Cooperation" [HTTP://EC.EUROPA.EU/DEVELOPMENT/ICENETR/REPOSITORY/SEC_2007495_EN_DOCUMENTDETTRAVAIL, p en.pdf](http://ec.europa.eu/development/icenetr/repository/SEC_2007495_EN_DOCUMENTDETTRAVAIL_p en.pdf) zoom=100

- Communication on "Education and training in the context of the fight against poverty in developing countries" – COM (2002)116 http://europa.eu.int/eur-lex/en/com/cnc/2002/com2002_0116en01.pdf#zoom=100

- COM (2000) 212(01), The European Community's Development Policy

- Communication (2004) 487 "Financial perspectives 2007-2013"

- Concerning all relevant regions: strategy papers, action plans, progress reports (see <http://ec.europa.eu/world>)

- Communication (2005) 324 "External actions through thematic programmes under the future financial perspectives 2007-2013"
- Regulation 1638/2006 laying down general provisions establishing a European Neighborhood and Partnership Instrument (ENPI)
- Regulation 1905/2006 establishing a financing instrument for development cooperation
- "EU Code of Conduct on Complementarity and Division of Labour in Development Policy", May 2007
- Communication (2005) 489 "EU strategy for Africa: towards a Euro-African pact to accelerate Africa's development"
- "Lisbon Declaration - EU Africa Summit" (Lisbon, 8-9 December, 2007).
- "The Africa-EU Strategic Partnership. A Joint Africa-EU Strategy" and First Action Plan (2008-2010) for the implementation of the Africa-EU Strategic Partnership (Lisbon, 8-9 December, 2007).
- "The renewed European social agenda package" of 02 July 2008: Communication COM (2008) 412 final from the Commission to the EP, the Council, the CESE and the Committee of the Regions "Renewed social agenda: Opportunities, access and solidarity in 21st century Europe", and Commission Staff working Documents SEC (2008) 2156, SEC (2008) 2157, SEC (2008) 2178, 2184.

Programming and monitoring tools:

- Vocational training
 - Programming guidelines for Country Strategy Papers on Education – Detailed version of January 2006
 - Indicators in education: "Tool for monitoring progress in the Education sector" in English
http://europa.eu.int/comm/development/body/theme/human_social/docs/education/03-02_education_monitoring_tools_en.pdf#zoom=100
 - Methodology to assess partner countries' performance in education and health for the purposes of the 2004 Mid-Term Review and the 2006 End of Term Review of the 9th European Development Fund (EDF)
http://europa.eu.int/comm/development/body/theme/human_social/docs/education/04-02_methodology_MTR_education.pdf#zoom=100
- Toolkit on mainstreaming gender equality in EC development cooperation
http://www.cc.cec/EUROPEAID/ThematicNetworks/qsg/Networks/newGender/documents/tk_section2_priority_areas.pdf
- On programming, the EC interservice quality support group intranet web page is to be used (accessible within EC computer network only):
<http://www.cc.cec/home/dgserv/dev/newsite/index.cfm?objectid=95E08920-E0CF-8351-805A6B642803AD28>
- ROM (Results oriented monitoring) reports on education, available in CRIS database, including ex-post ROM reports, produced since January 2007

Reference Web sites:

- The overall methodology guidance for evaluations:
<http://ec.europa.eu/comm/europeaid/evaluation/methodology2/index> .

- Millennium Development Goals - WWW.UN.ORG/MILLENNIUMGOALS/
- UN Millennium Development Goal Indicators Database
[HTTP://UNSTATS.UN.ORG/UNSD/MI/MI_GOALS.ASP](http://UNSTATS.UN.ORG/UNSD/MI/MI_GOALS.ASP)
- UNESCO Institute of Statistics -
[HTTP://WWW.UIS.UNESCO.ORG/EV_EN.PHP?ID=2867_201&ID2=DO_TOPIC](http://WWW.UIS.UNESCO.ORG/EV_EN.PHP?ID=2867_201&ID2=DO_TOPIC)

Other key documents:

- Paris Declaration on Aid Effectiveness, OECD (2 March 2005)

Relevant evaluation reports :

- Evaluation reports commissioned by the Evaluation Unit
http://ec.europa.eu/europeaid/evaluation/intro_pages/reports.htm
- European evaluation inventory
http://ec.europa.eu/comm/dg/aidco/ms_ec_evaluations_inventory/evaluationslist.cfm?start=101
- Alliance 2015 report: The EU's contribution to the Millennium Development Goals - Halfway to 2015:Mid-term Review, June 2007
- Relevant reports issued by WB, UNDP and other multilateral institutions, reports from MS and other donors

Annex 2

Some elements regarding the different regions

1. Neighborhood countries

The ENP area (both Tacis and Med/Maghreb and Middle East) is characterized by transition economies. In this region, despite economic dynamism and international integration, labour market imbalances, unemployment, underemployment, poverty and exclusion remain dramatic challenges.

The existing EC cooperation in the field of inclusive labour market measures (vocational training/VET, local job creation friendly actions, social protection), channeled through the ex Tacis and Meda instruments and now through ENPI, reflects different socio-economic circumstances. The nature and intensity of EC intervention has varied leading to a different evolution of the sectors, a different quality of policy dialogue with the concerned countries and, finally, to a shift of the EU's position regarding 'leadership' in the sectors.

1.1 Eastern neighboring countries (ex Tacis countries except Russia and Central Asia)

In the mid-90s, the EC interventions focused on technical assistance for demand oriented capacity building for vocational training. The new skill needs that resulted from the surge of market-economies and increasing serious unemployment and exclusion problems called for this response. In the past, the Tacis programme has actively supported efforts to counterbalance the effects of poverty and inequality. Approximately 20% of committed funds have gone to overcome the "social consequences of transition" by supporting the reform of state welfare systems, including social security. In general, the TACIS approach has not adopted a comprehensive sector-wide vision. Many small projects (mainly TA) have been undertaken without a specific concentration on key sectors which have provided important lessons for future efforts.

With regard to the 2007-2013 financing period, the CSP/NIP show continuity with regard to poverty alleviation approaches, with reinforced focus on social protection and sector wide VET

with links to Labour Market. The new ENPI regulation allows for sector budget support in the part of ENP.

1.2 Southern Mediterranean and Middle East

With the first wave of bilateral Association Agreements in the mid-90s and the prospective introduction of a Euro-Med free trade area by 2010, the Barcelona process (1995) and the Meda programme provided the political and operational context to help Med partners facing social exclusion and employability challenges.

This arose also against the background of already serious imbalances on the Med labour markets (youth unemployment, huge underemployment, low women activity rate, jobs mainly in the public sector, etc.) and poverty/exclusion. The EC has gradually gained focus by encouraging and supporting systemic demand driven reforms of Technical Vocational Education and Training systems/TVET with systematic involvement of enterprises and professional organizations in the design and steering of a TVET system.

Furthermore, local/job creation/social cohesion initiatives and national social funds have been supported with a view to alleviate poverty and enhance decentralized employment/inclusion oriented efforts. Social security modernization has also been supported (ex sickness insurance in Tunisia).

The deeper implication in sector-wide reforms, the higher level and concentration of funding and the more sophisticated partnership logic generated by the Barcelona process and Meda instrument (respect to ex Tacis) have contributed to increased visibility for the EU in the Med countries and an EU leadership position in the policy dialogue as compared to other international donors. In a nutshell, the EC has obtained better results in both sectoral and policy terms in the Southern Mediterranean and Middle East area as compared to results achieved in the Tacis neighboring countries.

In conclusion, the EC has followed two different strategies in the two areas:

- Under Meda, limited number of large projects with a systemic vision and substantial levels of funding are being implemented. In order to enhance impact, EC visibility, better disbursing and partners' ownership, there has been a rapid shift, wherever possible, from classical projects to sector supports and in particular to sector budgetary aid.
- Under Tacis, a large number of small to very small projects have been implemented with a fragmented sector development vision and with scarce impact on sustainability/maintenance of supports provided. Whereas this has certainly allowed to respond to very specific immediate needs (in particular VT and social protection), the scattered and small size of EC interventions have had limited impact and were seldom linked to sector policy dialogue.

2. ACP COUNTRIES

Employment, decent work and strengthening the social dimension of globalization feature clear and loud in the various regional strategy papers.

The "Consensus on Development" and the recent "Conclusions of the Development Council (June 2007) on Employment in Development Cooperation" also call for more decisive intervention in the areas of employment and social inclusion.

The programming exercise for 2008-2013 requires important inputs on ESI issues when these issues feature as clear focal areas (South Africa, Botswana etc.) as well as in terms of mainstreaming these concerns into other focal and non focal areas of cooperation (such as transport / infrastructure).

2.1 Africa

Poverty in Africa is pervasive, intensive, chronic, gender biased and largely a rural phenomenon. Most importantly, current forms of wage employment provide little refuge from poverty. Incidence of working poverty is high in Africa: in 2003 the working poor accounted for more than half the employed: 56% of workers in sub-Saharan Africa earn incomes that do not allow them and their families to reach the consumption level of \$1 a day per person. Only 11% of the working population earns incomes above \$2 a day.

There is today an overwhelming consensus in Africa on the importance of productive employment and decent work in the context of poverty eradication strategies. In 2004, the Heads of State and Government of the African Union emphasized the urgency of job creation as an explicit and central objective of their economic and social policies. In line with ILO agenda, the 2005 Economic Report on Africa of the UN Economic Commission for Africa clearly identifies employment generation and decent work as main drivers for poverty reduction in the region.

Following the EU Strategy for Africa (October 2005), the EC and AU have elaborated a Joint EU-Africa Strategy in which employment creation and Decent Work figure prominently. The importance of creating more and better, decent jobs for Africa, particularly for Africa's youth and women through targeted vocational training and education (VET) and skills development is reiterated. The Joint Strategy was adopted at the Lisbon Summit in December 2007 by all parties, together with an Action Plan covering the years 2008-2010. One of the 8 partnerships is on Migration, Mobility and Employment.

Consistent with the European Consensus on Development adopted in the end of 2005, the EU Strategy for Africa clearly places the promotion of employment and decent work at the core of the EU response to the challenge of getting Africa back on the track of sustainable development and meeting the MDGs by the 2015 target. In this context, the partnership with ILO is confirmed to be crucial.

2.2 Caribbean Countries

Among the characteristics of the Caribbean countries are: high rates of unemployment, poor quality of available jobs, shortage of skilled labour, high rates of the labour force active in the informal sector, social-economic exclusion and high rates of poverty (Haiti: 80% below the poverty line!). The EU-Latin America/Caribbean Summit (Guadalajara 2004) has been particularly important since for the first time it marks a strong political commitment towards improving governance and promoting a comprehensive approach on social cohesion. The need to dedicate an adequate level of public spending to social sectors, basic infrastructure, national solidarity funds, improved access to social services or other activities that benefit the poor and marginalized groups, was emphasized, while avoiding excessive dependence on external financing for these policies.

This has now been strongly reiterated in the recently adopted EU Strategy for the Caribbean, which clearly puts promoting social cohesion and combating poverty at the core of its vision.

The 9th EDF CSP/NIP for at least 13 out of the 17 countries focus on HR development, with apart from general education vocational and technical training, skills development and employment creation, as well as on social protection / safety nets as means to alleviate poverty. Linking relief and rehabilitation to development (LRRD) type of interventions were also programmed. Under the 8th EDF a regional vocational training programme for the Caribbean was designed and is still ongoing (8 ACP RCA 24).

Programming for the 10th EDF (2008-2013) is ongoing. Whereas aid allocation is now to be influenced by the emphasis given to MDG oriented indicators, it is to be noted that labour market related issues important in the Caribbean are not among the MDG. Policy objectives reflected in the EC Communication for the Caribbean adopted in March 2006, lies at the core of the programming exercise. In keeping with the mainstreaming modalities under the “European Consensus”, the CSP/RSPs also give special attention to labour policy issues (decent work and employability of human resources etc.).

2.3 Pacific Islands

Among the characteristics of the mostly small, poor, and in some cases outright impoverished island nations of the Pacific region is a high rate of unemployment. The unemployment data where available vary significantly from country to country ranging from 8% in Fiji to around 20% in New Caledonia and up to 90% in Nauru (2004 estimation by CIA The World Fact Book). With most returns coming from exploitation of natural resources and agriculture and fisheries, job opportunities in other sectors are scarce. Students are often refused enrolment in tertiary institutes because of poor basic education and the region offers few alternatives in the area of formal or non formal TVET. Failures at these levels are often disenchanting dropouts who lack the skills to effectively contribute to their societies.

Ever since Lomé I human resource development (HRD) has been one of the focal areas of EU support in the Pacific region. In May 2001, the Pacific Island Forum Education Ministers meeting (Auckland) developed a Forum Basic Education Action Plan, supported under the 9th EDF Regional Support Strategy. Moreover, courses on offer need to be relevant to the socio-economic context in terms of access to employment or self employment.

The Pacific Islands – EU consensus is that the regional strategy should include both basic education and regional (formal and non-formal) TVET. It is in this context that the ongoing and planned for EDF 9 interventions in the different Pacific countries are to be seen. This tendency is confirmed in the CSP/NIPS for many of the Pacific Countries (PNG / SI / Vanuatu). Despite their differences, countries in the region have a shared interest in fostering regional integration. Furthermore, in order to maximize the advantages and minimize the negative effects of globalization and growing interdependence and to integrate into the world trading system without being further marginalized the Pacific Island Countries Trade Agreement (PICTA) trade block was created.

These principles inspire the ongoing programming exercise for the ACP countries for the period 2008-2013, but they also inspired the EC's Communication on the Strategy for the Pacific that was approved by the Council in July 2006.

3. Asia and Central Asia

3.1 Asia

Perhaps the most remarkable feature of the Asian region is the diversity of its economies in level of development and structural characteristics. As Asian countries further integrate into the world economy and adopt large scale programmes of reform, recognition of the fact that a well functioning labour market is essential to support economic development is growing. Whilst being the fastest growing region in the world it also contains approximately two-thirds of the

world's poor. Generalizations on the nature of the employment problem across the region are therefore difficult. However, two important labour market features which are common to most countries of the region are gender inequalities in employment and child labour. Informal employment has increased, particularly among women, and it represents on average 50% of all employment (excluding agriculture) in the region.

One of the future main challenges for the countries in Asia will be to ensure social cohesion, as they are experiencing enormous inequalities in income distribution.

3.2 Central Asia

Even if in some countries some aspects of the old Soviet social protection system still exist, it is difficult to speak of any equal distribution of wealth, active labour market policies, modernized pension systems or significant social assistance in Central Asia as building blocks of the social protection system.

Increased poverty is simply not a matter of everybody becoming poorer. There have been large movements in the income distribution. For instance the collapse of public services has been more harmful to parents with many children than to the elderly. Households with college-educated income earners were better prepared to deal with the huge shocks of the early 1990s and to identify new opportunities. Geographical location may be an important independent determinant of living standards.

4. Latin American countries

Latin America is a continent full of contrasts and while growing strongly in some areas contains considerable inequalities. On the one hand, some countries are among the largest economies and exporters in the world (Brazil, Mexico, Venezuela...), and overall, important economic and political modernization (financial reform, labour and social protection reforms) is ongoing together with a general process of democratization.

But these advances coexist with marked increases of the poverty in rural and marginal areas unemployment and violence. In the last decade there has been though a general significant increase in the public expenditure allocated to social sectors in the region

Latin America has finally turned in its best performance in 25 years in economic and social terms. Progress in poverty reduction, together with improvements in employment and, in some countries, income distribution, is the main factors underlying the positive trend in a number of the region's countries. Despite the fact that now the region is well-positioned in its commitment to reduce extreme poverty by half by the year 2015, shortage of well paid jobs and inequality of wealth distribution remains extremely pronounced in all countries.

Informal sector employment has increased, particularly among women, and it represents on average 50% of all employment (excluding agriculture) in the continent. Since social protection schemes rely heavily on standard and registered labour contracts, the vast majority of workers are excluded from any coverage.

The EU is the leading donor of development assistance to the region and political dialogue with the region's countries has been considerably strengthened through four EU-Latin America/Caribbean Summits. The Guadalajara summit marked for the first time a strong political commitment by the Heads of State and Government of the EU, Latin America and the Caribbean towards improving governance and promoting a comprehensive approach on social cohesion. Since 1996 the FSP opened new ways of delivering cooperation assistance, with

targeted budgetary support, use of national procedures, etc. The appearance of the PRSPs and the MDGs has been a strong engine for change in the way of understanding cooperation and globalization.

In December 2005 the Commission proposed to the Council and European Parliament a renewed strategy designed to strengthen the EU-Latin America strategic partnership. During the EU-Latin America/Caribbean Summit held in Vienna in May 2006, the Commission made practical recommendations for revitalizing the partnership.

Concerning the new programming exercise for the period 2007-2013 for the region, the new CSPs confirm that, while overall the same financial envelope as last period (around 300M€/year) is maintained, this will be more concentrated in middle income and poorest (Nicaragua, Honduras and Bolivia) countries. Social cohesion (including access to social services, employment, modernization of the State, wealth redistribution policies, etc) is the main priority in nine countries. This increased focus on social cohesion is also stressed in the context of political and policy dialogues with a number of countries. There is a general push towards the use of general and sector budget support (GBS/SBS), that already represents 40% of the total (even more than 70% in Nicaragua and Honduras).

In some richer or larger MIDDLE INCOME COUNTRIES, traditional co-operation models may offer limited leverage. Countries such as Chile, Mexico or Brazil, generally have resources and capacity to address the internal social and development problems which are the normal aim of traditional co-operation. A new approach to co-operation is therefore considered, responding to the interests of both Parties.

On a sub-regional level, new Regional Strategy Papers are prepared with the Andean Community, Mercosur and Central American countries, that are extended to include other themes than purely trade and economic ones- namely, Social Cohesion at large.

■ ANNEX 3. GUIDANCE ON THE COUNTRY NOTES FOR THE COUNTRY CASE STUDIES

Length: The country note should be maximum 20 pages (excluding annexes).

This evaluation is partly based on a number of country case studies. These case studies allow the evaluation team to gather information on the EC support (to the sector/theme of the evaluation) at the country level, which together with the desk phase findings should feed the global assessment reported in the synthesis report. This reporting is needed for transparency reasons, i.e. to clearly account for the basis of the evaluation, and also to be able to have a factual check with the concerned EC Delegations and other stakeholders.

This reporting should be seen as building blocks for the evaluation and as documents to be circulated with the Reference Group and the Delegations involved. In the end of the evaluation the country notes will be published as part of the overall evaluation exercise in annexes to the synthesis report (so editing is required). These notes should be prepared after the missions, they should respect the agreed structure and they should go further than the oral presentations conducted at the end of the missions. Furthermore, the evaluation questions are formulated to be answered on the global level using the sum of the information collected from the different case studies and the desk study, and should hence not be answered at the country case study level.

Indicative structure:

1. Introduction:
 - The purpose of the evaluation;
 - The purpose of the note;
 - The reasons for selecting this country as a case study country.
2. Data collection methods used (its limits and possible constraints)
3. Short description of the sector in the country
4. Findings on the sector (focused on facts and not going into analysis)
5. Conclusions at two levels: (1) covering the main issues on this sector in the context of the country and (2) covering the elements confirming or not confirming the desk phase hypothesis.

Annexes:

- The list of people interviewed;
- The list of documents consulted;
- The list of the projects and programmes specifically considered;
- All project assessment fiches;
- All questionnaires;
- Acronyms and abbreviation.

■ ANNEX 4. OUTLINE STRUCTURE OF THE FINAL EVALUATION REPORT

Length: The overall length of the final evaluation report should not be greater than 60 pages (including the executive summary). Additional information on overall context, programme or aspects of methodology and analysis should be confined to annexes (which however should be restricted to the important information).

1. Executive Summary

Length: 5 pages maximum

This executive summary must produce the following information:

- 1.1 – Purpose of the evaluation;
- 1.2 – Background to the evaluation;
- 1.3 – Methodology;
- 1.4 – Analysis and main findings for each Evaluative Question; short overall assessment;
- 1.5 – Main conclusions;*
- 1.6 – Main recommendations.*

** Conclusions and recommendations must be ranked and prioritized according to their relevance to the evaluation and their importance, and they should also be cross-referenced back to the key findings. Length-wise, the parts dedicated to the conclusions and recommendations should represent about 40 % of the executive summary*

2. Introduction

Length: 5 pages

- 2.1. Synthesis of the Commission's Strategy and Programmes: their objectives, how they are prioritized and ordered, their logic both *internally* (ie. the existence – or not – of a logical link between the EC policies and instruments and expected impacts) and *externally* (ie. Within the context of the needs of the country, government policies, and the programmes of other donors); the implicit assumptions and risk factors; the intended impacts of the Commission's interventions.*
- 2.2. Context: brief analysis of the political, economic, social and cultural dimensions, as well as the needs, potential for and main constraints.*
- 2.3. Purpose of the Evaluation: presentation of the evaluative questions

** Only the main points of these sections should be developed within the report. More detailed treatment should be confined to annexes*

3. Methodology

Length: 10 pages

In order to answer the evaluative questions a number of methodological instruments must be presented by the consultants:

- 3.1. Judgment Criteria: which should have been selected (for each Evaluation Question) and agreed upon by the steering group;
- 3.2. Indicators: attached to each judgement criterion. This in turn will determine the scope and methods of data collection;
- 3.3. Data and Information Collection: can consist of literature review, interviews, questionnaires, case studies, etc. The consultants will indicate any limitations and will describe how the data should be cross-checked to validate the analysis.
- 3.4. Methods of Analysis: of the data and information obtained for each Evaluation Question

(again indicating any eventual limitations);

3.5. Methods of Judgment

4. Main Findings and Analysis

Length: 20 to 30 pages

- 4.1. Answers to each Evaluative Question, indicating findings and conclusions for each;
- 4.2. Overall assessment of the EC Strategy. This assessment should cover:
 - Relevance to needs and overall context, including development priorities and co-ordination with other donors;
 - Actual Impacts: established, compared to intended impacts, as well as unforeseen impacts or deadweight/substitution effects;
 - Effectiveness in terms of how far the intended results were achieved;
 - Efficiency: in terms of how far funding, personnel, regulatory, administrative, time and other resource considerations contributed or hindered the achievement of results;
 - Sustainability: whether the results can be maintained over time.
 - EC added value

5. A Full Set of Conclusions and Recommendations

Length: 10 pages

A Full set of Conclusions* and Recommendations* (i) for each evaluation question; (ii) as an overall judgement. (As an introduction to this chapter a short mention of the main objectives of the country programmes and whether they have been achieved)

**All conclusions should be cross-referenced back by paragraph to the appropriate findings. Recommendations must be ranked and prioritised according to their relevance and importance to the purpose of the evaluation (also they shall be cross-referenced back by paragraph to the appropriate conclusions).*

Annexes should include logical diagrams of EC strategies; judgement criteria forms; list of the projects and programmes specifically considered; project assessment fiches; list of people met; list of documentation; Terms of Reference; any other info (also in the form of tables) which contains factual basis used in the evaluation; etc.

■ **ANNEX 5 - QUALITY ASSESSMENT GRID**

| Concerning these criteria, the evaluation report is: | Unacceptable | Poor | Good | Very good | Excellent |
|---|--------------|------|------|-----------|-----------|
| 1. Meeting needs: Does the evaluation adequately address the information needs of the commissioning body and fit the terms of reference? | | | | | |
| 2. Relevant scope: Is the rationale of the policy examined and its set of outputs, results and outcomes/impacts examined fully, including both intended and unexpected policy interactions and consequences? | | | | | |
| 3. Defensible design: Is the evaluation design appropriate and adequate to ensure that the full set of findings, along with methodological limitations, is made accessible for answering the main evaluation questions? | | | | | |
| 4. Reliable data: To what extent are the primary and secondary data selected adequate? Are they sufficiently reliable for their intended use? | | | | | |
| 5. Sound analysis: Is quantitative information appropriately and systematically analysed according to the state of the art so that evaluation questions are answered in a valid way? | | | | | |
| 6. Credible findings: Do findings follow logically from, and are they justified by, the data analysis and interpretations based on carefully described assumptions and rationale? | | | | | |
| 7. Validity of the conclusions: Does the report provide clear conclusions? Are conclusions based on credible results? | | | | | |
| 8. Usefulness of the recommendations: Are recommendations fair, unbiased by personnel or shareholders' views, and sufficiently detailed to be operationally applicable? | | | | | |
| 9. Clearly reported: Does the report clearly describe the policy being evaluated, including its context and purpose, together with the procedures and findings of the evaluation, so that information provided can easily be understood? | | | | | |
| Taking into account the contextual constraints on the evaluation, the overall quality rating of the report is considered. | | | | | |

(for details on how criteria are rated refer to:
http://ec.europa.eu/comm/europeaid/evaluation/methodology/guidelines/gui_qal_flr_tr)

ANNEX 2: LIST OF PEOPLE MET

| INSTITUTION | NAME | POSITION |
|-------------------|---------------------|---|
| EC HEADQUARTER | Alessandra Lustrati | DG AIDCO E.2 Business, trade and regional integration |
| | Alexandre Baron | DG AIDCO A.2 Geographical coordination and supervision for the mediterranean and the Middle East |
| | Anna Maria Molnar | AidCo, E 3 Social and human development and migration |
| | Aurelie Konen | DG AIDCO C.2 Geographical coordination and supervision for ACP |
| | Caroline Adriansen | DG AIDCO C.2 Geographical coordination and supervision for ACP |
| | Frank Viault | DG AIDCO D1 Geographical coordination and supervision for Asia and Central Asia |
| | Henrik Huitfeldt | AidCo, E 3 Social and human development and migration |
| | Jacques Malpel | DEV, DGA.B 3 Human development, social cohesion and employment |
| | Jean Louis Bolly | AidCO, 03 Joint Evaluation Unit common to RELEX Family |
| | Jos Jonckers | DG AIDCO D1 Geographical coordination and supervision for Asia and Central Asia |
| | Kalina Vanova | DG AIDCO D1 Geographical coordination and supervision for Asia and Central Asia |
| | Katja Salsback | DG RELEX, DDG2 – E2 Ukraine,Belarus,Moldova and Southern Caucasus |
| | Luca Marangoni | DG DEV DGA B.1 Economic development: infrastructure and communication networks, TRADE AND REGIONAL INTEGRATION |
| | Manfredo Fanti | DG RELEX. DDG2 – F4 MAGHREB |
| | Mme Kacinskiene | DG RELEX, DDG2 – E1 Russia, Northern Dimension Policy |
| | Monica Liberati | DG AIDCO A.2 Geographical coordination and supervision for the mediterranean and the Middle East |
| | Nicoletta Merlo | DG DEV DGA C.3 ECONOMIC GOVERNANCE AND BUDGET SUPPORT |
| | Olivier Louis | DG AIDCO A.2 Geographical coordination and supervision for the mediterranean and the Middle East |
| | Pierre Borgoltz | DG RELEX, DDG2 –E3 Central Asia |
| | Radoslav Krastev | DG AIDCO C.1 Geographical coordination and supervision for ACP |
| | Ronan Macangousa | DG RELEX, DDG2 – D2 – ENP SECTOR COORDINATION |
| | Rosa Quevedo | DG RELEX, DDG3 – G1 – |

| | | |
|---------------------------------------|---|--|
| EU DELEGATION JORDAN | | LATIN AMERICA COORDINATION |
| | Rudi Delarue | ILO Brussels |
| | Snejina Nikolova | DG AIDCO D1 Geographical coordination and supervision for Asia and Central Asia |
| | Stefano Abruzzini | DG Employment |
| | Tamas Varnai | DEV, DGA.B 3 Human development, social cohesion and employment |
| | Veronique Dehandschutter Arnaldo Tomasetti | DG AIDCO C.1 Geographical coordination and supervision for ACP Finance and contracts |
| | Germana Topolovec | Task Manager |
| | Abel Piqueras Candela | Task Manager /Contact Person |
| | Patricia Penner | Attache Programme Manager Human Rights & Good Governance/ Task Manager |
| | Irene Mingasson | Counselor, Head of Operations Section |
| | Kaluwa Vergamota | Attaché, Economy and Trade, European Neighborhood Policy Coordination/ Crisis Response/ Task Manager |
| | Ms. Corinne Deleu, | Project Manager, Economic & Social Development |
| EU DELEGATION JAMAICA | Nicolas Ritzenthaler | Programme Manager, Rural Development |
| | Alberto Menghini | Project Manager, Economics, Trade, Politics and Information |
| | Anouk Van Neck | Team Leader – Social Sectors Co-operation Section |
| EU DELEGATION VIETNAM | Nguyen Thi Thu Hang | Programme Officer, Institutional and Private Sector Support Co-operation Section |
| | Vu Thi Tuan Anh | Programme Officer, Co-operation Section |
| | Natividad Lorenzo | Programme Officer, Economic co-operation section |
| | Jean-Pierre Bardoul | Programme Officer Institutional Support and Governance |
| | Willy Vanderberghe | First Counsellor Head of Co-operation |
| | Hens Farnhammer | First Secretary, Economic Co-operation & Governance |
| | Vu Thi Tuan Anh | Programme Officer, Co-operation Section |
| EU DELEGATION UKRAINE | Laura Garagnani | Head of Operations |
| | Sergey Polyuk | Sector Manager |
| | Volodymyr Kondrachuk | Sector Manager |
| | Vira Rybak | Senior Manager |
| EU DELEGATION SOUTH AFRICA | Gerhard Pienaar | Local/regional economic development |
| | Kostas Berdos | Regional programmes |
| | Gabila Nubong | Regional programmes |
| | Gabashane | Tabeisa II |
| | Milly Chesire | SWEEP Private sector |
| | Igor Driesmans | SWEEP Private sector |
| | Jorge Peydro-Aznar | Head of Political, Economic & Trade Section |
| | Salinas | |
| | Catherine Mgangira | cross cutting area |
| | | |

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|---|------------------------------------|---|
| | Gerry McGovern | Head Of Finance and Contracting |
| EU DELEGATION MOROCCO | Pablo Cendoya Revenga | Secteur privé et macroéconomie |
| | Thierry Deloge | Secteur privé et Transport |
| | Caroline Sorgues-Markria | Investissements, PME |
| | Alessandra Frontoni | Formation Professionnelle |
| | Stéphanie Druguet | Développement social / rural |
| | Sandra Bareyre | education, formation, genre |
| | Driss Eskalli | education, formation, genre |
| | Stefano Corrado | developpement rural / agriculture |
| Jordan: Social Partner, Civil society, other donors, national counterparts | | |
| Jordanian Chamber of Industry | Mr. Zaki Ayoubi | |
| Amman Chamber of Industry EJABI | Mr. Yaser Abdelhadi | CEO of Amman Chamber of Industry and CEO of EJABI |
| General Federation of Trade Union | Mr. Mazen Al Ma'ayta | International Labour Organization - Geneva Representative of East Asia |
| General Federation of Trade Union | Khaled Al Habahbeh | International Relations Officer Program Officer |
| - Ministry of Public Sector Development (MoPSD) - Jordan Media Institute | Ms. Muna Hakooz | - Executive Director of HR Policies EU Team Leader |
| Euro-Mediterranean Studies Unit, Center for Strategic Studies- University of Jordan | Mohammad Nabulsi | |
| Building & Extending Skills Training Systems (BEST) Project Ministry of Labor | John Knapp | Policy Advisor/ Project Manager |
| Ministry of Labor | Susanne Grigoleit/ Abeer Hakouz | Asst. Director PPP and Donor Coordinator |
| USAID Economic Development Program (SABEQ program) | Ms. Raja'a Fayyad | Workforce Development & Gender Integration Team leader |
| Save the Children Jordan and Middle East | Saba Mosab | |
| International Labor Organization | Mr. Philip Fishman | Program Director |
| Ministry of Planning (MOP), | Mr. Emad Shanaah | Head of EU Partnership Division, International Cooperation Department |
| Ministry of Labor | Dr. Mohammad ALQUDAH | Director of the Employment and Training Directorate |
| Ministry of Labor | Mr. Nasereddine | Training Director |

| | | |
|--|----------------------------------|---|
| | Al-Darawsheh | |
| Ministry of Labor | Mr.Amjad Weshah | Director of the Migrant Workers |
| Social Security Corporation of Jordan | Nadia K. Al Awamleh | Director of International Cooperation Dept. |
| Ministry of Labor | Ghazi Al-Daboubi | Executive Director Development and Coordination Unit |
| National Centre for Human Resource Development | Dr. Munther Masri | |
| ETVET Council | Tarek Al-Rashdan | Administrative and Financial Officer |
| ETVET Council | Ahmad Albadareen | Technical Affairs Unit |
| Economic and Social Council /Jordan | Dr. Ibrahim Saif (PhD Economics) | Secretary General |
| Jordanian National Commission for Women | Ms. Asma Khader | General Secretary |
| Friederich Naumann Stiftung Foundation for Liberty | Ms. May Shalabieh | Programme Officer |
| Tatawor Association Amman - Jordan | Elena Abu Adas | Managing Director |
| - ZARA Investment (Holding) Company ETVET council | Ms. Lina Annabi | - General Manager Vice Chair |
| Jamaica: Social Partner, Civil society, Other Donors, National Counterparts | | |
| | Debbie Ann Robinson | Legal Counsel |
| HEART Trust/NTA | Elizabeth Terry, | Director, Projects & Partnerships |
| | Kenneth Morrison | Director Operational, Planning & Performance Monitoring |
| | Hopeton Morrison | General Manager |
| ST. THOMAS CO-OP CREDIT UNION | Claudia Thompson | Loans Manager |
| | Villet Kelly-Bennett | Technical Resource Officer |
| | Vitus Evans | Chairperson |
| JAMAICA EXPORTERS' ASSOCIATION | Jean Smith | General Manager |
| JAMAICA ASSOCIATION OF LOCAL GOVERNMENT OFFICERS | Helene Davis-Whyte | Chairperson |
| | Barrington Parsson | Department of Local Government, MoLSS |
| | Helene Walker | Inspector of Poor, Kingston |
| ILO/TACKLE project | Ms. Nasolo Thompson | National Project Officer |
| Jamaica Employer's Federation | Brenda V. Cuthbert | CEO |
| Jamaica Business Development Corporation | Valerie P. Veira | CEO |
| Jamaica Social Investment Fund | Ms. Shakierah Cowan, | Project Coordinator, EU PRP2 |
| | Mr. Paul Leclercq, | Project Manager, EU PRP2 |
| Council of Voluntary | Ms. Winsome | CEO |

| | | |
|--|---------------------------------------|--|
| Social Services, CVSS | Wilkins, | |
| | Mr. Al Powell, | CEO |
| | Marc C. Panton | Chief Technical Director |
| Rural Agricultural Development Authority, RADA | Majorie A. Stair | Overall Co-ordinator, EU Banana Support Programme |
| | Shareen Baughs | Director Planning/Evaluation |
| | Paulette Lyons-Dott | |
| | Zuteikha Budhan | |
| Inter-American Development Bank, IDB | Donna O. Harris | Multi-Sector Specialist |
| | Janet Quarrie | Operations Analyst |
| USAID | Sean Osner, | Supervisory General Development Officer |
| | Christina Davis | Democracy & Governance Officer |
| Jamaica Confederation of Trade Unions | Wayne St. A. Jones | General Secretary |
| | Keith Comrain | Director |
| | Mr. Thomas | |
| The Private Sector Organisation of Jamaica | Sandra A.C. Glasgow | CEO |
| UNDP | Minh Pham | Resident Representative |
| World Bank | Mr. Badruel Haque | Special Representative |
| International Organisation for Migration | Keisha Livermore | Programme Assistant |
| | Diandra Isaacs | Programme Assistant |
| Planning Institution of Jamaica (PIOJ) | Dianne Davis | General Manager |
| | Alison Miller | Officer |
| | Monique Harper-Griffith | Manager |
| Ministry of National Security | Courtney Brown, Crime Prevention unit | |
| | Denise Adams | Senior Community Action officer |
| | Marcia Flynn | Community Action Officer, (Trench Town, Denham Town and Hannah Town) |
| Ministry of National Security Out Reach workers | Simon Robinson | Programme Manager, Citizen Security and Justice Programme |
| | Angela Norton Castrionta | Community Management and Training Expert |
| | Orville Simmonds | Community Action Coordinator |
| | Unice Delepenha | Community Action Officer |
| | Angella Harris | |
| | Leroy Porteous | Liaison officer |
| Vietnam: Social Partner, Civil society, Other Donors, National Counterparts | | |
| | Mr. Tran Phi Tuoc | Director Department of International Cooperation |
| | Ms. Cao Thanh Thuy | Deputy Director, Department of International Cooperation |
| MOLISA | Ms. Nguyen Thi Hai Van | Deputy Director, Bureau of Employment |
| | Ms. Nguyen Le Hang | Officer, Department of International Cooperation |
| | Cao Quang Dai | Director Skill Department, General Department of Vocational Training |
| National Committee for the Advancement of Women in Vietnam | Pham Ngoc Tien | Director of Gender Equality Department, Head of Committee Office |
| Vietnam General | Duong Van Sao | Presidium member of VGCL |

| | | |
|--|------------------------------|---|
| Confederation of Labour | | Lecturer of Trade Union University |
| Institute for European Studies | Do Ta Khanh | Project Manager EU project: Empowerment of Workers and Trade Union in Vietnam |
| Institute of Workers and Trade Unions | Mr. Vu Minh Tien | Researcher |
| Ministry of Foreign Affairs | Nguyen Thiep | Director General in charge of PCE and Vatican negotiation |
| | Do Hoang Linh | Deputy Head of Division Europe Department |
| Vietnam National Administration of Tourism | Vu Quoc Tri | Vice Director: International Cooperation Department |
| | Hoang Quoc Viet | VTDS Assessment Officer |
| World Bank | Martin Rama | Lead Economist |
| Vietnam General Confederation of Labour | Chau Nhat Binh | Deputy Director, International Department |
| Embassy of Denmark | Vu Huong Mai | Programme Coordinator, Business Sector Programme Support |
| GTZ | Henrik Schwarz | Senior Technical Advisor Promotion of TVET, Vietnam |
| ILO | Rie Vejc Kjeldgaard | ILO Representative |
| | Ina Pietschmann | Labour Market Information Expert, Labour Market Project |
| APEFE | Jean-Pierre Outers | Coordonnateur APEFE |
| | Dinh Thi Nga | Assistant to the Office |
| Ministry of Planning Investment | Pham Hoang Mai | Deputy Director General, Foreign Economic Relations Department |
| Vietnam Chamber of Commerce and Industry | Pham Hoang Tien | Deputy Director, Small and Medium Enterprises Promotion Center |
| Ukraine: Social Partner, Civil society, Other Donors, National Counterparts | | |
| Federation of Trade Unions of Ukraine | Vasyl Skylov | Vice President |
| | Yuriy Kurylo | Vice President |
| | Kravchuk Roman | Representative |
| | Liliya Sokolova | Representative |
| | Bohdan Overkovsky | Representative |
| | Yuriy Kurylo, Vice President | Representative |
| | Krauchenko Lubor | Representative |
| Federation of Employers of Ukraine | Rostyslav Kurinko | Dpt. Director General |
| ILO | Vasyl Kostrytsya, | National Coordinator |
| | Sergiy Savchuk | Programme Coordinator |
| Ministry of Labour and Social Policies | V.G. Putsova | Head of Department of International Cooperation |
| | N.Y. Synenko | Head of Department of Vocational Development |
| | O.I. Martynenko | Deputy Head of Department of External Work Migration & International Cooperation |
| | Y.V. Yakubovska | Head Specialist of the Department of European Integration & International Cooperation |
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| | Maya Sergeivna Koshmap | Head of Division for Sectoral Cooperation in the Frame of ENP |
| Ukraine Micro Lending Programme | Holger Wiefel | Programme Manager |
| | Robert Scheunpflug | Bank Advisor |
| Union of the Entrepreneurs of Small, Medium-Sized and Privatised Enterprises of Ukraine | Vyacheslav M. Bykovets | |
| UNDP | Katerina Rybalchenko | Senior Programme Manager |
| South Africa: Social Partner, Civil society, Other Donors, National Counterparts | | |
| Ministry of Economic Development | Anton Roskam | Establishment Director |
| Ministry of Finance / National Treasury | Robin Toli | Chief Director: International Development Coordination |
| National Treasury | Nols du Plessis | Chief Director: Capacity Building |
| Ministry of Social Affairs | Etsi | Director of international relations |
| Ministry of Labour | J Manyi | Director General |
| | S Morotoba, | Deputy Director Gen: Employment & Skills Dev Services & HR Dev |
| OXFAM South Africa | Nicole Johnston | Media coordinator Southern Africa |
| Germany | Stephan Ohme | Head of Delegation |
| Ireland | Cait Moran, | Ambassador |
| DANIDA | Carsten | |
| Denmark | Vibeke Pedersen | |
| DANIDA | Maleepile Moseki | |
| Sweden & SIDA | Peter Tejler | Ambassador of Sweden |
| Finland | Helena Tapper | Science & Technology Councillor |
| Belgium | Anton Broecke | |
| Department of Science and Technology | Mmboneni Muofhe | Manager Strategic Partnerships |
| Department of Trade and Industry | Cas Weber | Director Donor Funding |
| | Kumaran Naidoo | Chief Financial Officer |
| Ministry of Trade & Industry | Rob Davies | Minister of Trade & Industry |
| Ministry of Trade & Industry | Tshediso Matona | Director-General |
| ILO | Vic van Vuuren | Director |

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| Ministry of Higher Education | Mary Metcalfe | Director General: Higher Education and Training |
| Ministry of Basic Education | Duncan Hindle | Director General |
| USAID | Gary C. Juste, | Deputy Mission Director |
| Human Resource Planning | Geeva Pillay | Chief Director |
| European Investment Bank | Mr David White | Head of Office |
| Development Bank of Southern Africa | Mary Urujeni Kamari, | Resource Mobilisation & International Resources |
| Development Bank of Southern Africa | Bane Maleke | Divisional Executive: Africa Partnerships |
| Business Unity South Africa | Vikashnee Harbhajan | |
| Business Unity South Africa | Raymond Parsons | Deputy CEO |
| Congress of South African Trade Unions (COSATU) | Sibusiso Gumede | Co-ordinator: Social Development Policy |
| National Economic Development & Labour Council (NEDLAC) | Sekete Moshoeshe | Co-ordinator: Skills Development Policy |
| | Bheki Ntshalintshali | Convenor Organised Labour |
| SA Chamber of Commerce & Industry | Neren Rau | CEO |
| | Palesa | |
| Morocco: Social Partner, Civil society, Other Donors, National Counterparts | | |
| Espagne - Agence Espagnole de Coopération Internationale pour le Développement (AECID) | Liermi Galdos | |
| Belgium- BTC | Malik Souali | Programme Manager |
| Ambassade de Belgique | Hermann Boonen | Conseiller de coopération au développement |
| France - Agence Française de Développement (AFD) | Karine De Fremont | |
| Agence de Développement Social | Mohamed Najib Guedira | Directeur |
| | Ali Benkiran | Chef du pôle Activités Génératrices de Revenus et Emploi |
| Ministère du Développement Social, de la Famille et de la Solidarité | Naima Benyahia | Directrice des Affaires de la Femme |

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| Ministère de l'Industrie, du Commerce et des Nouvelles Technologies | Abdellah NEJJAR | Directeur de la Normalisation et de la Promotion de la Qualité |
| Agence Nationale pour l'Emploi (ANAPEC) | Hafid Kamal | Directeur |
| Office de la Formation Professionnelle et de la Promotion du Travail (OFPPT) | Abdellatif Mounir | Directeur de l'Agence d'Exécution |
| PLANET FINANCE | Mohamed Maarouf | Executive Director |
| CERMEDH | Mohamed Ettrab | Chef de Division chargé de la Coopération au sein du Ministère Chargé de la Communauté Marocaine Résidant à l'Etranger |
| Bureau International du Travail (BIT) | Naima SENHADJI | Administratrice des programmes du BIT au Maroc Neama Ouazzani Touhami Decent Work Programme Administrator |
| | Malak Ben Chekroun | IPEC Administrator |
| USAID | Mustapha EL HAMZAQUI | Directeur du Département Croissance Economique |
| | Abderrahim BOUAZZA | Directeur des Programmes |
| Banque Mondiale | Françoise CLOTTE | Chef du Bureau |
| | Mohamed Medouar | Rural Development Specialist |
| | Sereen Juma | Social Development Agency Project |
| Banque Africaine de Développement | Amani Abouzeid | Représentante résidente |
| | Leila Jaafor | Spécialiste en développement social |
| CGEM Confédération Générale des Entreprises du Maroc | M. Omar Oukrid. | Directeur de la Cellule Interne de Gestion |
| ESITH | Allal Ouahab | Directeur de l'Unité d'Appui au Projet FP II |
| Union Générale des Travailleurs du Maroc (UGTM) | Lahsen Hansali | Executive board member; responsible for vocational training and labour education department |
| Organisation Démocratique du Travail | H. SEMLALI | chargé de l'évaluation des actions de formation pour le projet de formation entamé par l'ODT avec la contribution de la CE |
| | Ali LOTFI | Secrétaire Général |

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| Eur-Lex | http://eur-lex.europa.eu/en/index.htm |
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| | |
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ANNEX 4: THE REALISED INTERVENTION LOGIC OF EC ESI RELATED SUPPORT WORLDWIDE

This chapter provides an analysis of the resources allocated by the EC to ESI sectors in the period 1999-2008. Based on this investigation, it is possible to reconstruct and, subsequently, to quantify the *realized* intervention logic.

Given the complexity of this evaluation, and the extremely important contribution of the inventory for the reconstruction of the realised intervention logic, the evaluation team launched a validation process with all Reference Group members as well as with all relevant EU Delegations that had at least one relevant ESI intervention in the inventory. This exercise proved to be rather successful as 62 out of the 109 EC Delegations contacted (57%) sent their feedbacks.

4.1. Introduction

In order to be able to reconstruct the *realized* intervention logic, and following the methodology developed by DRN, EC interventions in ESI related sectors have been classified by **sector** and clustered into **macro-sectors** as shown here.

The **macro-sectors** constitute the main areas of EC intervention as it results from the analysis of policy documents.

The **sectors definition** corresponds to the analysis of the intended intervention logic and the applied theoretical framework of the labour market, where three main axes of interventions are identified: i) support to the inclusion into the labour market via labour market demand and ii) via labour market supply, and iii) support to the social inclusion and cohesion of vulnerable groups.



Among these three pillars, it is possible to pinpoint those sectors strictly relating to ESI, which have a direct and significant implication on the social inclusion into the labour market and the social cohesion of vulnerable and marginalized groups.

In particular, interventions strictly relating to **ESI** are classified as:

| | | |
|--|---|---|
| SI -Social inclusion of marginalized group SA -Social assistance of vulnerable groups SIG -Social inclusion global | } | Target: social cohesion of vulnerable groups |
| TP - TVET policy and system TM - TVET for marginalized groups LS - Labour supply measures ST - Sectoral training LG IB - Labour governance in the field of Institution Building LG CLS - Labour governance in the field of, Core Labour Standards LG SD - Labour governance in the field of Social Dialogue | } | Target: social inclusion into the labour market (labour supply side) |

However, in order to provide a comprehensive understanding and a global picture, the analysis presented in the following pages makes also the distinction between ESI as such (strictly related interventions) and ESI-Enlarged definition, which includes projects that affect to a certain extent social cohesion, labour demand and the inclusion into the labour market of vulnerable groups are:

| | | |
|---|---|--|
| SR - Structural Reform PS - Private Sector RD - Rural Development MF - Microfinance/ Microcredit | } | Target: inclusion into the labour market (labour demand side) |
| PR - Poverty Reduction | } | Target: social cohesion of vulnerable groups |

4.2. Global overview of ESI total allocations

The global committed funds (Budget¹⁴ and EDF) for the regions covered by the evaluation in the period 1999-2008 amounts to **61,953 M€**¹⁵. Out of these global commitments, the total committed funds to ESI sectors throughout regional and bilateral cooperation amounts to **2,480 M€**.

¹⁴ It does not include humanitarian nor Enlargement budgets

¹⁵ Source: CRIS Database

TABLE 1: ESI TOTAL COMMITMENTS VERSUS EC GLOBAL COMMITMENTS (BUDGET +EDF) BY YEAR, M€

| Decision Year | EC Global Commitment | EC Commitment to ESI | % ESI/ Global Com. |
|---------------|--------------------------|-------------------------|--------------------|
| 1999 | 4,557,109,538.13 | 71.130.075,51 | 1,56% |
| 2000 | 6,204,802,655.81 | 37.819.480,04 | 0,61% |
| 2001 | 3,663,264,487.56 | 83.501.838,50 | 2,28% |
| 2002 | 4,964,392,689.00 | 120.109.369,86 | 2,42% |
| 2003 | 6,867,278,843.59 | 90.498.398,02 | 1,32% |
| 2004 | 5,593,327,451.91 | 302.800.069,11 | 5,41% |
| 2005 | 5,526,334,981.18 | 264.491.524,41 | 4,79% |
| 2006 | 6,797,530,241.07 | 306.534.918,40 | 4,51% |
| 2007 | 6,799,417,703.59 | 342.619.165,59 | 5,04% |
| 2008 | 10,979,798,791.66 | 861.097.452,77 | 7,84% |
| | 61,953,257,383.50 | 2.480.602.292,21 | 4,00% |

Source: Own elaboration based on the Inventory of EC ESI related interventions

- If the ESI-Enlarged definition is taken into account, the total financial cooperation commitment dramatically rises to **10,213 M €**. This significant increase is backed by the relatively larger financial size of poverty reduction programmes, and projects supporting structural reforms and private sector development. In this regards, section 1.5 provides a deeper insight into the realized ESI cooperation in 20 selected countries. In order to better understand the link and the extent to which these projects have addressed ESI issues, this section includes references to key projects funded by the EC; and the next section provides a deeper insight on the projects carried out in 20 selected countries.

In terms of annual commitments, support to ESI sector has constantly increased its weight over the global allocations and it has more than doubled its weight by the end of the evaluation period (Table 1) moving from 1.56% in 1999 to 7.84% in 2008. The total allocation to ESI sectors from 1999 to 2008 represents **4%** of the total EC cooperation (16% if the ESI-broad definition is taken into account).

4.1.1. Allocations by region

The table below provides an overview of EC global and ESI commitments in the different regions. It shows that EC interventions on ESI have focused mostly on two regions: the Mediterranean, where since 1995 the EC has started a partnership dialogue based on the transfer of the EU values and models in view of an increased integration, and the ACP, which is the poorest one. The Mediterranean region is the main beneficiary of ESI support, where more than 50% of the whole EC cooperation in these sectors has been channeled during the period under consideration. The ACP region is the second beneficiary of ESI support, with approximatively 24% of the total funds received.

TABLE 2: ESI TOTAL COMMITMENTS VERSUS EC GLOBAL COMMITMENTS AT REGIONAL LEVEL

| | EC Global Commitments | % Region/ Global | ESI Commitments | % Region/ ESI |
|-------------------------------|--------------------------|------------------|-------------------------|---------------|
| ACP | 35,862,711,751.15 | 57.89% | 600.557.092,67 | 24,21% |
| All Countries | 4,513,314,316.74 | 7.29% | 57.919.067,69 | 2,33% |
| Asia | 5,926,664,369.47 | 9.57% | 113.658.387,44 | 4,58% |
| Eastern Europe & Central Asia | 4,672,519,560.47 | 7.54% | 132.553.709,04 | 5,34% |
| Latin America | 3,152,790,686.34 | 5.09% | 185.317.421,69 | 7,47% |
| Mediterranean and Gulf Region | 7,825,256,699.33 | 12.63% | 1.390.596.613,68 | 56,06% |
| | 61,953,257,383.50 | | 2.480.602.292,21 | |

Source: Own elaboration based on the Inventory of EC ESI related interventions

- If we consider the ESI-Enlarged definition, the ACP region becomes the top recipient, with more than 60% of total funds received. It is worth highlighting that an important share of the assistance comes in this case through poverty reduction and structural reforms programmes.

TABLE 3: ESI-ENLARGED COMMITMENTS VERSUS EC GLOBAL COMMITMENTS AT REGIONAL LEVEL

| | ESI-Enlarged Committments | % Region/ ESI (Enlarged) |
|-------------------------------|------------------------------|-----------------------------|
| ACP | 6.246.793.479,75 | 61,16% |
| All Countries | 141.730.048,14 | 1,39% |
| Asia | 373.116.308,41 | 3,65% |
| Eastern Europe & Central Asia | 231.378.144,29 | 2,27% |
| Latin America | 505.160.422,31 | 4,95% |
| Mediterranean and Gulf Region | 2.714.936.914,91 | 26,58% |
| | 10.213.115.317,81 | |

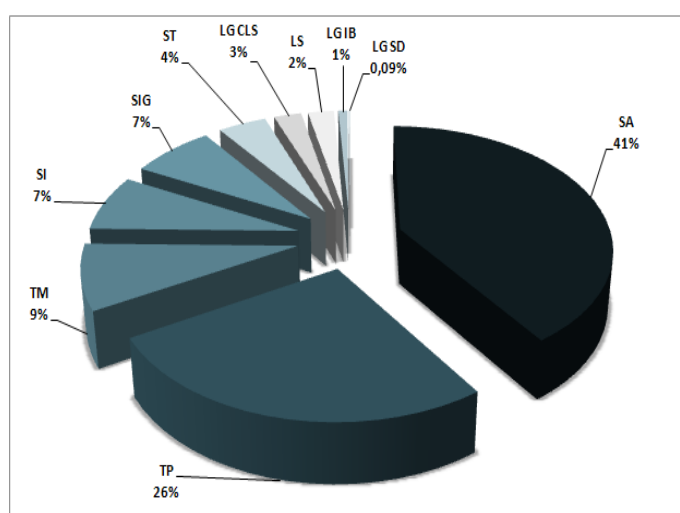
Source: Own elaboration based on the Inventory of EC ESI related interventions

4.1.2. Allocations by sector

In order to be able to reconstruct the *realized* intervention logic, and following the methodology developed by DRN, EC interventions in ESI related sectors have been classified by **sector** as explained above. As shown in the table below, EC cooperation in ESI has been particularly significant in the field of social safety nets, social protection of disabled, victims of violence, children at risk and the social assistance of other vulnerable groups which has received around 40% of the total allocation. Interventions targeting TVET, namely aimed at developing and strengthening technical and vocational education systems, VET training infrastructures, curricula development in general, have received 26% of the total resources and it represents the second main ESI funded sector.

TABLE 4: ESI COMMITMENTS BY SECTOR (REGIONAL & COUNTRY INTERVENTIONS), 1999-2008

| Micro Sector | Grand Total | % over the Total ESI |
|--------------|-------------------------|-------------------------|
| SA | 1.005.101.768,02 | 40,52% |
| TP | 653.994.682,98 | 26,36% |
| TM | 210.942.539,14 | 8,50% |
| SI | 183.564.679,89 | 7,40% |
| SIG | 182.064.790,88 | 7,34% |
| ST | 106.647.692,71 | 4,30% |
| LG CLS | 61.159.053,07 | 2,47% |
| LS | 54.547.730,05 | 2,20% |
| LG IB | 20.231.896,76 | 0,82% |
| LG SD | 2.347.458,71 | 0,09% |
| Total | 2.480.602.292,21 | |

FIGURE 1: TOTAL AMOUNT ALLOCATED TO ESI BY SECTOR, 1999-2008

Source: Own elaboration based on the Inventory of EC ESI related interventions

- If the ESI-Enlarged definition is taken into account, the picture changes extraordinarily. As shown in the figure below, the top recipient sectors become those not strictly related to ESI, namely poverty reduction, private sector and structural reform, which together absorbed more than 60% of the total allocation. This kind of projects mainly support reforms promoting economic growth, i.e. reforms aiming at economic restructuring, enhancing market competition, including labour market flexibility, improving macroeconomic stabilisation, promoting regional integration and integration into world market. In the area of private sector, the most common goals are the development of small and medium enterprises, support to the private initiative, investment promotion, both at urban and rural level.

TABLE 5: ESI-ENLARGED COMMITMENTS BY SECTOR (REGIONAL & COUNTRY INTERVENTIONS), 1999-2008

| Micro Sector | Grand Total | % over the Total ESI |
|--------------------|--------------------------|----------------------|
| PR | 3.508.925.412,70 | 34,36% |
| PS | 1.702.794.247,68 | 16,67% |
| SR | 1.445.447.106,24 | 14,15% |
| SA | 1.005.101.768,02 | 9,84% |
| TP | 653.994.682,98 | 6,40% |
| RD | 536.286.311,35 | 5,25% |
| RD-BAN | 334.167.911,95 | 3,27% |
| TM | 210.942.539,14 | 2,07% |
| MF | 204.892.035,68 | 2,01% |
| SI | 183.564.679,89 | 1,80% |
| SIG | 182.064.790,88 | 1,78% |
| ST | 106.647.692,71 | 1,04% |
| LG CLS | 61.159.053,07 | 0,60% |
| LS | 54.547.730,05 | 0,53% |
| LG IB | 20.231.896,76 | 0,20% |
| LG SD | 2.347.458,71 | 0,02% |
| Grand Total | 10.213.115.317,81 | |

Source: Own elaboration based on the Inventory of EC ESI related interventions

4.1.3. Allocations by period

In order to grasp the evolution experienced by each sector over time, the table below shows how commitments to ESI sectors have moved over the period from one year to another providing figures for three main years, namely at the beginning of the period, at halfway, and at end of the period. Overall, it can be stated that allocations to each sector have been on the rise over the whole period. However, they have not followed a constant path, with amounts changing notably from one year to another.

TABLE 6: EVOLUTION OF EC COMMITMENTS TO ESI SECTORS OVER THE PERIOD

| MICRO SECTOR | 1999 | 2003 | 2008 | AVERAGE ANNUAL ALLOCATION |
|--------------|---------------|---------------|----------------|---------------------------|
| SA | | 26.131.876,81 | 769.201.886,63 | 100.510.177 |
| TM | 16.717.301,32 | 35.521.705,52 | 56.930.400,00 | 65.399.468 |
| TP | 30.684.153,58 | 1.352.294,00 | 518.346,00 | 21.094.254 |
| SIG | 11.939.047,50 | 11.142.959,87 | 7.766.783,33 | 18.356.468 |
| LS | | 5.194.958,10 | 12.829.848,19 | 18.206.479 |
| SI | 1.072.059,26 | 4.125.010,88 | 7.300.000,00 | 10.664.769 |

DRN- PARTICIP

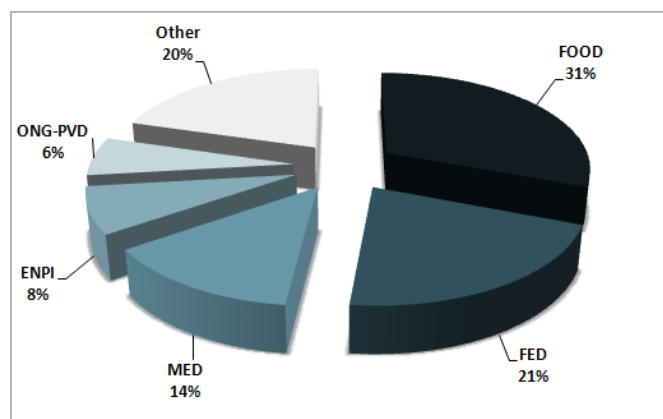
| | | | | |
|--------------------|----------------------|----------------------|-----------------------|-----------|
| LG CLS | 3.198.543,16 | 3.886.254,44 | 3.443.581,00 | 6.115.905 |
| ST | 2.877.082,01 | 2.764.783,79 | 1.784.402,95 | 5.777.544 |
| LG IB | 4.641.888,68 | | 700.811,08 | 2.023.190 |
| LG SD | | 378.554,61 | 621.393,59 | 234.746 |
| Grand Total | 71.130.075,51 | 90.498.398,02 | 861.097.452,77 | |

Source: Own elaboration based on the Inventory of EC ESI related interventions

4.1.4. Allocations by instrument (budget line)

In terms of financing instruments, funds to ESI have been allocated through 5 main budget lines, namely FOOD (764 M€), EDF (521 M€), MEDA (337 M€), ENPI (192 M€), and ONG-PVD (159 M€), which together represent almost 80% of the total allocation. As reported in the figure below, under the group 'other' (503 M), there are geographic and thematic financing instruments such as TACIS, ALA, DDH, etc.

FIGURE 2: TOTAL AMOUNT ALLOCATED TO ESI BY FINANCING INSTRUMENT, 1999-2008

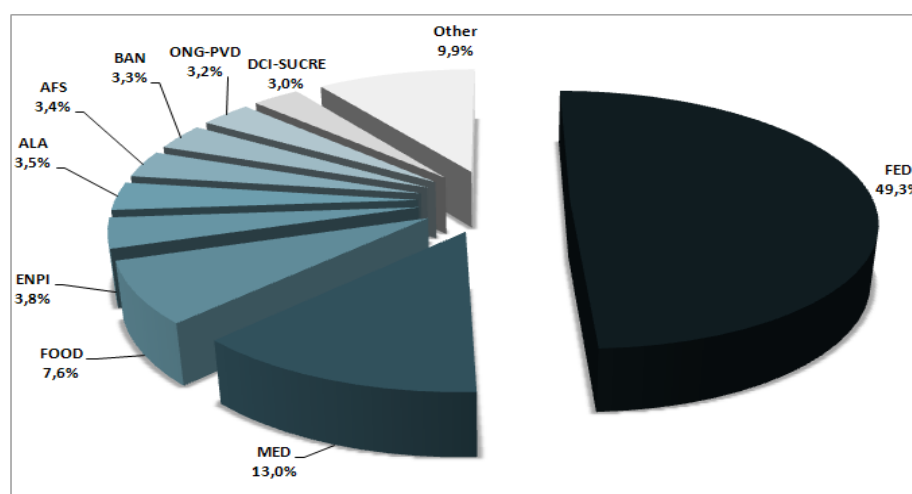


* OTHER: TACIS, ALA, DCI-ALA, ASIE, AFS, DCI-MIGR, DCI-ASIE, DCI-HUM, REH, MIGR, DCI-NSAPVD, Staber, DCI-FOOD, DDH, GENRE, DRG, DCI-GENRE, EIDHR, CDC

Source: Own elaboration based on the Inventory of EC ESI related interventions

- If the ESI-Enlarged definition is taken into account, the distribution of EC support to ESI sectors among financing instruments indicates that the most significant source of financing for ESI interventions in the period considered has been the EDF, which represents around 51 % of the total and it has received around 5,036 M€. Among the other key instruments, there are MED, 1,330 M€, FOOD, 780 M€, ENPI, 385 M€, and ALA, 358 M€.

FIGURE 3: TOTAL AMOUNT ALLOCATED TO ESI-ENLARGED BY FINANCING INSTRUMENT, 1999-2008



Source: Own elaboration based on the Inventory of EC ESI related interventions

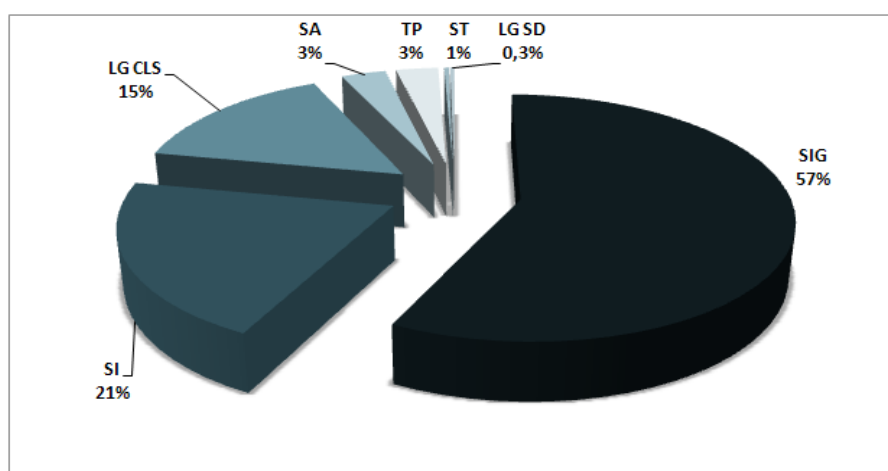
* OTHER: ASIE, TACIS, DCI-AFS, DCI-ALA, ECIP, DCI-ASIE, SUCRE, Staber, DCI-MIGR, DCI-HUM, REH, DCI-NSAPVD, ENV, MIGR, DCI-FOOD, GENRE, DDH, DRG, DCI-GENRE, EIDHR, CDC

1.1 ESI allocations at regional level (multi country programmes)

An important share of support has been provided through regional programmes. Cooperation in the field of ESI implemented through multi-country programmes amounts to **221 M€, about 9% of the total allocation to ESI**.

4.1.5. By Sector

FIGURE 4: ESI REGIONAL ALLOCATION BY SECTOR, 1999-2008



Source: Own elaboration based on the Inventory of EC ESI related interventions

As shown in the figure above, the bulk of the funds have gone in support of measures to improve social policies, to support social welfare reforms with a global impact on the entire society, namely 127 M€, and projects specifically aiming at facilitating and improving the social inclusion of women, youth, indigenous people and other disadvantaged groups, 46M€. A total amount of 33 M€ has supported interventions in the field of core labour standards, mostly workers rights, migrant rights, non-discrimination measures.

This result underlines the growing interest in the last decade in core labour standard issues and the efforts done at policy level to recognize the importance of combating child labour, eliminating all forms of forced labour and discrimination worldwide. The remaining 1 M has gone in support of social assistance off disabled, victims of violence, children at risk and other vulnerable groups, TVET, sectoral training and social dialogue.

BOX 1 : EXAMPLES OF REGIONAL CLS PROGRAMMES

Among the main projects financed in this field there are for example 'tackling child labour through education (TACKLE)', a project of 50 M targeting all countries, and the project 'Increasing Protection of Migrant Workers in Russian Federation and Enhancing Development Impact of Migration in South Caucasus through Policy Dialogue, Capacity Building, Partnerships and Pilot Actions'.

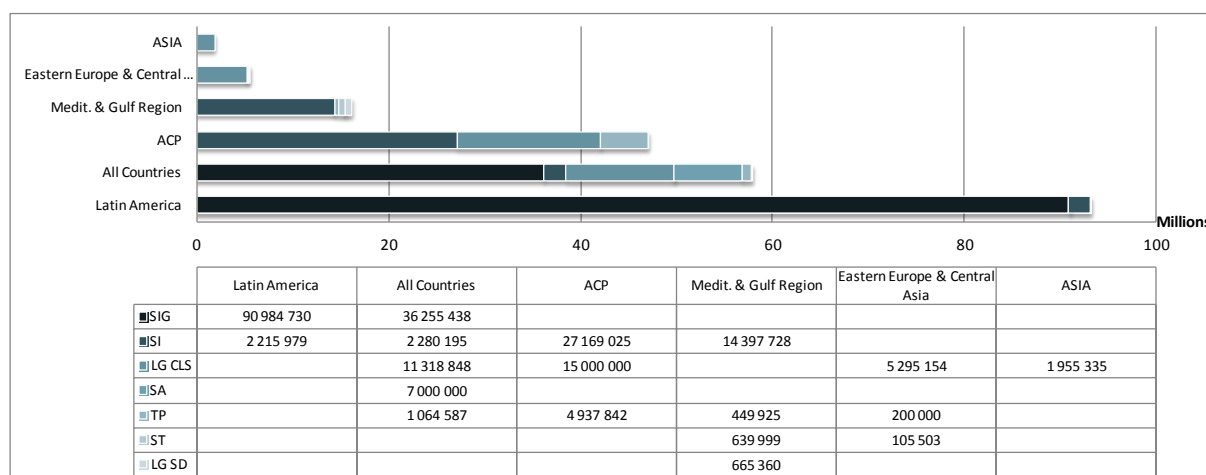
4.1.6. By Geographical Area

In terms of geographical destination, a considerable amount of funds has gone to Latin America regional projects (93 M€), especially to SIG projects supporting social welfare reforms with a global impact on the community (90 M€). Among these projects it is worth recalling the 'urban regional programme in support to social cohesion local processes' (50 M€), the measures 'social cohesion, employment and decent work of the investing in people thematic programme' (7.3M€), and the project 'dimension sociolaboral del Mercosur' (980 thousand€) in South America. A considerable share of funds has gone to projects targeting all countries (57 M€), mostly in the field of SIG (36 M and core labour standards (11 M€), and the ACP region (47 M€), where 27 M€ have supported projects fostering social inclusion in the labour market of marginalized groups such as the discouraged unemployed, single pensioners, single mothers, homeless, ethnic minorities, migrants and others. For instance, a major project financed by the EC is 'facilité intra acp pour les migrations' (50 M€).

These figures seem to respond to the increasing interest given at policy level to the need to promoting reforms in the area of social affairs and social inclusion, especially in Latin America and the ACP region.

In the area of inclusion into the labour market, a notable portion of resources has been allocated to programmes and measures aimed at developing and supporting technical and vocational education systems, training infrastructures, and general curricula development (TP-6 M€). The bulk of these resources has gone to ACP countries, and in particular to the Caribbean region where more than 2M€ have funded the project 'Development vocational tertiary education & training in Caribbean region-university of technology'. Overall, support to measures targeting consultation/exchange of information between, or among, representatives of governments, employers and workers, on issues relating to economic and social policy, labour disputes, trade unions, has been rather low. In fact, only one project has been financed in this field: 'dialogue social et système sociaux', a project of approximatively 665 thousand Euro financed in the Mediterranean region.

FIGURE 5: ESI REGIONAL ALLOCATION BY SECTOR AND BY REGION, 1999-2008



Source: Own elaboration based on the Inventory of EC ESI related interventions

- If the ESI-Enlarged definition is taken into account, the total regional cooperation amounts to **898 M€**, about the 9% of the global ESI-Enlarged allocations (10,213 M€). The remarkable increase in the financial allocation (676 M€) rests on the size of regional interventions implemented in the field of structural reform and private sector development, which have received respectively 389 M€ and 226 M€. It is worth noting that interventions targeting regional integration, and more specifically trade and

economic regional integration, have been included under the category structural reforms. These types of projects involve mainly the Africa and the Caribbean region, which have received more than 90% of the total devoted to this field. This finding meets to a certain extent the EC goal of strengthening and facilitating trade development and regional integration, especially between ACP countries. For instance, among the projects financed in this field there is the programme 'support for regional integration in West Africa' (105 M€), and the 'Caribbean integration support programme (cisp)' (40 M€). Within the private sector, the bulk of All Countries interventions is financed by ECIP, which main goal is to build on the Council's consensus regarding the importance of private sector involvement in key development-oriented activities such as technology transfer, employment generation, and the increase of export capacity and the satisfaction of local needs. Other types of projects are for instance: the 'private sector enabling environment facility', a project of 20M in the ACP region and the 'Caribbean regional tourism sector development program' (8M€).

4.1.7. By period

The table below presents the evolution of EC support to the area of ESI over the period considered. A striking issue is that allocation to ESI regional projects has been rather uneven over the period considered. The sector SIG has received the greatest share of funds but the first allocation amounts only to 2003. A similar example is the sector LG CLS, which has received financial resources only since 2004. Another interesting finding is that the size of the amount allocated changed notably from one year to another, which hinders outlining a clear pattern.

TABLE 7: EVOLUTION OF EC COMMITMENTS TO ESI REGIONAL PROJECTS OVER THE PERIOD

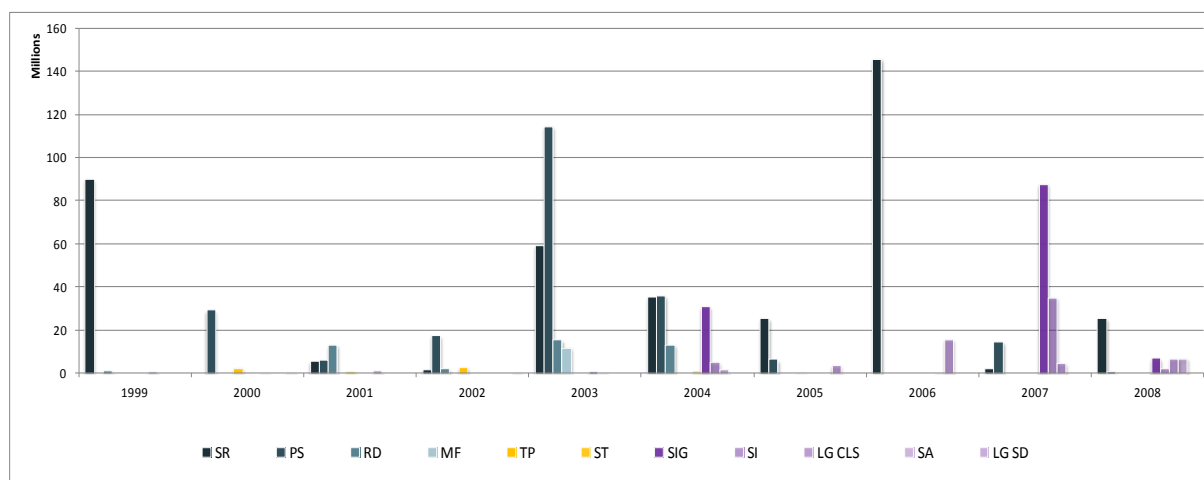
| Decision Year | SIG | SI | LG CLS | SA | TP | ST | LG SD |
|---------------|---------------|--------------|---------------|-----------|--------------|------------|------------|
| 1999 | - | 1.058.221,17 | - | - | - | - | - |
| 2000 | - | 269.622,62 | - | - | 2.600.000 | - | 551.460,00 |
| 2001 | - | 1.229.028,83 | - | - | 1.064.587 | - | - |
| 2002 | - | - | - | - | 2.787.766,96 | - | 113.900,00 |
| 2003 | 980.000,00 | 600.000,00 | - | - | - | - | - |
| 2004 | 31.264.730,70 | 5.468.273,03 | 1.689.172,00 | - | - | 745.502,00 | - |
| 2005 | - | - | 3.900.440,00 | - | 200.000,00 | - | - |
| 2006 | - | 128.367,53 | 15.959.662,76 | - | - | - | - |
| 2007 | 87.695.438,00 | 34.876.762 | 4.922.213,59 | - | - | - | - |
| 2008 | 7.300.000,00 | 2.432.652,25 | 7.097.848,19 | 7.000.000 | - | - | - |

Source: Own elaboration based on the Inventory of EC ESI related interventions

- If the ESI-Enlarged definition is taken into account, the global picture becomes more interesting. As a matter of fact, it is possible to discern two main trends in EC support to ESI-Enlarged sectors. In the period 1999-2004, EC regional assistance has largely focused on private sector development, structural reforms, and rural development. In fact, this kind of interventions has absorbed almost 88% of the total amount committed in this sub-period. Since 2004, these sectors have gradually lost their primacy leaving the floor to new areas of cooperation such as social inclusion, labour governance. As shown in the figure below, although interventions via labour demand (ELD) are still the most important one in terms of budget also in the second period, they have more than halved whereas those in the area of DWS have increased the total budget about four times. It could be asserted that, following the European Consensus on Development and the Decent Work Agenda, both ratified in 2005, EC support has

shifted from more traditional areas of cooperation towards those sectors promoting employment, decent work and social inclusion, and combating discrimination against all marginalized and vulnerable groups.

FIGURE 6: EVOLUTION OF EC SUPPORT TO ESI-ENLARGED SECTORS BY YEAR, 1999–2008



Source: Own elaboration based on the Inventory of EC ESI related interventions

1.2 ESI allocation at bilateral level

The total amount committed to ESI interventions at bilateral level is **2,258 M€, about 91% of the total allocation to ESI.**

4.1.8. By Sector

The figure below depicts distribution of EC bilateral allocation among the ESI sectors. As for regional programmes, the bulk of bilateral funds have gone in support of measures targeting the social cohesion of vulnerable groups. In particular, interventions in the field of SA-social safety nets, social protection of disabled, victims of violence, children at risk and other vulnerable groups have received 998 M€. See Box.

BOX 2 : EXAMPLES OF SA PROGRAMMES

The Food Aid and Cash Assistance Programme EC supported the Special Hardship Case (SHC) Programme Reform in West Gaza. Targeting the most vulnerable Palestine refugees (approximately 6%), the SHC programme is a “social safety net” programme that would be the responsibility of a Ministry of Social Affairs in an ordinary country. The beneficiaries of the programme receive cash and food assistance. All the beneficiaries of the SHC programme spoken to in interviews carried out for this specific project evaluation – often elderly, handicapped women responsible for large families where most children are too young to work – underlined how vital this programme is for them.

Other relevant examples are the ‘support to the safety nets programme’ in Ethiopia (78 M€), the project ‘improving social protection to extremely vulnerable groups in 5 urban areas’ funded in Afghanistan (24 M€), the project ‘social development and civil society: children at risk’ in Egypt (19 M€).

A total amount of 647 M€ has gone in support of measures aimed at developing and strengthening technical and vocational education systems, VET training infrastructures, curricula development in general.

BOX 3 : EXAMPLES OF TVET PROGRAMMES

It is worth recalling for instance, the 'education and training sector policy support programme' in Botswana (51 M€), the project 'appui à la mise à niveau du système de formation professionnelle' in Algeria (45 M€), the 'education, training and human resources development programme (ethrdp)' in Papua New Guinea (39 M€) as well as the 'modernisation of vocational education and training (vet)' in Syria (21 M€).

The most significant commitment has gone to the project 'East Jerusalem YMCA Vocational Training Programme for Young People, Jericho' financed in the Occupied Palestinian Territory.

Other relevant projects are for example: 'Improve Education of Young Palestine Refugees in Lebanon for better Employment Opportunities' (15 M€), 'programa de educación media y formación para el trabajo para jóvenes' in Argentina (12 M€), 'Training & Retraining of disadvantage groups' in Kyrgyzstan (1 M€).

In terms of social inclusion into the labour market, another sector that has been significantly supported by the EC is TM-TVET access for marginalized groups. In fact, a total of 210 M€ have gone to measures promoting and supporting the access of women, youth, disadvantaged and vulnerable groups to vocational education and training.

Concerning the other relevant sectors, EC has supported:

- i. programmes aiming at facilitating and improving the social inclusion of women, youth, indigenous people and other disadvantaged groups for a total amount of 137 M€ (SI)
 - the biggest projects in terms of financial allocation being 'Urban Renewal Programme in the Eastern Cape Province' in South Africa (30 M€) and 'Programme spécial des voiries urbaines avec 'Haute Intensité de Main d'Oeuvre' in Senegal (27 M€);
- ii. training programmes and schemes in specific areas such as agriculture, banking sector, tourism, health, at secondary level education for a total of 105 M€ (ST).
 - the biggest projects in terms of financial allocation are 'appui au développement de la formation professionnelle dans les secteurs du tourisme, du textile et des nouvelles technologies de l'info et de la communication' in Tunisia, (50 M€) and 'human resources for health' in Uganda (17 M€);
- iii. measures to improve social policies, to support social welfare reforms with a global impact on the entire society for a total allocation of 54 M€ (SIG),
 - the biggest projects in terms of financial allocation being 'EU China social security reform co-operation' project (19 M€) and 'support to the palestinian authority social welfare programme in West Bank and Gaza Strip' (6 M€) ;
- iv. measures and projects addressing social consequences of transition, training for unemployed and economically inactive. Institutions facilitating access to the labour market for a total amount of 54 M€ (LS).
 - The biggest projects in terms of financial commitment are 'fonds de développement économique et social' in Lebanon (25 M€), and labour market information system and HR development in Vietnam (10M€) ;
- v. workers rights, migrant rights, non-discrimination measures for 27 M€ (LG-CLS).
 - The biggest projects in terms of financial commitment are 'centre d'information et de gestion des migrations (CIGEM)' in Mali (10M€), and the project 'appui institutionnel à la circulation de personnes' in Morocco (5M€);
- vi. measures supporting institutional capacities of key relevant institutions and the labour markets' normative framework for 20 M€ (LG-IB),

- the biggest projects in terms of financial allocation being ‘programme d'appui aux associations professionnelles ii’ in Morocco (5M€), and ‘Administrative Reform II (human resources development)’ in Russia (3.9 M€);
- vii. Finally, 1M€ for measures targeting consultation/exchange of information between, or among, representatives of governments, employers and workers, on issues relating to economic and social policy, labour disputes, trade unions (LG-SD).
 - The biggest projects in terms of financial allocation are ‘Empowerment of Workers and Trade Unions’ in Vietnam (0,318 M€), and ‘Trade Union Development to Retrain Russian ex-steel Workers’ in Russia (0,197 M€).

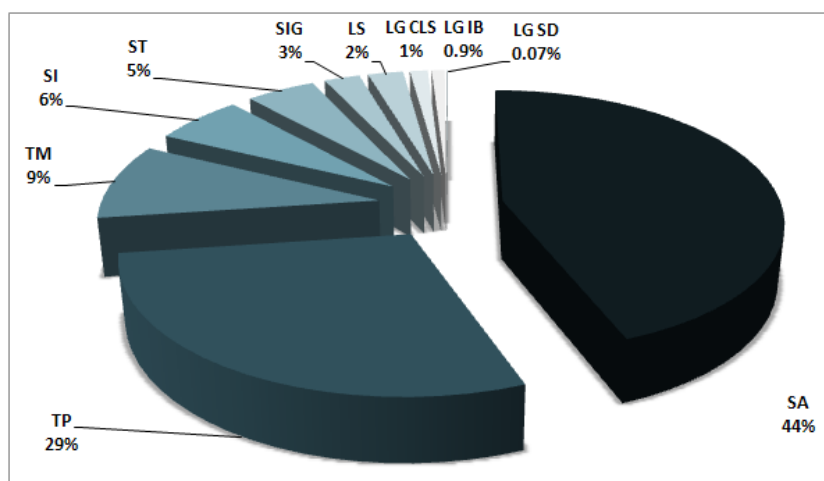
BOX 4 : EXAMPLES OF PS, SR PROGRAMMES

In the field of development of small and medium enterprises, support to the private initiative, investment promotion, both at urban and rural level., the projects that have received the biggest financial commitment are the ‘programme d'appui aux entreprises’ in Morocco (61M€), the ‘Private Sector Support Programme-Risk Capital Facility (RCF)’ in South Africa (55 M€ for phase 1 and 50 M€ for phase 2), and the ‘programme de modernisation industrielle’ in Tunisia (50 M€).

Among the measures in support of reforms promoting economic growth, i.e. reforms aiming at economic restructuring, enhancing market competition, including labour market flexibility, improving macroeconomic stabilisation, promoting regional integration and integration into world market, it is worth mentioning the ‘Programme d'ajustement structurel du secteur de l'eau’ in Morocco (119 M€), the project ‘spinning and weaving sector support’ in Egypt (80 M€), and the ‘Facilité d'Ajustement Structurel IV’ in Tunisia (119 M€).

A deeper insight into this programmes and the way they have addressed ESI components is provided in the section below ‘Allocations in the 20 Selected Countries’.

FIGURE 7: ESI BILATERAL COOPERATION-SECTORAL DISTRIBUTION, 1999-2008



Source: Own elaboration based on the Inventory of EC ESI related interventions

- If the ESI-enlarged definition is taken into account, the total bilateral cooperation amounts to **9,314 M€**, about the 91% of the global ESI-Enlarged allocations (10,213 M€). As reported in the table below, the overall distribution among sectors changes remarkably compared to the ESI-definition scenario. The remarkable increase in the financial allocation (7,055 M€) rests on the size of interventions implemented in the field of poverty reduction, private sector development, and structural reform, which have received respectively 3,508 M€, 1,476 M€, and 1,053

M€. As a matter of fact, these three sectors represent more than 50% of the total ESI-Enlarged financial commitment, respectively 38%, 16% and 11% of the total amount. The remaining part has been committed to measures aiming to improve the competitiveness of the agricultural and forestry sector, the environment and the countryside, the quality of life in rural areas and encouraging diversification of the rural economy (490 M€); to programmes under the Special Framework of Assistance for Traditional ACP Suppliers of Bananas (Budget line BAN) established by the EU in 1999 to provide financial and technical assistance to ACP exporter countries and to help them adjust to the progressive liberalization of the European Union's banana regime (RD-BAN 334 M€). Finally, 192 M€ have supported credit schemes, financial investment, and lending programmes.

TABLE 8: ESI-ENLARGED COMMITMENTS BY SECTOR

| Sector | Amount Committed | % over the Total |
|--------------------|-------------------------|------------------|
| PR | 3,508,925,412.70 | 37.7% |
| PS | 1,476,169,424.70 | 15.8% |
| SR | 1,053,075,908.06 | 11.3% |
| SA | 998,101,768.02 | 10.7% |
| TP | 647,342,329.02 | 6.9% |
| RD | 490,315,988.08 | 5.3% |
| RD-BAN | 334,167,911.95 | 3.6% |
| TM | 210,942,539.14 | 2.3% |
| MF | 192,978,461.61 | 2.1% |
| SI | 137,501,752.46 | 1.5% |
| ST | 105,902,190.71 | 1.1% |
| SIG | 54,824,622.18 | 0.6% |
| LS | 54,547,730.05 | 0.6% |
| LG CLS | 27,589,716.53 | 0.3% |
| LG IB | 20,231,896.76 | 0.2% |
| LG SD | 1,682,098.71 | 0.02% |
| Grand Total | 9,314,299,750.68 | |

Source: Own elaboration based on the Inventory of EC ESI related interventions

4.1.9. By Geographical Area

In terms of geographical distribution, as shown in the figure below, the most targeted region has been the Mediterranean, where a total amount of 1,374 M€ has been allocated, namely 61% of the total ESI financial commitment. A considerable amount of these funds has gone in support of social assistance of vulnerable groups (825 M€), especially in Occupied Palestinian Territory and Egypt, which are the top recipient countries. A significant contribution in this region has gone also in favour of programmes aimed at developing and strengthening technical and vocational education systems, VET training infrastructures, and curricula development in general (270 M€). In particular, Egypt is the top receipt country in this field with a total allocation of 153 M€.

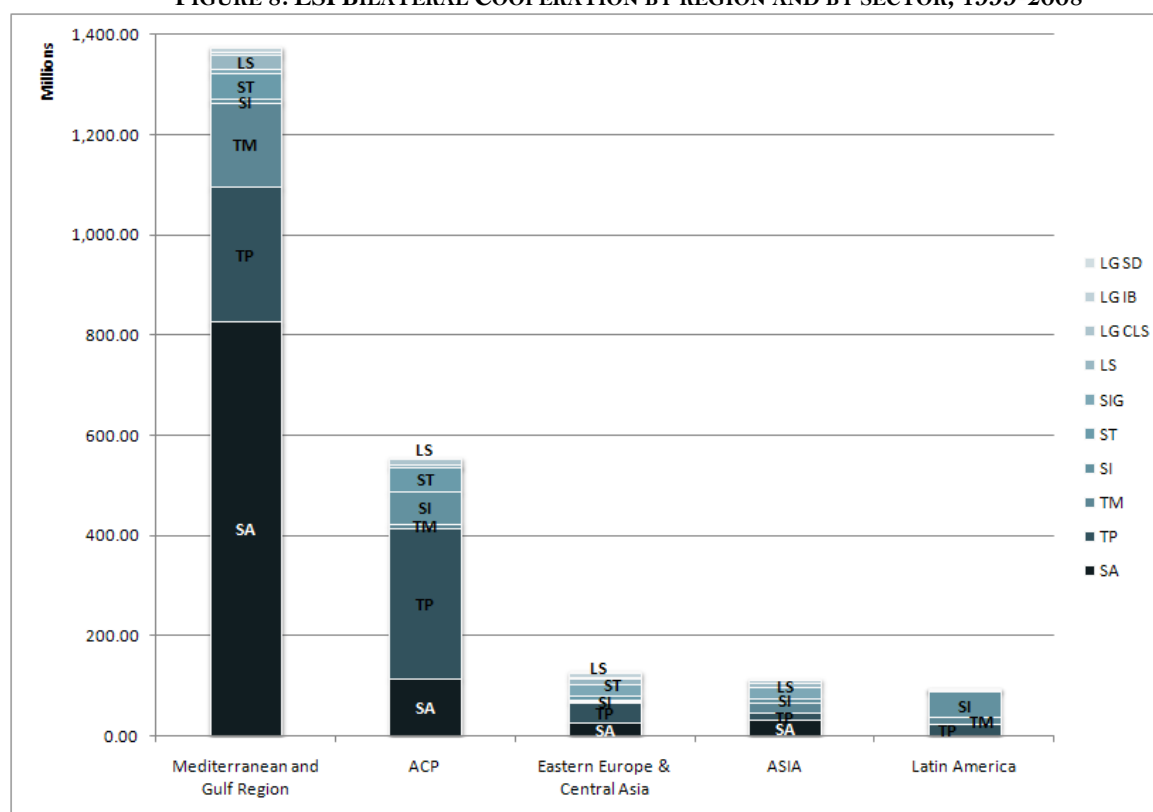
A considerable share of funds has gone to projects targeting ACP countries, which have received 25% of the total amount allocated to ESI (553 M€). In particular, EC has funded 299 M€ in the field of TVET, 114 M€ in social assistance, and 65 M€ in social inclusion (the remaining being spread on measures targeting sectoral training, TVET access for marginalized groups and labour supply).

Interventions in the other three regions represent about 15% of the total allocation. Eastern Europe and Central Asian countries have received 6% of the total (126 M€), with Russia and Armenia being the top recipient, respectively 30 M€ and 26 M€. Again, TVET is the most targeted sector (38 M€), followed by social assistance of disabled, victims of violence, children at risk and other vulnerable groups (26 M€).

Asian countries have received 5% of the total allocation (111 M€), with Bangladesh and Afghanistan being the top recipient countries, respectively 40 M and 31 M€. In terms of sectoral distribution, 28% of the geographical allocation has gone in support of social safety nets, social protection of disabled, victims of violence, children at risk and other vulnerable groups, 18% for programmes promoting and supporting the access of women, youth, disadvantaged and vulnerable groups to vocational education and training, and 18% for measures to improve social policies, to support social welfare reforms with a global impact on the entire society.

In contrast with the results in terms of regional programmes, Latin American countries have received relatively less funds, 4% of the total allocation (92 M€). Out of this amount, 56% has supported programmes aiming at facilitating and improving the social inclusion of women, youth, indigenous people and other disadvantaged groups, while 26% has supported TVET interventions. The most targeted countries in the region have been Peru (24M€), Argentina (12 M€), and Colombia (10 M€).

FIGURE 8: ESI BILATERAL COOPERATION BY REGION AND BY SECTOR, 1999-2008



Source: Own elaboration based on the Inventory of EC ESI related interventions

- If the ESI-enlarged definition is taken into account, the geographical distribution of the EC cooperation changes as well. As a matter of fact, the top recipient region becomes the ACP (while according to the ESI definition is the MEDA region), with a total allocation of 5,636 M€, which represents more than 60% of the total cooperation in this field.

TABLE 9: ESI-ENLARGED COMMITMENTS BY REGION

| Region | Amount Committed | % over the total |
|-------------------------------|-------------------------|------------------|
| ACP | 5,636,138,365.95 | 61% |
| Mediterranean and Gulf Region | 2,689,787,266.15 | 29% |
| Latin America | 401,582,345.66 | 4% |
| ASIA | 361,286,878.41 | 4% |
| Eastern Europe & Central Asia | 225,504,894.51 | 2% |
| Grand Total | 9,314,299,750.68 | |

Source: Own elaboration based on the Inventory of EC ESI related interventions

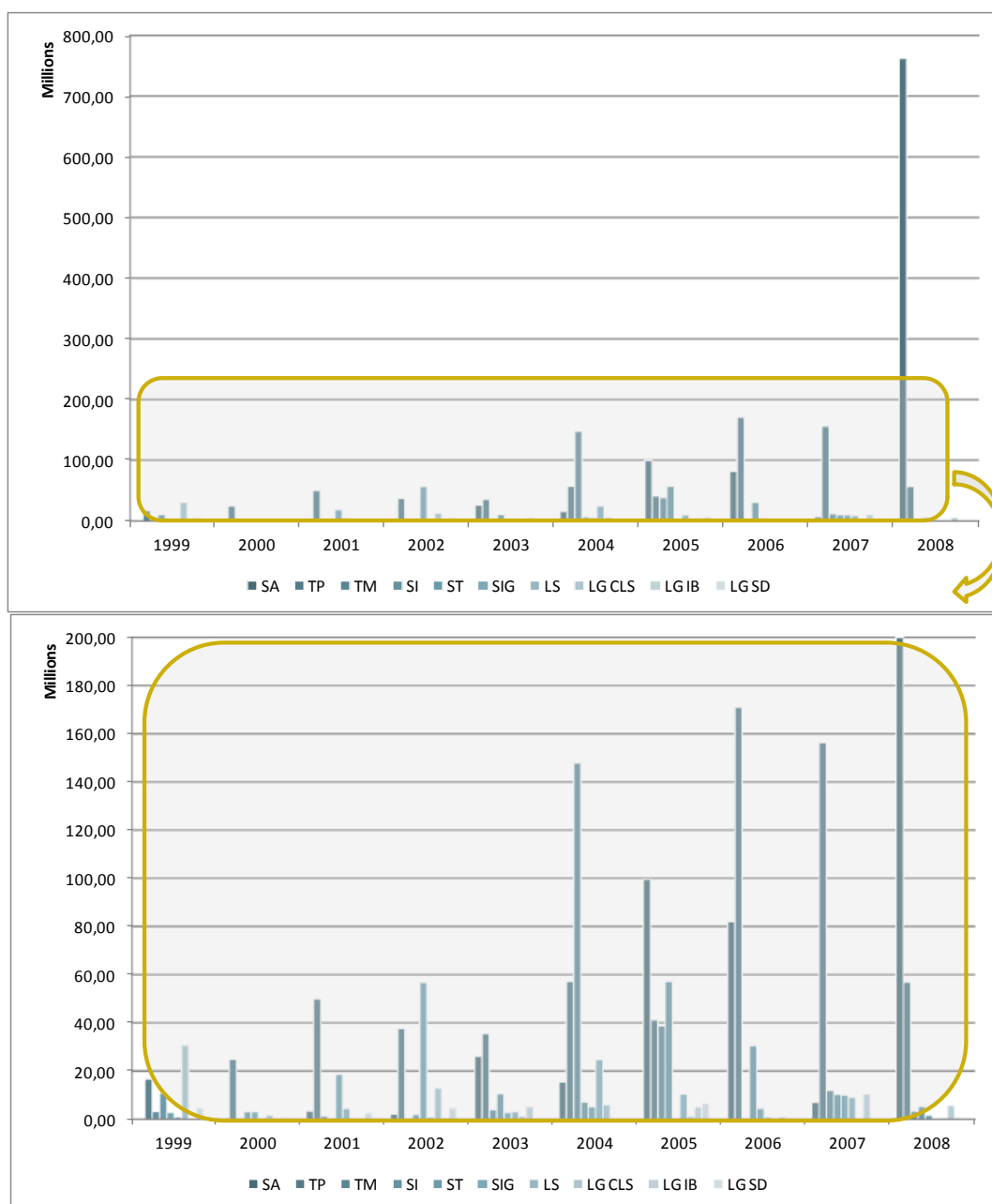
4.1.10. By period

The figure below presents the evolution over the period considered of the EC support to ESI at bilateral level. One striking finding is that, overall, financial allocations have increased remarkably after 2003.

- In particular, support to social safety nets, social protection of disabled, victims of violence, children at risk and other vulnerable groups has shifted from an average annual allocation of 6 M€ in the first five years (1999-2003) to 193 M€ in the following five years (2004-2008).
- The same positive trend has been recorded for measures aimed at developing and strengthening technical and vocational education systems, VET training infrastructures, and curricula development in general, which have moved from an average annual allocation of 32 M€ in the first period to 96 M€ in second period. Programmes promoting and supporting the access of women, youth, disadvantaged and vulnerable groups to vocational education and training have moved from an average annual commitment of 1 M€ to 40 M€.
- Financial allocation to programmes aiming at facilitating and improving the social inclusion of women, youth, indigenous people and other disadvantaged groups has increased from an average annual amount of 5 M€ in the first period to 22 M€ in the second period.
- The average annual commitment of measures aiming to improve social policies, to support social welfare reforms with a global impact on the entire society has shifted from 1 to 9 M€.
- Interventions targeting workers rights, migrant rights, non-discrimination measures have moved from an average annual commitment of 1 to 4M€.

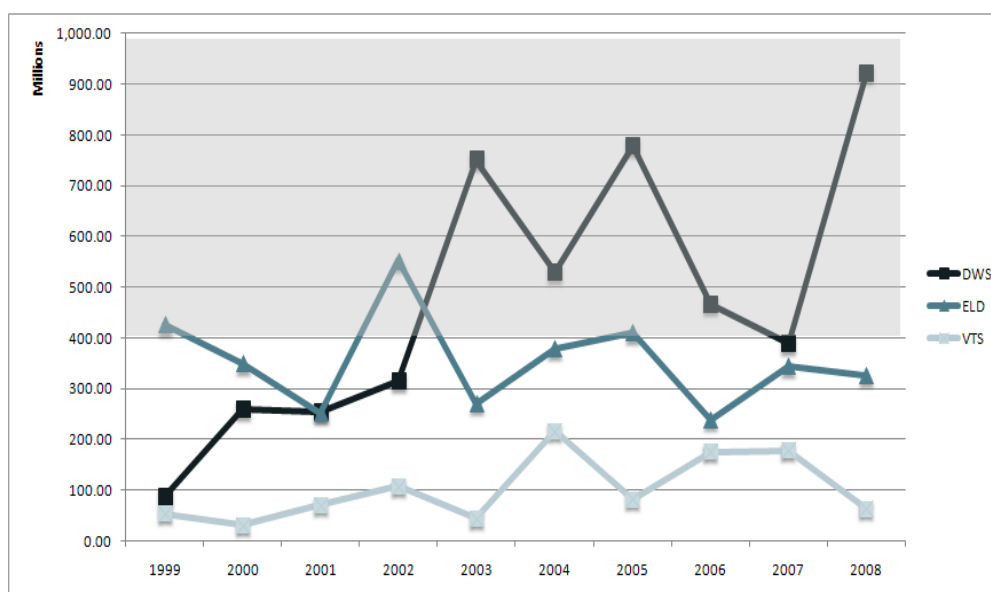
On the contrary, a negative trend has been recorded for: financial support to sectoral training (from 16 to 4M€), measures and projects addressing social consequences of transition, training for unemployed and economically inactive, institutions facilitating access to the labour market (from 9 to 1M€); measures supporting institutional capacities of key relevant institutions and the labour markets' normative framework (from 2 to 1M€); and for measures targeting consultation/exchange of information between, or among, representatives of governments, employers and workers, on issues relating to economic and social policy, labour disputes, trade unions (from 0,212 to 0,124 M€).

FIGURE 9: EVOLUTION OF ESI BILATERAL COOPERATION BY SECTOR AND YEAR, 1999-2008



Source: Own elaboration based on the Inventory of EC ESI related interventions

- If the ESI-enlarged definition is taken into account, it can be asserted that support to structural reforms, private sector development, microfinance projects, rural development has been overall constant over the period considered. The figure below gives a glimpse of EC cooperation's trend over the period at macrosectoral level.

FIGURE 10: ESI-ENLARGED COOPERATION - TOTAL AMOUNT ALLOCATED BY MACROSECTOR AND YEAR

Source: Own elaboration based on the Inventory of EC ESI related interventions

If we divide the graph in two imaginary sections whose threshold is the axis 400 M€, it is possible to state that on the one hand, support to Inclusion into the labour market (demand side-ELD), which was the only one above the line in 1999, moved below the threshold by 2008; and on the other hand, that support to social cohesion of vulnerable groups (DWS) interventions has been the only one to stay above this line for most of the period considered.

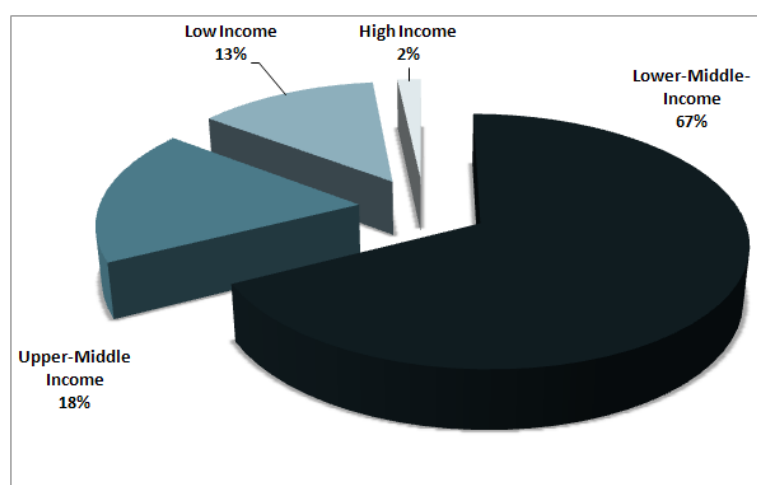
While for EC regional programmes, there was a rather clear breakthrough in 2005 with a shift from ELD to DWS interventions, for EC bilateral cooperation it could be argued that the change has been more gradual. Although traditional sectors of cooperation such as structural reforms and rural development have been receiving fewer funds, they can still be considered as important targets. Support for private sector development has stayed rather constant over the period, proving to be a fundamental channel for trade development, competitiveness enhancement, and job creation.

4.1.11. By country's economic development level ¹⁶

Fig. 11 depicts the EC allocation to ESI sectors in terms of country's income level. The bulk of EC funds have financed ESI interventions in lower-middle income countries, which have received 1,524 M€, namely more than 60% of the total allocation. Upper-middle income countries have received 18% of the total, namely 401 M€; Low income countries have received 293 M€, 13 % of the total, and high income economies 38 M, around 2% of the total.

¹⁶ Based on the GNI per capita, according to which every economy is classified as low income, middle income (subdivided into lower middle and upper middle), or high income¹⁶. Low income countries are defined as such when having a GNI per capita of \$975 or less; lower middle income, \$976 - \$3,855; upper middle income, \$3,856 - \$11,905; and high income, \$11,906 or more.

FIGURE 11: TOTAL AMOUNT ALLOCATED TO ESI BY COUNTRY INCOME LEVEL GROUPS, 1999-2008



Source: Own elaboration based on the Inventory of EC ESI related interventions

In terms of sectoral classification, as shown in the figure below:

- Interventions in the field of social safety nets, social protection of disabled, victims of violence, children at risk and other vulnerable groups have been financed mostly in lower-middle income countries, 85% of the total and in low-income countries, 13% of the total.
- Financial allocation to TVET interventions has been particularly significant in lower-middle income countries, 53% of the total and in upper-middle income countries, 36% of the total. Programmes promoting and supporting the access of women, youth, disadvantaged and vulnerable groups to vocational education and training have been financed mostly in lower-middle income countries, 73% of the total.
- Programmes aiming at facilitating and improving the social inclusion of women, youth, indigenous people and other disadvantaged groups have targeted upper-middle income countries, which have received 47% of the total, and low-income economies (31%).
- Financial support to workers rights, migrant rights, non-discrimination measures has been considerable in lower-middle income countries, more than 57%, and low-income economies (42%).
- High income economies have received some limited support for training programmes and schemes in specific areas such as agriculture, banking sector, tourism, health, at secondary level education (2 M€), and for measures supporting institutional capacities of key relevant institutions and the labour markets' normative framework (0,5 M€).
- Measures and projects addressing social consequences of transition, training for unemployed and economically inactive, institutions facilitating access to the labour market, have been financed mostly in lower-middle income countries (55%) and upper-middle income countries (37%).
- Finally, EC support to measures targeting consultation/exchange of information between, or among, representatives of governments, employers and workers, on issues relating to economic and social policy, labour disputes, trade unions has targeted mostly upper-middle income countries (41%), lower-middle income countries (30%), and low income economies (29%).

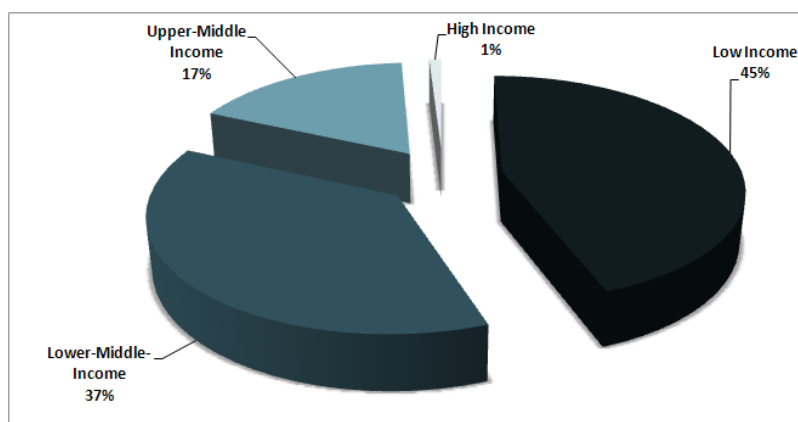
FIGURE 12: EC SUPPORT TO ESI BY COUNTRY INCOME LEVEL GROUP AND BY SECTOR, 1999-2008



Source: Own elaboration based on the Inventory of EC ESI related interventions

- If the ESI-enlarged definition is taken into account, the scenario changes remarkably. As a matter of fact, it turns out that the bulk of EC funds have financed ESI-enlarged interventions in low income countries, which have received 4,142 M€. This increase can be largely explained by the support to poverty reduction programmes (3,508 M€), which 84% of the total has been funded in low income countries. Measures supporting the development of small and medium enterprises, support to the private initiative, investment promotion, both at urban and rural level (PS-1,476 M€) have been financed mostly in upper-middle

FIGURE 13: ESI-ENLARGED -TOTAL AMOUNT ALLOCATED BY COUNTRY INCOME LEVEL GROUPS, 1999-2008



Source: Own elaboration based on the Inventory of EC ESI related interventions

income countries, 45%, and lower-middle income economies, 35%. Projects supporting

reforms promoting economic growth, i.e. reforms aiming at economic restructuring, enhancing market competition, including labour market flexibility, improving macroeconomic stabilisation, promoting regional integration and integration into world market (SR-1,053 M€) have been funded mostly in lower-middle income countries, 53% of the total allocated to SR, and in low-income economies, 42% of the total for the sector.

1.3 Allocations in the 20 Selected Countries¹⁷

This section focuses on ESI cooperation in 20 selected countries, which were identified through a reasoned country sampling approach. The countries under scrutiny are reported in the Box hereby.

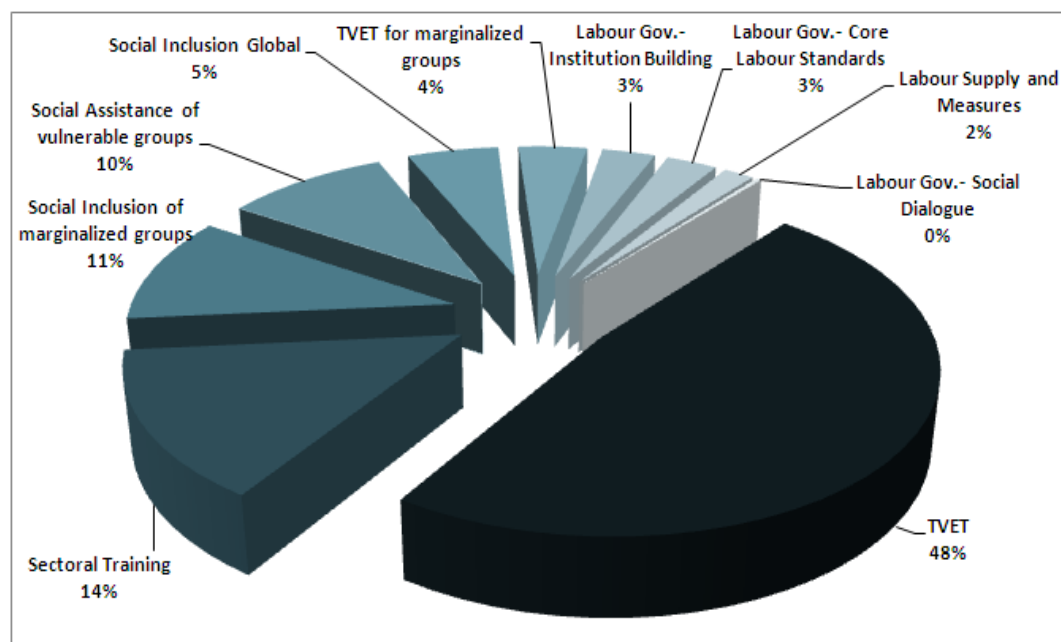
4.1.12. By Sector

EC support to the 20 selected countries in the field of ESI, amounts to a total of **548 M€**, of which approximatively **139 M€** have targeted social cohesion of vulnerable groups, and **409 M€** have been allocated to interventions targeting social inclusion into the labour market (labour supply side).

BOX 5 : LIST OF THE 20 SELECTED COUNTRIES

- ✓ ACP: Tanzania, Uganda, Mali, Niger, South Africa, Jamaica, Dominican Republic;
- ✓ Mediterranean: Morocco, Tunisia, Egypt, Jordan;
- ✓ Latin America: El Salvador, Brazil;
- ✓ Eastern Europe and Central Asia: Kyrgyzstan, Russia, Armenia, Ukraine;
- ✓ Asia: Bangladesh, Vietnam, China.

FIGURE 14: TOTAL AMOUNT ALLOCATED BY SECTOR



Source: Own elaboration based on the Inventory of EC ESI related interventions

Social inclusion into the labour market (labour supply side)

As depicted in the figure above, a significant share of these funds have been allocated to TVET interventions, which have received 263 M€. Projects in the field of sectoral training have absorbed almost 80 M whereas interventions targeting TVET for marginalized groups have been funded for a total amount of 22 M€.

The scrutiny of the selected projects for the 20 countries shows that in most of the cases, TVET projects do not systematically include indicators targeting specific groups and particularly women, youth and indigenous people. However, this kind of indicators has been found in some countries. See Box.

BOX 6 : EXAMPLES OF TVET PROGRAMMES WITH INDICATORS BY GROUP

- ✓ South African project TABEISA II. In order to develop a social and entrepreneurial culture within disadvantaged communities, provision of entrepreneurship training for local communities is planned. The related indicator is 1,500 clients per year presenting business ideas to the TECs, of which approx. 50% female clients.
- ✓ The project 'vulnerable group development for ultra-poor (VGDUP)' in Bangladesh does not include relevant indicators. However, the programme specifically target ultra-poor (UP) rural women household-heads. Living in extreme conditions of marginalization, lacking any assets, skills and external support, UP women, most of them abandoned or widows, are the most vulnerable group in rural society. UP women make their living as seasonal agricultural workers or domestic servants which are unpredictable and based on mere short term in-kind/cash transfers.
- ✓ They are rarely included in the public Social Safety Net Programme (SSNP).

Nevertheless, most of these projects do include institutional strengthening and arrangements, mid-term perspectives for sector financing and indicators for monitoring the sector performance.

BOX 7 : EXAMPLES OF TVET PROGRAMMES WITH INSTITUTIONAL STRENGTHENING AND ARRANGEMENTS

- ✓ In Armenia, the project 'Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system' include specific institutional strengthening and arrangements, mid-term perspectives for sector financing and indicators for monitoring the sector performance.
- ✓ In the Dominican Republic, among the main activities of the project 'Development of technical and professional Education in Dominican Republic' there are the reorganization of the Directorate General for the TPE, the increase of its capacity, the upgrading of its facilities, the reforming and decentralization of financing and management systems.
- ✓ In Egypt, the 'Education sector policy support programme (ESPSP)' foresees the strengthening of education institutions. In particular, the programme is expected to contribute to institutionalize decentralization and to strengthen the school based paradigm, based on the effective school model.
- ✓ In South Africa, as part of the 'Programme to support pro-poor policy development (PSPPD)', a Monitoring, Learning and Research Facility (MLRF) will be set-up. The facility will be used to ensure the capacity building, monitoring and evaluation objectives are fulfilled.

In terms of indicators relating to the impact of TVET interventions on the labour market, the interventions analysed in these 20 countries allow asserting that the most common are the creation of a specified number of jobs, the decrease in under-employment, the increase in education attainment of labour force, the ratio of skilled workers and technicians labour force, the employers 'perception of quality of labour force.

BOX 8 : EXAMPLES OF TVET PROGRAMMES WITH INDICATORS ON EMPLOYMENT IMPACT

- ✓ In Vietnam, for example, the project 'Labour market information system and HR development' includes among the indicators showing the impact of TVET on employment : the decrease in under-employment, the increase in education attainment of labour force, ratio of skilled workers and technicians labour force increased, improved employers 'perception of quality of labour force.
- ✓ The TABEISA II in South Africa includes the creation of 12,000 jobs created directly or indirectly within two years of completion of the project.
- ✓ In Egypt, the Education sector policy support programme (ESPSP) envisages the following key relevant indicators: Number of teachers recruited and trained to work with mildly disabled children; number of teachers recruited and trained, Statistics showing a decrease in non-teaching/teaching staff ration; ratio of teaching hours/teaching staff to be equal to the stated teaching load.

Social *cohesion* of vulnerable groups

In terms of social inclusion of women, youth, indigenous people and other disadvantaged groups, and social safety nets, social protection of disabled, victims of violence, children at risk and other vulnerable groups, EC has financed projects for a total amount of respectively 57 M€ and 51M€. Projects in the field of social inclusion at a broader level, aiming to improve social policies, to support social welfare reforms with a global impact on the entire society, have received a bit more than 29M€. Interventions in the area of Labour Governance have received a total of 35 M€.

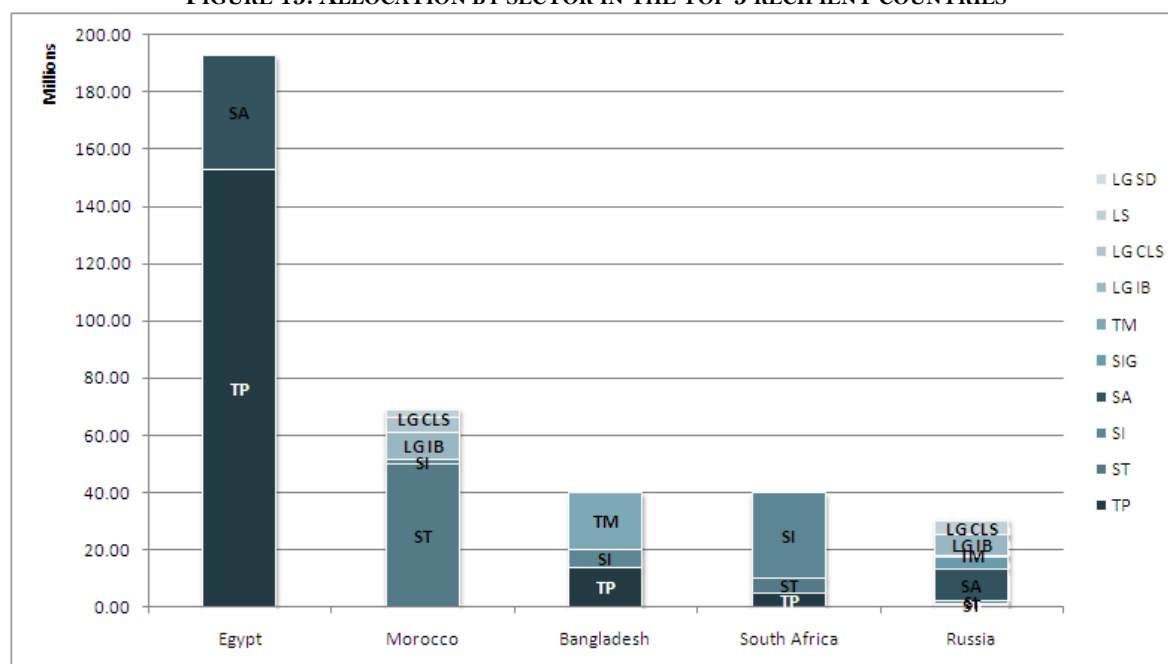
BOX 9 : EXAMPLES OF SI INTO LABOUR MARKET OF VULNERABLE GROUPS PROGRAMMES

- ✓ In Bangladesh the project 'Empowerment of Adolescent Girls' aims at empowering adolescents, especially girls, to participate meaningfully in decisions that affect their lives (including education, livelihood strategies and increasing age at marriage); and become active agents of social change; and creating and sustaining a supportive environment for the adolescent girl development at the household and community level.
- ✓ In Egypt, the project 'social development and civil society: children at risk' intends to reduce poverty among children at risk and thus improve their social development, and to enhance the capacity of NGO's to contribute effectively to social development. In particular, actions are set in such a way to contribute to improved living conditions and prospects of social reintegration of five groups of economically vulnerable and socially marginalized children; to facilitate girls' access to education; and to strengthen the NGO sector.
- ✓ Another positive example comes from El Salvador, where the project Projovenes' specific goal is 'increased quantity and quality of opportunities for 50.000 young people (10 – 25 year old) at social risk in San Salvador Metropolitan Area'.
- ✓ In Ukraine, the project 'Gender Equality in the World of Work' aims to build the capacity of Ukrainian authorities and social partners in ensuring respect for national and international gender equality commitments in the world of work, in progressively eliminating gender biases in employment policies and sexual harassment at the workplace, and in creating a supportive environment for women's economic empowerment and women's entrepreneurship. labour market institutions and social partners in developing and implementing gender-sensitive labour market policies, programmes and services.
- ✓ Finally, the South-African programme, known as the 'EU SPSP', overall objective is improving the quality of life of marginalised communities within the framework of urban renewal programme.

Projects in this area have linked support to marginalized and vulnerable groups to their participation in labour market mostly through the inclusion in the objectives or through specific actions.

As shown in the figure below, the top 5 recipient countries are Egypt, Morocco, Bangladesh, South Africa and Russia, which in total receive more than 67% of the total amount allocated to the 20 countries under scrutiny.

FIGURE 15: ALLOCATION BY SECTOR IN THE TOP 5 RECIPIENT COUNTRIES



Source: Own elaboration based on the Inventory of EC ESI related interventions

The table below reports the three top recipients for each sector, which have received more than 50% of the resources allocated to each sector. It can be stated that in terms of social inclusion into the labour market, ENP countries have definitely played a central role. Allocation to social cohesion of vulnerable groups has been more varied in terms of recipient regions, with, however, funds to social assistance being significantly ENP oriented.

TABLE 10: ESI COMMITMENTS BY SECTOR-TOP RECIPIENT COUNTRIES

| Micro Sector | Country | Total (€) | Micro Sector | Country | Total (€) |
|--------------|--------------|----------------|--------------|--------------|---------------|
| TP | Egypt | 153,118,628.22 | SI | South Africa | 30,000,000.00 |
| | Tunisia | 30,000,000.00 | | El Salvador | 9,651,491.92 |
| | Armenia | 26,233,628.44 | | Brazil | 7,500,000.00 |
| ST | Morocco | 50,000,000.00 | SA | Egypt | 39,664,735.88 |
| | Uganda | 17,000,000.00 | | Russia | 11,374,335.51 |
| | South Africa | 4,950,000.00 | | Kyrgyzstan | 510,000.00 |
| TM | Bangladesh | 20,000,000.00 | SIG | China | 19,998,450.00 |
| | Kyrgyzstan | 1,274,761.15 | | Ukraine | 5,171,693.45 |
| | Russia | 577,300.44 | | Russia | 4,104,745.36 |
| LG IB | Morocco | 9,641,888.68 | | | |
| | Russia | 6,980,690.92 | | | |
| | Jordan | 317,342.00 | | | |
| LG CLS | Mali | 10,000,000.00 | | | |
| | Morocco | 5,000,000.00 | | | |

| | | |
|--------------|------------|--------------|
| | China | 1,040,000.00 |
| LS | Russia | 4,708,191.45 |
| | Morocco | 2,778,186.21 |
| | Kyrgyzstan | 2,239,098.00 |
| LG SD | Russia | 682,150.51 |
| | Vietnam | 496,593.59 |
| | Ukraine | 378,554.61 |

➤ ESI-Enlarged definition

The total financial allocation in the period considered rises to **3,473 M €**, of which **2,820 M € (81% of the total)** have funded projects in the field of: i) reforms promoting economic growth, i.e. reforms aiming at economic restructuring, enhancing market competition, including labour market flexibility, improving macroeconomic stabilisation, promoting regional integration and integration into world market (554 M€), ii) development of small and medium enterprises, support to the private initiative, investment promotion, both at urban and rural level (773 M€); iii) measures to improve the competitiveness of the agricultural and forestry sector, the environment and the countryside, the quality of life in rural areas and encouraging diversification of the rural economy (146 M €); iv) credit schemes, financial investment, lending programmes (40 M €); programmes having as their main objective poverty reduction. Usually their different components relate to: macroeconomic framework, economic growth & social programmes (1,409 M€).

Social Inclusion into the labour market (labour demand side)

Concerning the link between these sectors and ESI, for the projects classified as PS, SR, RD and MF, the analysis of financing agreements, CSPs, and related project documents, shows that in most of the cases these interventions take into consideration the economic situation/macro-economic changes with reference (direct/or indirect) to the implications on the labour market.

BOX 10 : EXAMPLES OF PROGRAMMES LINKING ESI & ESI-ENLARGED

- ✓ 'Apoio à inserção internacional das PMEs brasileiras' in Brasil, for which the FA provides an interesting overview of the economic liberalization process launched in the 1990's and the implications at the social level.
- ✓ For the EU - China enterprise reform project, the FA addresses rising unemployment, which seems directly affected by the reform process. In particular, an analysis of the WTO accession is provided according to which, while expected to have a positive influence in the medium- and long-term, both on the competitiveness of the Chinese economy and on the overall employment situation, it will add some pressure in the short-term, particularly on some segments of the labour market.
- ✓ The FA of the Egyptian Spinning and Weaving Sector Support Programme stresses how in all policy activities, the key driver of reform is the need to ensure that economic reform is coupled with social concerns, so as to ensure that the rights and interests of public sector employees are safeguarded and that the development of the private sector is conducive to a high level of employment creation.
- ✓ In Jamaica the FA of the project 'Accompanying measures 2006 for sugar protocol countries' provides a short summary of the consequences of the common market organization for sugar's reform.
- ✓ In Morocco, for the project 'Appui à l'amélioration de la situation de l'emploi de la femme rurale et gestion durable de l'arganeraie dans le sud-ouest du Maroc (projet arganier)', the FA provides an analysis of the characteristics of the sector where women's revenues are strictly related to the arganery activities.
- ✓ In Jordan, the FA of the 'Industrial modernization programme- ejada' provides an interesting analysis of Jordan's economic reforms, in particular of the need to modernize the major industry and service sectors and to improve the productivity, competitiveness and export potential of the Jordanian economy in order to coop with stronger competition from neighboring and world markets the Jordanian economy.

Concerning specific ESI objectives of these broad interventions, it can be asserted that in most cases these projects address labour market demand and promotion of employment creation among their objectives and/or measures.

BOX 11 : EXAMPLES OF PROGRAMMES ESI-ENLARGED PROGRAMMES WITH ESI OBJECTIVES

- ✓ The main purpose of the project 'BRAC – Challenging the Frontiers of Poverty Reduction' is that improved livelihood practices of the poor, particularly the ultra poor, are established as a replicable model and debated by development partners at the national level. A 'Special Investment Programme' (SIP) and the 'Employment and Enterprise Development Training (EEDT)', are among the key outputs and activities. In particular, the activities of the programme will have the following expected results in terms of labour market demand and employment creation: i) By the end of the programme the specially targeted ultra poor will be aware of development issues and confident to access BRAC and other services. ii) The ultra poor will be capable of undertaking selected Income Generating Activities.
- ✓ In Niger 'appui a la securite alimentaire par la petite irrigation (asapi)', where Employment creation is not the main goal. However, by targeting food security, the project aims to make sustainable agricultural activities and their revenues.
- ✓ The project 'Sector wide enterprise, employment and equity programme - sweep phase 2' aims to maximize the impact of the Integrated Manufacturing Strategy to accelerate the growth and equity and employment of the South African economy.
- ✓ The 'Vietnam private sector support programme' global objective is poverty alleviation and job creation via promotion of the private sector, in particular of Vietnamese small and medium enterprises and its integration into the international economy.
- ✓ The 'Industrial modernization programme-ejada' in Jordan envisages the introduction of financial support schemes for SMEs, and for start-ups, which should eventually promote employment creation.

Concerning the existence of specific indicators addressing employment creation in their log frame and/or performance matrix, it can be asserted that some of the interventions financed in these countries include this kind of indicators. These indicators reflect the concern of increasing employment for women and youth in particular.

BOX 12 : EXAMPLES OF ESI-ENLARGED PROGRAMMES WITH SPECIFIC INDICATORS ADDRESSING EMPLOYMENT CREATION

- ✓ The 'Vietnam private sector support program' includes indicators relating to employment such as i) improvement of economic activity and job creation, ii) improved human resources, iii) SME growth, iv) increased SME demand for and take up of professional business support services.
- ✓ In South Africa, the 'sector wide enterprise, employment and equity programme - SWEEP phase 2', the indicators relating to employment are i) unemployment rate reduced, ii) increase in employment as a result of the project activities, iii) increase in the number of jobs in specific sectors and in the whole economy.
- ✓ The 'Private Sector Support Programme - Risk Capital Facility (RCF)' identifies indicators relating to employment such as i) over 7000 jobs created as a result of the investments, ii) number of new HDP managers, owner and technically skilled employees.
- ✓ In Egypt, the performance matrix of the 'Financial Investment and Sector Co-operation Programme' includes a set of relevant indicators as the 'new income generated' and 'new jobs created'

Social cohesion of vulnerable groups

Programmes having as their main objective poverty reduction play an important role in the ESI-Enlarged allocation, representing around 41% of the total amount committed in these 20 countries. Usually their different components relate to the macroeconomic framework, the economic growth and to social programmes.

In these 20 countries, it can be stated that National Development Plans and National Poverty Reduction Strategies consider most of the times job creation as one of the key challenges. In most cases, job creation is strictly linked to the need to improve economic development and competitiveness. Specific actions are usually linked to development of private sector initiatives, to the diversification of economic activities, and to the investment in new technologies.

Concerning specific TVET objectives of poverty reduction programmes financed in ACP countries, it can be asserted that in almost all cases, poverty reduction is the point of departure for the support to TVET, either by referring to the MDGs or the national PRSP. Typically, the CSP – referring to national poverty reduction goals - outlines the overarching strategy on how the EC support can contribute to achieving them. In regard to the specific poverty reduction interventions analyzed in 7 ACP countries, it can be stated that overall TVET is not explicitly addressed as a key issue or a priority. Over 15 programmes scrutinized, three interventions include TVET components.

BOX 13 : POVERTY REDUCTION PROGRAMMES WITH A TVET COMPONENT

- ✓ In Jamaica, the 'Poverty Reduction Programme II' signed in June 2006, envisages training programmes and workshops to foster communities' capacity building.
- ✓ In Mali, the 'programme pluriannuel d'appui budgétaire au cadre stratégique de lutte contre la pauvreté 2003-2007', signed on December 2003, includes among its goals 'human resources development and access to basic social services'. More specifically, the ultimate goal should be a rise in the number of students accessing vocational training programs. In 2003, it is expected that at least 32% of the students admitted to secondary education access vocational training.
- ✓ In South Africa, the overall objective of the programme 'Innovation for Poverty Alleviation (SBS to DST)', is to contribute to the Department of Science and Technology's policy and strategy of using science and technology for reducing poverty through job creation, SME development, economic growth and the improvement of the quality life. In terms of TVET issues, there is a clear link to human capital development activities whose ultimate goal is to increase the participation of youth from disadvantaged backgrounds in higher learning and employment in science, engineering and technology careers. Moreover, it aims to increase the numbers of South Africans with tertiary education qualifications in science and engineering, particularly with research degrees. Three main indicators of performance are provided in this area, namely: support for internships, support for science centers and FabLabs in poor communities, and training and development for SBS staff in management, evaluation and monitoring.
- ✓ 'support to Vietnam's poverty reduction and growth strategy under prsc-3', whose overall objective is to reduce poverty and to sustain growth through support for the implementation of reforms as envisaged in the Government's Comprehensive Poverty Reduction and Growth Strategy 2001 – 2010 (CPRGS). The purpose of the project is to foster the implementation of Vietnam's Comprehensive Poverty Reduction and Growth Strategy (CPRGS) by providing budgetary support as well as technical assistance. Reference to TVET activities is done in the description of the specific objectives, according to which the project aims to provide training for SBV supervisors in the field of bank supervision, monitoring and risk provisioning as well as banking products.

For poverty reduction programmes funded in non-ACP countries, in line with what observed for ACP countries,) TVET is not explicitly addressed as a key issue or a priority. Over 7 programmes scrutinized, only one intervention include TVET (sectoral) components.

Concerning specific DWA and social cohesion objectives, for the poverty reduction programmes financed in ACP countries, it can be stated that EC poverty reduction support programmes do not provide specific reference to the implementation of the DWA and, hence, to specific DWA monitoring indicators. In regard to the specific poverty reduction interventions analyzed in 7 ACP countries, DWA is not explicitly addressed as a key issue or a priority. Over 15 programmes scrutinized, none of them specifically include actions or indicators falling under the DWA scope.

To a limited extent, it can be asserted that only two¹⁸ interventions make an indirect link to the social protection of workers/vulnerable groups and social dialogue.

BOX 14 : EXAMPLES POVERTY REDUCTION PROGRAMMES WITH DWA AND SOCIAL COHESION OBJECTIVES

- ✓ In Bangladesh, the project ‘Proshika: towards a poverty free society’ specifically targets the empowerment/advocacy for rights of the poor. The project ‘BRAC’ does not provide specific DWA actions or indicators. However, according to the project purposes, by the end of the programme the specially targeted ultra poor will be aware of development issues, and, in particular, Village Organisation members will be capable of and motivated for social action for public accountability and social change.
- ✓ In Jordan, the programme ‘Support to poverty reduction through local development’ played a part in empowering local governments, civil society and the private sector to become actively engaged in the broader national objectives of reducing poverty and unemployment.
- ✓ In Vietnam, the project ‘Support to Vietnam's poverty reduction and growth strategy under PRSC 4’ specifically aims to promote an equitable, socially inclusive and environmentally sustainable pattern of growth. In terms of social protection, it envisages to issue a Social Insurance Law making the system financially viable and extending its coverage’. The related monitoring mechanism is ‘on-going dialogue with Government Agencies (MoF:MOLISA) and engagement in SEDP dialogue.’ The second pillar of the PRSC 5 addresses social inclusion and environmental sustainability. In terms of social protection, the programme aims to issue a new law in 2006 to increase coverage and address financial viability, to enlarge workers coverage, and to launch voluntary schemes. Concerning the PRSC 6, among the DWA related indicators, there are: i) Poor communes with basic infrastructure (safe work environment), ii) Leadership positions held by women (equal opportunity and treatment in employment), iii) Asset ownership among women (equal opportunity and treatment in employment), iv) wage employment among women (equal opportunity and treatment in employment).

¹⁸ In Jamaica, the Poverty Reduction Programme’ aims to enhance the participation of poor communities ‘associations and individual members in their own development by strengthening their administrative capacity and by associating them closely with the implementation of Jamaica social Investment Fund projects. Although there are no specific DWA actions or indicators, to a limited extent the second project purpose should ultimately have an impact on the inclusion of poor groups and associations into the labour market and on their social protection. In fact, by increasing the participation in relevant levels of decision making, poor vulnerable groups should be able to better access working opportunities as well as social infrastructures.

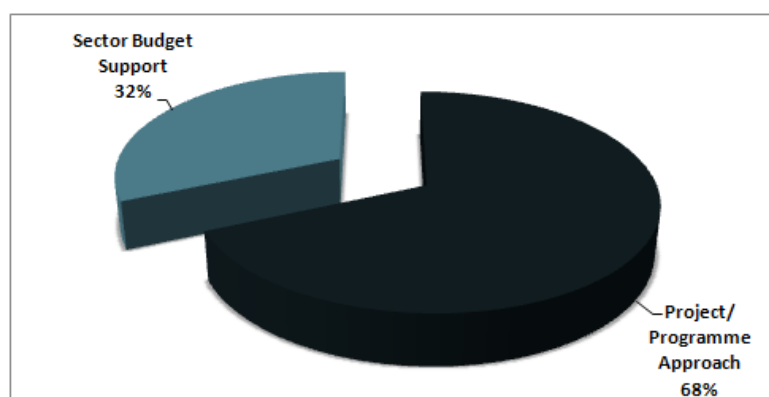
In Niger, the programme ‘Appui au dispositif national de prevention et de gestion des crises alimentaires’ aims to support the national alert mechanism for prevention and management of food crisis. Among the main areas of intervention, the programme envisages support to the dialogue mechanism.

For poverty reduction programmes financed in non-ACP countries, DWA is also not explicitly addressed as a key issue or a priority. However, over 9 programmes scrutinized, five interventions include issues relating to social protection, social empowerment and social dialogue.

4.1.13. By aid modalities

In terms of aid modalities, in the 20 countries analyzed around 375 M€ have been channeled through project or programme approach, and 175 M€ through sector budget.

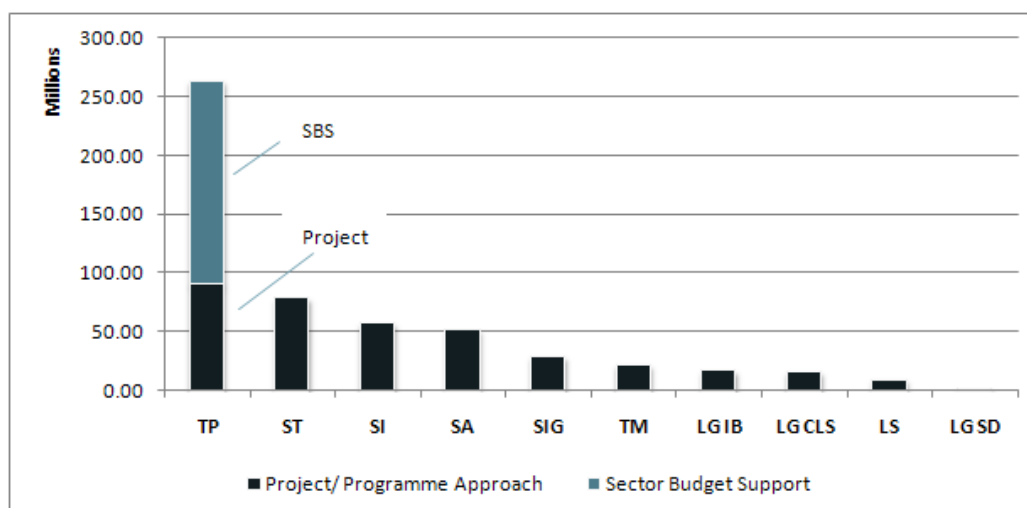
FIGURE 16: ESI COOPERATION BY AID MODALITY, 1999-2008



Source: Own elaboration based on the Inventory of EC ESI related interventions

As shown in the figure below, budget support (SBS) has been applied only in the TVET sector, namely in support of programmes aimed at developing and strengthening technical and vocational education systems, TVET training infrastructures, and curricula development in general.

FIGURE 17: ESI COOPERATION BY AID MODALITY & SECTOR, 1999-2008



Source: Own elaboration based on the Inventory of EC ESI related interventions

In particular, sector budget support (SBS) has been used in three countries:

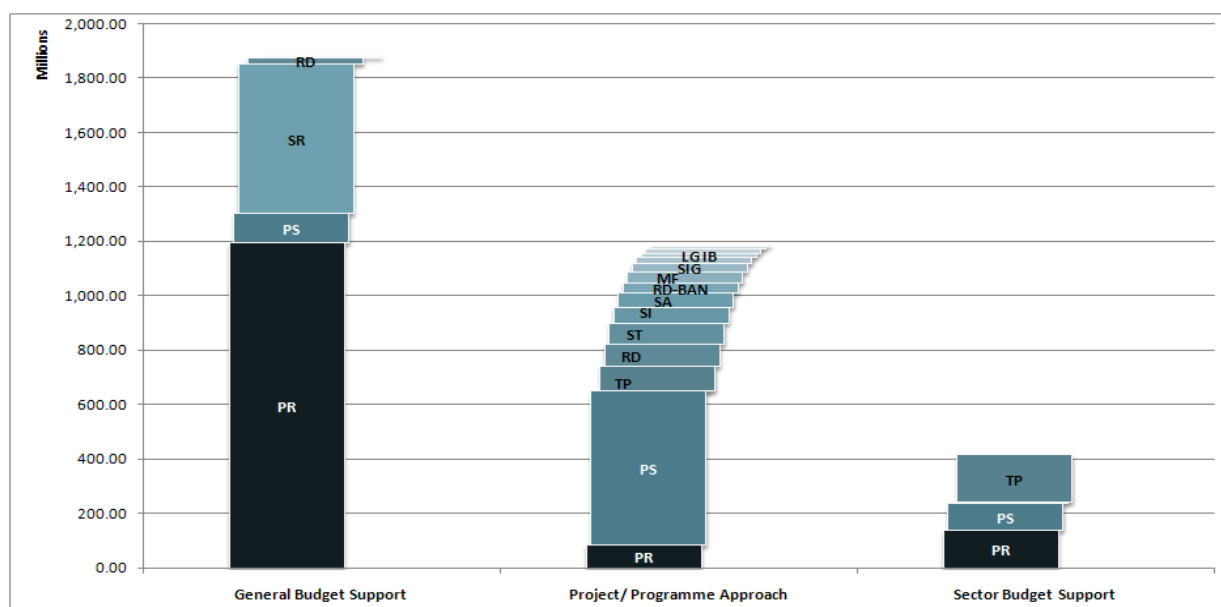
- i) in Egypt to finance the 'Education Sector Policy Support Programme' (120 M€);
- ii) in Tunisia, to support the 'Programme d'appui à la réforme du secteur de la formation professionnelle - MANFORM II' (30 M€);

- iii) and in Armenia, to finance the programme 'support to poverty reduction strategy through reforms in vocational education and training (vet)' (16 M€), and to 'Support to poverty reduction strategy focusing on Education (Vocational Education Training, VET) and Social affairs (Child Care) (7 M€).

- If the ESI-enlarged definition is taken into account, the scenario changes remarkably. The total amount committed through Budget Support rises to 2,291 M€, of which 1,878 M€ with General Budget Support, and 413 M€ with Sector Budget Support; whereas the amount financed through project approach increases to 1,181 M€.

As shown in the figure below, the support to poverty reduction in these countries has been provided mostly through budget support: 85% of the funds allocated to PR have been committed through GBS, 10% through SBS, and 6% through traditional project approach.

FIGURE 18: ESI-ENLARGED COOPERATION BY AID MODALITY & SECTOR, 1999-2008



Source: Own elaboration based on the Inventory of EC ESI related interventions

Another sector largely financed through BS, and in particular, through GBS is 'Structural Reform'. In fact, 99% of the financial resources (550 M€) committed to interventions in support of reforms promoting economic growth, i.e. reforms aiming at economic restructuring, enhancing market competition, including labour market flexibility, improving macroeconomic stabilization, promoting regional integration and integration into world market have been funded by GBS.

In the field of development of small and medium enterprises, support to the private initiative, and investment promotion, project approach proved to be the most common aid modality, through which around 73% of the funds have been allocated to this sector. The remaining part has been funded for 14% by GBS and 13% by SBS.

ANNEX 5: THE LINK BETWEEN BUDGET SUPPORT & EMPLOYMENT AND LABOUR MARKET ISSUES

This section investigates on the links between budget support programmes and Employment and Labour market related issues. In particular, the analysis focuses on 7 ACP countries: Dominican Republic, Jamaica, Mali, Niger, South Africa, Uganda and Tanzania; and 6 non-ACP countries: Bangladesh, El Salvador, Jordan, Morocco, Tunisia, Vietnam.

TABLE 11: LIST OF BS INTERVENTIONS

| COUNTRY | YEAR | TITLE | MACRO SECTOR | MICRO SECTOR | FA |
|--------------------|------|--|--------------|--------------|----|
| BANGLADESH | 1999 | ala/99/297 - proshika: towards a poverty free society | DWS | PR | ✓ |
| | 2001 | bgd/01/89 - brac - challenging the frontiers of poverty reduction | DWS | PR | ✓ |
| DOMINICAN REPUBLIC | 2007 | budget support for poverty reduction | DWS | PR | ✓ |
| EL SALVADOR | 2005 | programa de alivio a la pobreza en el salvador (papes) | DWS | PR | ✓ |
| JAMAICA | 2000 | poverty reduction programme | DWS | PR | ✓ |
| | 2006 | poverty reduction programme ii | DWS | PR | ✓ |
| JORDAN | 2004 | support to poverty reduction through local development - jordan | DWS | PR | ✓ |
| MALI | 1999 | APPUI A L'AJUSTEMENT STRUCTUREL (PAS 99/00) - FAS | ELD | SR | ✓ |
| | 2002 | appui budgétaire au cadre stratégique de lutte contre la pauvreté (cslp) 2001 | DWS | PR | - |
| | 2003 | programme pluriannuel d'appui budgétaire au cadre stratégique de lutte contre la pauvreté (cslp) 2003-2007 | DWS | PR | ✓ |
| | 2008 | CONTRAT OMD POUR LE MALI - PPAB 2 | DWS | PR | ✓ |
| MOROCCO | 2007 | appui à l'indh - initiative nationale de développement humain | DWS | PR | ✓ |
| NIGER | 2003 | programme pluriannuel d'appui à la réduction de la pauvreté 2003-2005 -(pparp 2003-2005) | DWS | PR | ✓ |
| | 2005 | programme pluriannuel d'appui à la réduction de la pauvreté | DWS | PR | - |
| | 2000 | Programme d'appui au dispositif national de Prévention et de Gestion de Crises Alimentaires | DWS | PR | ✓ |
| | 2006 | Programme d'appui à la décentralisation et au développement local dans la région d'Agadèz | DWS | PR | - |
| SOUTH AFRICA | 2000 | BLNS- Economic Integration Support Programme - Phase 1 (SACU) | ELD | SR | - |
| | 2006 | Employment promotion- ASGISA budget support programme | ELD | SR | - |
| | 2007 | Innovation for Poverty Alleviation (SBS to DST) | DWS | PR | ✓ |
| | 2007 | water for growth and development | DWS | PR | ✓ |
| TANZANIA | 2001 | poverty reduction budget support 2000 | DWS | PR | ✓ |
| | 2003 | poverty reduction budget support programme 2003-2006 | DWS | PR | ✓ |
| | 2006 | prbs03 poverty reduction budget support programme 2006-2008 | DWS | PR | ✓ |
| TUNISIA | 1999 | programme d'appui à la réforme du système | DWS | PR | ✓ |

| | | | | | |
|---------|------|---|-----|----|---|
| | | d'assurance maladie | | | |
| UGANDA | 2000 | poverty alleviation budgetary support (pabs IV) | DWS | PR | ✓ |
| | 2005 | 5th poverty alleviation budget support (pabs v) | DWS | PR | ✓ |
| VIETNAM | 2004 | support to vietnam's poverty reduction and growth strategy under prsc-3 | DWS | PR | ✓ |
| | | support to vietnam's poverty reduction and growth strategy under prsc-4 | DWS | PR | ✓ |
| | | support to vietnam's poverty reduction and growth strategy under prsc-5 | DWS | PR | ✓ |
| | | Poverty reduction support credit 6 | DWS | PR | ✓ |

As shown in the table above, financing agreements are available for 25 of the selected interventions. Here below, the analysis of each financing agreement is reported by country.

ACP Financing Agreement Analysis

▪ Dominican Republic

I) The financing agreement of the programme 'General budget support for poverty reduction' was signed on August 2006. The main objective was to enable the Government of the Dominican Republic to implement its Sustainable Development policies and strategies thereby reducing poverty, in an effective, efficient, and transparent way.

In order to achieve this objective, the programme focuses on three main purposes:

1. Improved macroeconomic stability
2. Increased effectiveness, efficiency and transparency in the use of public funds enhancing the capacity of Government to comply with social spending and investment plans.
3. Increased means of GoDR to implement its Sustainable Development investment strategy, particularly for the health and education sectors.

The analysis of the financing agreement, its annexes and the intervention logical framework shows the lack of outcome indicators and any reference to issues relating to employment and labour market.

▪ Jamaica

I) The financing agreement of the 'Poverty Reduction Programme' in Jamaica was signed on December 2000. The overall objective of the project was to alleviate poverty by improving living conditions in poor communities. In order to achieve this goal, the PRP provides access in poor communities to quality basic infrastructure and services, especially in the field of sanitation, water and health. Moreover, it aims to enhance the participation of poor communities 'associations and individual members in their own development by strengthening their administrative capacity and by associating them closely with the implementation of Jamaica social Investment Fund projects.

The analysis of the financing agreement, its annexes and the intervention logical framework shows the lack of outcome indicators and any direct reference to issues relating to employment and labour market. However, it can be stated that to a limited extent the second project purpose should ultimately have an impact on the inclusion of poor groups and associations into the labour market. In fact, by increasing the participation in relevant levels of decision making, poor

vulnerable groups should be able to better access not only social infrastructures but working opportunities as well.

II) The financing agreement of the 'Poverty Reduction Programme II' was signed in June 2006. The overall objective of the programme is poverty alleviation through sustainable growth. By demonstrating community-level approaches that work, and by exchanging information amongst and helping to coordinate the different sub-projects, PRP II should strengthen the cohesion, efficiency and effectiveness of all relevant interventions. In order to achieve this overall objective, PRP II aims to reduce the level and incidence of poverty in communities across Jamaica, to improve capacity of poor communities to participate in their own development, to increase access to basic infrastructure and services, to improve the capacity of NGOs to support and facilitate communities and community-based organizations, to improve the capacity of the social development commission to assist and support communities.

Again, although there are not specific actions relating to employment and labour market, within the second purpose, the PRP II provides at least 15 training programmes and workshops to foster communities' capacity building.

▪ Mali

I) The financing agreement of the FAS was signed on December 1999. This programme of structural adjustment aimed to strengthen government financial viability and to foster economic growth with the ultimate goal of poverty reduction. In order to achieve this objective, the FAS rested on actions targeting the growth rate increase, the inflation rate decrease, the global deficit reduction, and the investment rate increase. Moreover, the FAS intended to support the implementation of national reforms in the area of: health education and transport.

The analysis of the financing agreement and its annexes shows the lack of any reference to issues relating to employment and labour market.

II) The financing agreement of the 'programme pluriannuel d'appui budgétaire au cadre stratégique de lutte contre la pauvreté 2003-2007' was signed on December 2003. It aims to support the national CSLP (Cadre Stratégique pour la Croissance et la Réduction de la Pauvreté), which identifies three main priority areas: i) institutional development and governance strengthening, ii) human resources development and access to basic social services, iii) infrastructure development and support to productive sectors.

In terms of employment and labour market issues, the financing agreement provides a clear reference to human resources development. In this regard, a deeper look into the description of the programme reveals that the ultimate goal should be a rise in the number of students accessing vocational training programs. More specifically, it is stated that in 2003, it is expected that at least 32% of the students admitted to secondary education access vocational training¹⁹.

III) The financing agreement of the programme 'contrat OMD pour le Mali - PPAB 2' was signed on March 2009. The overall objective is to enhance growth and reduce poverty while contributing to the achievement of the MDGs in Mali. In order to achieve this goal, three main priority areas are identified: i) quality of health services, ii) basic education, iii) public finance management.

The analysis of the financing agreement, its annexes and the intervention logical framework shows the lack of outcome indicators and any reference to issues relating to employment and labour market.

¹⁹The FA does not provide additional information on the subject (eg. Activities, type of vocational training, geographical coverage, etc...).

■ Niger

I) The financing agreement of the 'programme pluriannuel d'appui a la réduction de la pauvreté 2003-2005' was signed on November 2003. The programme aims to support the implementation of the national poverty reduction strategy, which entails four main axes of interventions: i) improve macroeconomic stability, ii) to facilitate poor groups' access to social services (education and health); capacity building and good governance; iii) development of productive sectors.

The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market.

II) The financing agreement of the programme 'Appui au dispositif national de prevention et de gestion des crises alimentaires' was signed on July 2007.

This programme aims to support the national alert mechanism for prevention and management of food crisis. The main goal is to contribute toward rural poverty reduction before 2015.

There are three main areas of intervention: i) support to the alert and prevention mechanism, ii) support to the mechanism in charge of crisis management, iii) support to the dialogue mechanism.

The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market.

■ South Africa

I) The financing agreement of the programme 'Innovation for Poverty Alleviation (SBS to DST)' was signed on March 2008. The overall objective is to contribute to the Department of Science and Technology's policy and strategy of using science and technology for reducing poverty through job creation, SME development, economic growth and the improvement of the quality life. In order to achieve this overall goal, the programme targets the following areas: i) creating sustainable livelihoods, ii) social services and infrastructure, iii) high impact health initiatives, iv) human capital development, v) ICTs for access to government services and S&T in rural areas, and vi) technology and knowledge transfer.

In terms of E& LM issues, there is a clear link to human capital development activities whose ultimate goal is to increase the participation of youth from disadvantaged backgrounds in higher learning and employment in science, engineering and technology careers. Moreover, it aims to increase the numbers of South Africans with tertiary education qualifications in science and engineering, particularly with research degrees. Three main indicators of performance are provided in this area, namely: support for internships, support for science centers and FabLabs in poor communities, and training and development for SBS staff in management, evaluation and monitoring.

II) The financing agreement of the programme 'Water for Growth and Development' was signed in March 2008. The programme aims to sustain South African growth and development within the framework of the National Water Resource Strategy. Expected results are: i) stakeholder collaboration in place and focused on sustainable water management for all south Africans, ii) catchment management agencies established and operational, iii) municipalities proficient in their designated water resource management and water services roles, iv) DWAF strengthened and capacitated in providing policy direction, regulation and support to the water sector, v) civil society organizations able to provide training and support to, and advocacy in the water sector, vi) review of alternative financing mechanisms for sustainable delivery of water services and water resource management, vii) water service providers operating in an effective and efficient manner, viii) sustainable ecosystem based IWRM contributing to social development.

The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market.

▪ Tanzania

I) The financing agreement of the programme 'Poverty Reduction Budget Support 01' was signed on October 2001. The programme provides budget support and associated technical assistance to support enhanced economic growth and poverty reduction. Specifically, over the three year period, annual GDP growth is targeted to accelerate from about 5.2 % to 6%. At a sector level, growth in the industrial and service sectors is particularly important.

The capacity of the poor to benefit from growth is promoted through a set of measures focused in particular on health and education. Education policy focuses especially on increases in primary school enrolment and reductions in primary dropout rates.

In terms of issues relating to employment and labour market, the financing agreement does not provide any reference to this sectors neither outcome indicators.

II) The financing agreement of the programme 'Poverty Reduction Budget Support 02' was signed on November 2003. The programme provides budget support and associated technical assistance to support enhanced economic growth and poverty reduction. Specifically, 7% annual GDP growth in the medium term is expected to provide the basis for reducing the proportion of the population living in absolute poverty by half in 2010, compared to the 2000 level. The PRS priority sectors are: education (notably at primary school level), health (primary health care); agriculture (research and extension), roads (in the rural areas); water, judiciary, and HIV/AIDS.

The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market.

III) The financing agreement of the programme 'Poverty Reduction Budget Support 03' was signed on September 2006. The programme provides budget support and associated technical assistance to sustain Tanzania's efforts towards reducing poverty and enhance economic growth.

In order to achieve this goal, the programmes focuses on three main priorities: i) the need to sustain macro-economic stability that favors a broad-based economic growth, ii) the need to support improvements in service delivery especially in health and education, iii) and the need to sustain progress in public finance management.

Although the analysis of the financing agreement shows the lack of outcome indicators and any components in the programme relating to employment and labour market, among the cross cutting issues it is mentioned that child labour is an area of major concern, in particular in rural areas. Challenges remain for sectors to effectively integrate child labour concerns in their sector strategies in the NSGRP context.

▪ Uganda

I) The financing agreement of the 'fourth poverty alleviation budgetary support' programme was signed on March 2001. It aimed at creating a stable macroeconomic environment. In order to achieve this goal, the key areas of interventions were: primary education, primary health care, rural water and sanitation, rural feeder roads and agricultural extension.

The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market.

II) The financing agreement of the 'fifth poverty alleviation budgetary support' programme was signed on June 2005. This programme supports the implementation of the long-term strategy of development (poverty eradication action plan- peap) objectives and its related reform programme. In addition to providing external resources for the execution of the national budget and the maintenance of macroeconomic of stability, the programme supports the implementation of Uganda's poverty reduction reforms, with a particular emphasis on improving public service

delivery and public finance management. Specifically, the programme rests on five main pillars: i) economic management, ii) production, competitiveness, and incomes, iii) security, conflict-resolution, and disaster management, iv) governance, v) human development.

This last area of intervention could fall under the spectrum of E& LM issues. However, a deeper look at the programme characteristics shows that within human development, key priorities are primary and secondary education, with a particular focus on quality, health outcomes, population growth, and adult literacy.

Non-ACP Financing Agreement Analysis

▪ Bangladesh:

Proshika: towards a poverty free society:

Proshika is an NGO and claims to be one of the largest in Bangladesh. Its origins are in 1975 and the name Proshika is an acronym for Training, Education and Action. The vision of Proshika, as is the Project Purpose (PP), is to enable one and a half million households to graduate permanently from poverty level of existence (TK48,000 P.A.) by the year 2004. By this time the aim was to be self sufficient. The Overall Objective (OO) is to make a sustainable contribution to poverty eradication in Bangladesh.

No DWA indicators are included.

BRAC – Challenging the Frontiers of Poverty Reduction:

The programme's **overall objective** is poverty reduction through replication of established livelihood models by development partners. The project's **purpose** is that improved livelihood practices of the poor, particularly the ultra poor, are established as a replicable model and debated by development partners at the national level.

The **outputs** and **activities** cover four main components: a Special Investment Programme (SIP), Employment and Enterprise Development Training (EEDT), Social Development and Advocacy, and Essential Health Care (EHC). Several of the outputs involve collaboration with, or attempts to, influence poor people's access to Government services, and there is a specific advocacy output seeking to raise awareness of poverty reduction initiatives for the ultra poor. The **target beneficiaries** will number approximately 6 million households. The majority of resources will go to 1.3 million ultra poor women, of whom 70,000 households in the poorest regions of the country will receive an intensive package of assistance. The programme builds on BRAC's experience in some of these areas, where impact assessment suggests they have had some limited success in reaching the ultra poor. The most innovative component of the project, the Special Investment Programme targeted at 70,000 ultra poor households, will be subject to a two year pilot. Nevertheless, no specific reference to TVET is done in the programme documents.

The programme builds on BRAC's experience in some of these areas, where impact assessment suggests they have had some limited success in reaching the ultra poor. The most innovative component of the project, the Special Investment Programme targeted at 70,000 ultra poor households, will be subject to a two year pilot. The activities of the programme will have the following expected results:

No specific DWA actions or indicators are provided, but according to the financing proposal by the end of the programme the specially targeted ultra poor will be aware of development issues and confident to access BRAC and other services.

- The ultra poor will be capable of undertaking selected Income Generating Activities.

- The specially targeted ultra poor will have had access to appropriate productive assets, subsistence allowance, free basic health services and the provision of selected health products ensured at subsidy or cost price.
- Democratic people's organisations will be in place and operational. These organisations will make sure that the rights of the poor and basic laws relevant to their lives are being respected.
- Village Organisation members will be capable of and motivated for social action for public accountability and social change.
- The community has access to basic health services under the Essential Health Care component.
- Development partners will be aware of BRAC's experience with poverty reduction initiatives, particularly for the ultra poor.

▪ El Salvador:

Programa de alivio a la pobreza en El Salvador (papes)

According to the FA of the programme, the Government of El Salvador does not have a strategy paper to reduce poverty (PRSP in its English acronym), as Honduras or Nicaragua. However, the Government Plan "Safe Country", in action No. 15, entitled "Strengthening Social and Family: Social Cohesion", provides the mandate to create a social safety net, defined as the range of government measures to support the poorest and most vulnerable members of society, and help individuals, families and communities to better manage risk factors. In line with this mandate, the GES has launched a program in March 2005. Solidarity Network which aims to create a social safety net. This program is part of the Opportunity Plan GES with five components (the other four are FOSALUD, Connect, Youth, Micro-credit) and aims to contribute to El Salvador, through targeted social spending towards the poorest areas and the country, achieve the Millennium Development Goals RS represents a significant social policy of the state, addressing an important part of social expenditures toward the poorest municipalities. RS is also a conceptual breakthrough, poverty is not only understood as an absence or lack of income, but as lack of access to basic services, which justifies the need for specific action to address this problem. RS has three components (1. Conditional transfers to poor families, 2. Social Services, 3. Micro-credits and training in production). The second component, in particular, aims to improve the provision of social services, including heavy investment in basic infrastructure and sanitation, housing and habitat improvement, electrification and rural roads. However, no specific reference to TVET is done in the programme documents.

▪ Jordan:

Support to poverty reduction through local development

The EU support programme was designed as a sector programme financed through a direct, untargeted budget support. The sector was defined as poverty reduction/alleviation through local development on the governorate and the municipality level (18 units). The original intervention logic was to install poverty alleviation through institutionalised local economic development in an overarching process of increased decentralization in Jordan. An important feature was the promotion of public participation in the municipalities, leading to LED (Local Economic Development) plans based on the prioritization of needs in local communities. In line with Jordan's National Social and Economic Plan (NSEP) aims, the programme is playing a part in empowering local governments, civil society and the private sector to become actively engaged in the broader national objectives of reducing poverty and unemployment. Action plans and relevant community projects are supposed to have an impact on poverty reduction through

employment, equitable development and social cohesion. Nevertheless, no specific reference to TVET is done in the programme documents.

There is no real log frame because the programme matrix lacks clear assumptions/risks, activities and inputs. The existing matrix combines a set of time-bound indicators for appraising change in the sector and leading to the release of the different tranches. The matrix is more relevant for budget support and lacks comprehensive indicators to measure poverty change in the selected municipalities. No key performance indicators are identified and the project matrix combines public finance indicators with context indicators. The Overall Objective (OO) is defined as the enhancing of the living condition of the poor. The Project Purpose (PP) is to support a viable local development process focused on the poor and the deprived. There is no coherence between the OO/ PP and the four operational objectives, also called measures/results. The reason is that the operational process shifted more to local development and the decentralized approach then to poverty reduction. The Support programme has, at the end of its operational phase, all the features to be considered a Sector Policy (SP) programme (three building blocks) and thus qualifies for direct, targeted financing through sector budget support (Seven Key Assessment Areas). The implementation of a final, validated National Strategy for Poverty Alleviation can be supported through a Sector Policy Support Programme (SPSP) financed with the balance of the budget during the Closure phase (2009-2010).

▪ **Morocco:**

Appui à l'indh - initiative nationale de développement humain

The overall objective is to support the promotion of human development in its economic and social dimensions, based on the principles of good governance, including in respect of cross-cutting issues like gender. The specific objective is to support strengthening the fight against rural poverty by promoting investments and allocating specific powers and responsibilities to municipalities. Among the key results there is development of the local economy, in particular of long-lasting revenues generating activities able to positively affect poverty reduction. Nevertheless, no specific reference to TVET is done in the programme documents.

• **Tunisia:**

Programme d'appui à la réforme du système d'assurance maladie

Reforming Health Insurance in Tunisia met a clear need in the 1990s since the medical coverage was in fact still reserved only to public sector employees, with an insufficient quality of services. As reported in the 2008 ROM: 'Bien que les principaux indicateurs de santé en Tunisie soient déjà bons, la réforme aura un impact considérable sur la santé des Tunisiens, en particulier les plus défavorisés. De plus la réforme permettra de développer le secteur privé qui a un fort potentiel d'exportation, sans priver les Tunisiens de l'accès à une médecine de pointe. Il est indéniable que chacun de ces éléments aura un impact significatif sur la santé des Tunisiens, en particulier les plus défavorisés. Cependant un effort de communication intensifiée est nécessaire. 'A deeper analysis shows that no specific reference to TVET or DWA is done in the project documents.

• **Vietnam :**

Support to Vietnam's poverty reduction and growth strategy under prsc-3

The overall objective of the project is reduced poverty and sustained growth in Vietnam through support for the implementation of reforms as envisaged in the Government's Comprehensive Poverty Reduction and Growth Strategy 2001 – 2010 (CPRGS). The purpose of the project is to foster the implementation of Vietnam's Comprehensive Poverty Reduction and Growth Strategy

(CPRGS) by providing budgetary support as well as technical assistance. This latter will contribute to improve public financial management and build capacity of strategic institutions.

Reference to TVET activities is done in the description of the specific objectives, according to which the project aims : (1) To assess the extent to which domestic banks are compliant with prevailing regulations for off-site supervision; (2) To assess the extent to which domestic banks are reporting information that is accurate, as well as reliable and timely; (3) To assess what information banks currently have to report to the State Bank of Viet Nam (SBV) and whether it is relevant or not in relation to effective SBV off-site supervision; (4) To provide training for SBV supervisors in the field of bank supervision, monitoring and risk provisioning as well as banking products. (5) To provide advice to the SBV on the need for a comprehensive uniform data collection system for supervision and to suggest ways in which this might be managed and used within SBV.

No DWA related indicators are provided

Support to Vietnam's poverty reduction and growth strategy under prsc 4:

as for the previous PRSC, the project specifically aims to promote an equitable, socially inclusive and environmentally sustainable pattern of growth, which. requires appropriate sectoral and social policies and programmes.

In terms of social protection, the following indicator is envisaged: 'Issue a Social Insurance Law making the system financially viable and extending its coverage'. The monitoring mechanism is 'On-going dialogue with Government Agencies (MoF: MOLISA) and engagement in SEDP dialogue.'

Support to Vietnam's poverty reduction and growth strategy under prsc 5:

as for the previous PRSC, the project specifically aims to promote an equitable, socially inclusive and environmentally sustainable pattern of growth, which. requires appropriate sectoral and social policies and programmes. The second pillar of the programme addresses social inclusion and environmental sustainability. In terms of social protection, the programme aims to issue a new law in 2006 to increase coverage and address financial viability, to enlarge workers coverage and to launch voluntary scheme

Poverty reduction support credit 6:

within the social inclusion/protection pillar, the project envisages to extend performance standards for primary teachers nationwide, including evidence-based assessments, to adopt HIV/AIDS law and prepare action plans to scale up harm reduction, fight stigma and discrimination, and to unify legal framework to address gender disparities and increase women's participation in decision making. Among the DWA related indicators, there are: i) Poor communes with basic infrastructure (safe work environment), ii) Leadership positions held by women (equal opportunity and treatment in employment), iii) Asset ownership among women (equal opportunity and treatment in employment), iv) wage employment among women (equal opportunity and treatment in employment).

Conclusions

The analysis of the financing agreements of 15 budget support programmes targeting poverty reduction shows a rather weak correlation to issues relating to employment and labour market. Concerning ACP countries, around 28% of the selected BS programmes include among their objectives and or actions issues relating to E & LM while 73% of them do not provide any reference to these sectors. Out the seven countries taken into account, three of them provide and/or forecast in their programmes interventions in the field of ESI, namely Jamaica, Mali and South Africa. In Jamaica, the Poverty Reduction Programme provides among its ultimate goals,

the inclusion of poor groups and associations into the labour market. Moreover, in order to reduce the level and incidence of poverty in communities across Jamaica, the second Poverty Reduction Programme provides at least 15 training programmes and workshops to foster communities' capacity building. This is in line with the national poverty reduction strategic plan, which envisages among its outcomes the promotion of poor's social inclusion. In Mali, the 'programme pluriannuel d'appui budgétaire au cadre stratégique de lutte contre la pauvreté 2003-2007' identifies human resources development as one of the priority areas. Specifically, it aims to increase the number of students accessing vocational training programmes. It is worth noting that in the national poverty reduction strategy, employment-training are deemed as priority areas of intervention within the social sector pillar. In South Africa, human capital development is considered a targeted area as well. The programme 'Innovation for Poverty Alleviation (SBS to DST)' aims to increase the participation of youth from disadvantaged backgrounds in higher learning and employment in science, engineering and technology careers. Moreover, it aims to increase the numbers of South Africans with tertiary education qualifications in science and engineering, particularly with research degrees.

Among the 73% of the total interventions targeting non ESI areas, health and basic (primary) education prove to be the key sectors. As a matter of fact, most of the BS programmes analyzed include among their targets: access to basic social services, basic education, quality of health services. Other significant issues taken into account are: public finance management, governance, transport and natural resources management.

In line with what observed for ACP countries, in the rest of the countries analyzed (ASIA, ENPI, Latin America) TVET is not explicitly addressed as a key issue or a priority. Over 7 programmes scrutinized, only one intervention include TVET (sectoral) components. This is the case of the project 'support to Vietnam's poverty reduction and growth strategy under prsc-3', whose overall objective is to reduce poverty and to sustain growth through support for the implementation of reforms as envisaged in the Government's Comprehensive Poverty Reduction and Growth Strategy 2001 – 2010 (CPRGS). The purpose of the project is to foster the implementation of Vietnam's Comprehensive Poverty Reduction and Growth Strategy (CPRGS) by providing budgetary support as well as technical assistance. Reference to TVET activities is done in the description of the specific objectives, according to which the project aims to provide training for SBV supervisors in the field of bank supervision, monitoring and risk provisioning as well as banking products.

DWA is not explicitly addressed as a key issue or a priority. However, over 9 programmes scrutinized, five interventions include issues relating to social protection, social empowerment and social dialogue.

In Bangladesh, the project 'Proshika: towards a poverty free society' specifically targets the empowerment/advocacy for rights of the poor. The project 'BRAC' does not provide specific DWA actions or indicators. However, according to the project purposes, by the end of the programme the specially targeted ultra poor will be aware of development issues, and, in particular, Village Organisation members will be capable of and motivated for social action for public accountability and social change. In Jordan, the programme 'Support to poverty reduction through local development' played a part in empowering local governments, civil society and the private sector to become actively engaged in the broader national objectives of reducing poverty and unemployment. In Vietnam, the project 'Support to Vietnam's poverty reduction and growth strategy under PRSC 4' specifically aims to promote an equitable, socially inclusive and environmentally sustainable pattern of growth. In terms of social protection, it envisages to issue a Social Insurance Law making the system financially viable and extending its coverage'. The related monitoring mechanism is 'on-going dialogue with Government Agencies (MoF:MOLISA) and engagement in SEDP dialogue.' The second pillar of the PRSC 5 addresses social inclusion and environmental sustainability. In terms of social protection, the programme aims to issue a new law in 2006 to increase coverage and address financial viability, to enlarge

workers coverage, and to launch voluntary schemes. Concerning the PRSC 6, among the DWA related indicators, there are: i) Poor communes with basic infrastructure (safe work environment), ii) Leadership positions held by women (equal opportunity and treatment in employment), iii) Asset ownership among women (equal opportunity and treatment in employment), iv) wage employment among women (equal opportunity and treatment in employment).

ANNEX 6: ANALYSIS OF OTHER DONORS' INTERVENTIONS IN EMPLOYMENT & LABOUR MARKET RELEVANT SECTORS IN THE 20 SELECTED COUNTRIES

This chapter provides an overview of other donors' interventions²⁰ in the 20 selected countries²¹ using the sector classification applied for the EC interventions. It gives a representative sight of other donors' ESI interventions. The inventory is included in Volume 4.

a. Overall support to the sector

Support for ESI sectors in the 20 pre-selected countries has drawn funding from several donors other than the EC, including the EU Member States, other bilateral donors, regional and international financing institutions (IFI), the UN family and others.

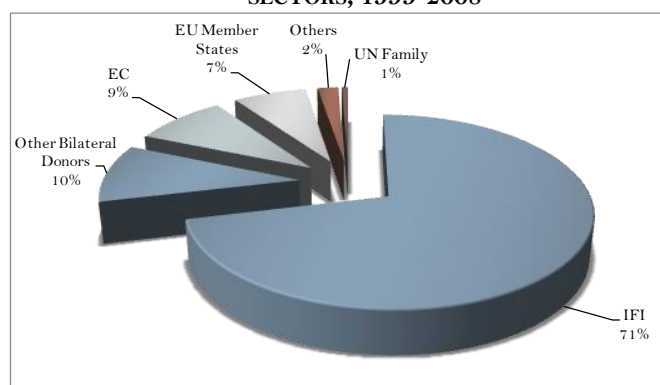
TABLE 12: OTHER DONORS' CLASSIFICATION

| EU MEMBER STATES | | | OTHER BILATERAL DONORS | |
|--|--------------------------------|-----------------|------------------------|-----------------|
| AUSTRIA | GERMANY | SPAIN | AUSTRALIA | NEW ZEALAND |
| BELGIUM | GREECE | SWEDEN | CANADA | NORWAY |
| DENMARK | IRELAND | THE NETHERLANDS | JAPAN | SWITZERLAND |
| FINLAND | LUXEMBOURG | UNITED KINGDOM | KOREA | UNITED STATES |
| FRANCE | PORTUGAL | | KUWAIT | |
| INTERNATIONAL & REGIONAL FINANCIAL INSTITUTIONS | | | UN FAMILY | OTHERS |
| AFRICAN DEVELOPMENT BANK | EIB | | IFAD | FORD FOUNDATION |
| ASIAN DEVELOPMENT BANK | INTERAMERICAN DEVELOPMENT BANK | | UNDP | N/A |
| EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT | THE WORLD BANK GROUP | | UNFPA | |
| | | | UNICEF | |

For the period considered, total funding to the ESI sectors was 38,954 M€. The EC and EU Member States together represent 16 % of the total, with UK and Germany the most important EU bilateral donors.

Among other donors, the IFIs play a major role, with the Word Bank in a leading position followed by the IADB in all macro-sectors. The EIB provided about 5% of the total allocations to ESI and the EBRD 1.9%. At bilateral level, USAID and Japan are the biggest players. Finally, within the UN family IFAD, with several programmes in the area of rural development, is the biggest donor.

FIGURE 19: EC & OTHER DONORS' COOPERATION IN ESI SECTORS, 1999-2008



Source: Own elaboration based on AiDA database

²⁰ The source is the AiDA database, provided by Development Gateway Foundation in cooperation with the Organization for Economic Cooperation and Development, the United Nations Development Program, and the World Bank.

²¹ See § 2.2.1

TABLE 13: OTHER DONORS' COOPERATION IN ESI SECTORS, TOTAL AMOUNT COMMITTED, 1999-2008, (€)

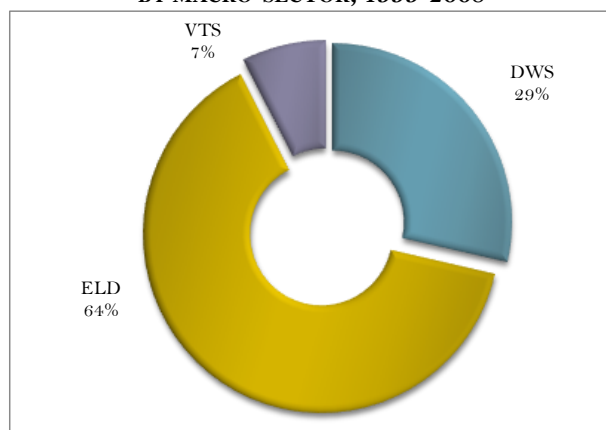
| EU MS | Total Amount (€) | % EU MS | % OD |
|--------------------------------|--------------------------|----------|---------------|
| United Kingdom | 1,058,815,819.24 | 38.35% | 2.98% |
| Germany | 542,640,628.65 | 19.66% | 1.53% |
| Spain | 233,492,659.43 | 8.46% | 0.66% |
| Denmark | 199,134,020.92 | 7.21% | 0.56% |
| France | 152,344,668.55 | 5.52% | 0.43% |
| The Netherlands | 117,349,009.90 | 4.25% | 0.33% |
| Finland | 114,631,944.26 | 4.15% | 0.32% |
| Belgium | 99,981,939.69 | 3.62% | 0.28% |
| Austria | 70,517,039.60 | 2.55% | 0.20% |
| Italy | 50,356,556.55 | 1.82% | 0.14% |
| Ireland | 48,088,725.59 | 1.74% | 0.14% |
| Sweden | 42,206,665.30 | 1.53% | 0.12% |
| Luxembourg | 21,917,085.07 | 0.79% | 0.06% |
| Greece | 7,145,521.61 | 0.26% | 0.02% |
| Portugal | 2,072,284.24 | 0.08% | 0.01% |
| Sub Total | 2,760,694,568.60 | | 7.78% |
| Other Bilateral Donors | Total Amount (€) | % OBD | % OD |
| United States | 2,454,287,541.66 | 62.15% | 6.92% |
| Japan | 999,400,787.18 | 25.31% | 2.82% |
| Canada | 181,682,971.30 | 4.60% | 0.51% |
| Norway | 120,904,941.81 | 3.06% | 0.34% |
| Switzerland | 75,029,024.41 | 1.90% | 0.21% |
| Australia | 39,381,926.28 | 1.00% | 0.11% |
| Korea | 39,344,359.50 | 1.00% | 0.11% |
| Kuwait | 36,377,978.84 | 0.92% | 0.10% |
| New Zealand | 2,801,180.78 | 0.07% | 0.01% |
| Sub Total | 3,949,210,711.76 | | 11.13% |
| IFI | Total Amount (€) | % IFI | % OD |
| The World Bank Group | 14,087,818,431.81 | 50.75% | 39.70% |
| Interamerican Development Bank | 10,445,747,694.07 | 37.63% | 29.44% |
| EIB | 1,667,830,736.32 | 6.01% | 4.70% |
| EBRD | 676,577,948.71 | 2.44% | 1.91% |
| Asian Development Bank | 572,755,345.92 | 2.06% | 1.61% |
| African Development Bank | 306,797,281.47 | 1.11% | 0.86% |
| Sub Total | 27,757,527,438.30 | | 78.23% |
| UN FAMILY | Total Amount (€) | % UN | % OD |
| IFAD | 159,978,082.98 | 70.62% | 0.45% |
| UNDP | 25,767,501.96 | 11.37% | 0.07% |
| UNFPA | 20,544,472.38 | 9.07% | 0.06% |
| UNICEF | 20,245,021.56 | 8.94% | 0.06% |
| Sub Total | 226,535,078.87 | | 0.64% |
| Others | Total Amount (€) | % Others | % OD |
| N/A | 783,532,625.18 | 99.49% | 2.21% |
| Ford Foundation | 4,018,205.26 | 0.51% | 0.01% |
| Sub Total | 787,550,830.45 | | 2.22% |
| TOTAL | 35,481,518,627.98 | | |

Source: Own elaboration based on AiDA database

b. Sectoral distribution

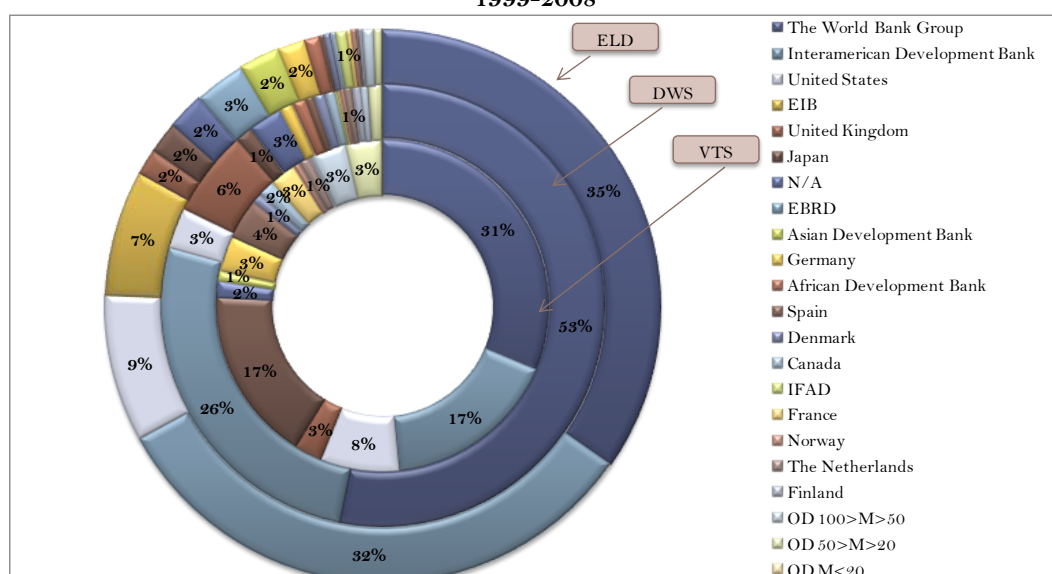
The focus of other donors' funding is in the area of Employment and Labour Demand (ELD). This macro-sector represents about two-thirds of total assistance. Interventions related to vocational training and active labour demand (VTS) represent the smallest budget, as in the case of EC support to ESI (Figure 20). This order of macro-sector importance in terms of funding allocation is analysed for the different donor groups. As shown in the figure here below, the WB is the leading donor in all macro-sectors.

FIGURE 20: OTHER DONORS' COOPERATION IN ESI SECTORS BY MACRO-SECTOR, 1999-2008



Source: Own elaboration based on AiDA database

FIGURE 21: OTHER DONORS' COOPERATION IN ESI SECTORS BY MACRO-SECTOR AND DONOR, 1999-2008



Source: Own elaboration based on AiDA database

Private Sector Development stands out as the most important. The total amount of resources committed to this area is 16,594 M€ and it covers more than two-thirds of the total allocation to ELD. The major initiative comes from the World Bank that allocates 3,056 M€ to the project 'Micro and small enterprise finance'²². Other WB interventions are in the field of Rural development (4,332 M€), Structural Reforms (2,883 M€) and Microfinance/microcredit projects (147 M€).

Concerning the macro-sector DWS, in line with what observed for EC funds, other donors have mainly funded projects targeting *poverty reduction*, which received a total of 4,497 M€. The most important projects are funded in Tanzania, Uganda and Vietnam, respectively by the UK and the World Bank.

²² This project supports the Chinese Government's priority to catalyze the expansion of commercial lending to the emerging segment of medium-sized enterprises (MSEs) that are strongly competitive and privately owned, but in need of funds for working and investment capital.

FIGURE 22: ELD DISTRIBUTION BY MICRO-SECTOR (EXTERNAL CIRCLE) AND IN RELATION TO ALL OTHER MICRO-SECTORS (INTERNAL CIRCLE)

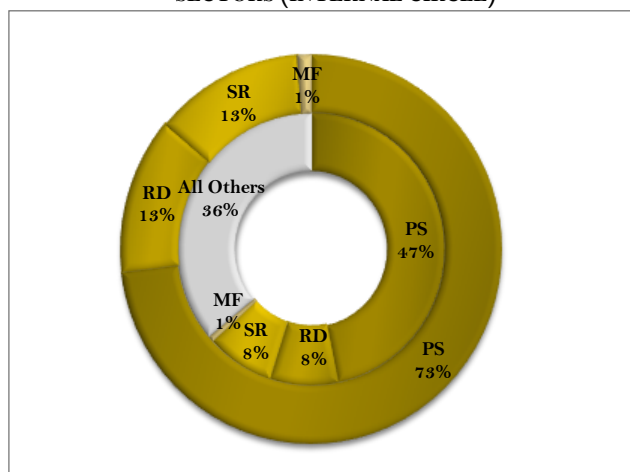


FIGURE 23: DWS DISTRIBUTION BY MICRO-SECTOR (EXTERNAL CIRCLE) AND IN RELATION TO ALL OTHER MICRO-SECTORS (INTERNAL CIRCLE)

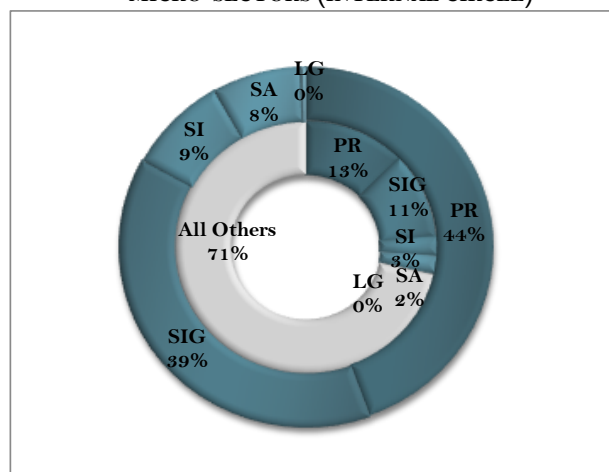
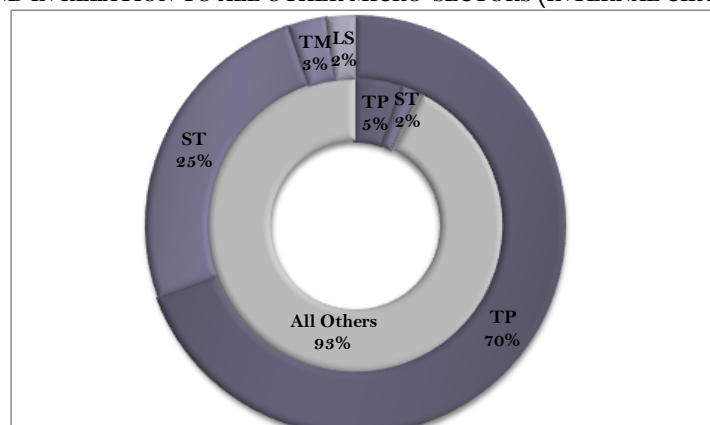


FIGURE 24: VTS DISTRIBUTION BY MICRO-SECTOR (EXTERNAL CIRCLE) AND IN RELATION TO ALL OTHER MICRO-SECTORS (INTERNAL CIRCLE)



Source: Own elaboration based on AiDA database

A substantial amount of funds has been targeted on interventions improving **social policies**, and supporting **social welfare** reforms (SIG), which have received 3,904 M€. A central role is played by the Inter-American Development Bank, which in Brazil has funded the most important SIG project 'Social Protection Reform Program'²³.

²³ This project seeks to support measures taken by the government to support federal social spending levels during a downturn in the economy, while helping to maintain macroeconomic stability to restore confidence in the country's capital market. In particular, it targets social programs in the fields of education, health care, labor and social welfare, with a view to improving the efficiency, equity and management of the services delivered to the public, particularly to the poor.

FIGURE 25: DWS DISTRIBUTION BY MICRO-SECTOR AND DONOR

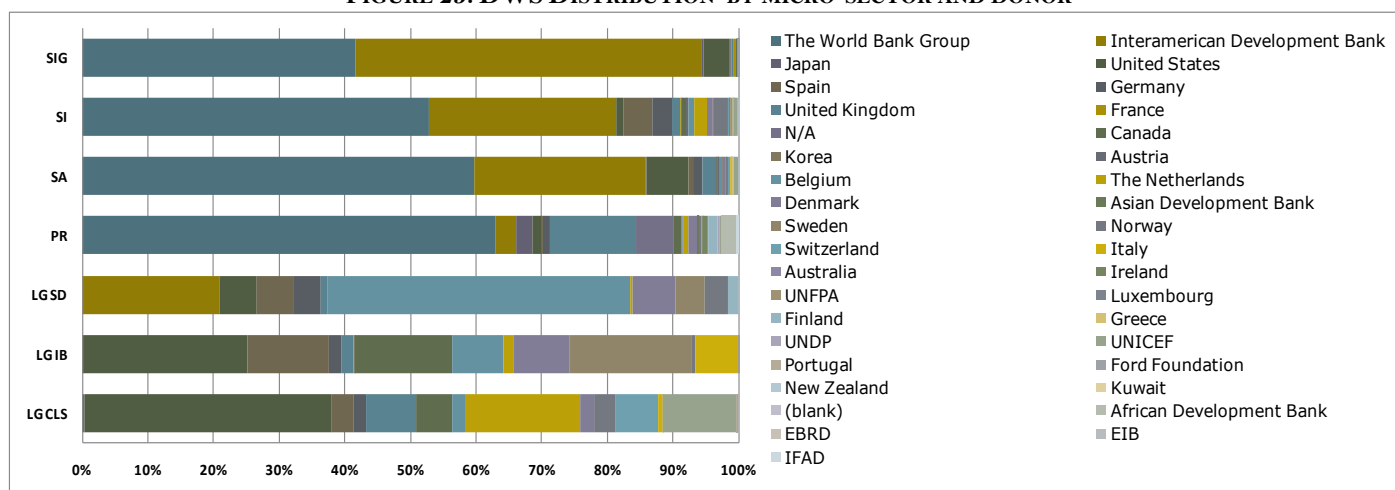


FIGURE 26: ELD DISTRIBUTION BY MICRO-SECTOR AND DONOR

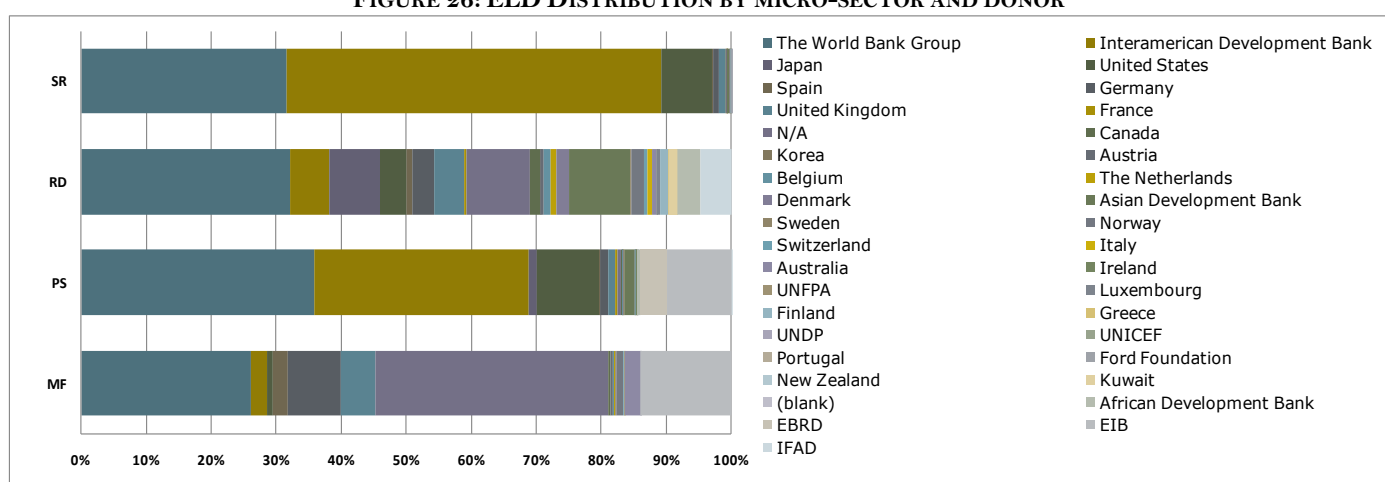
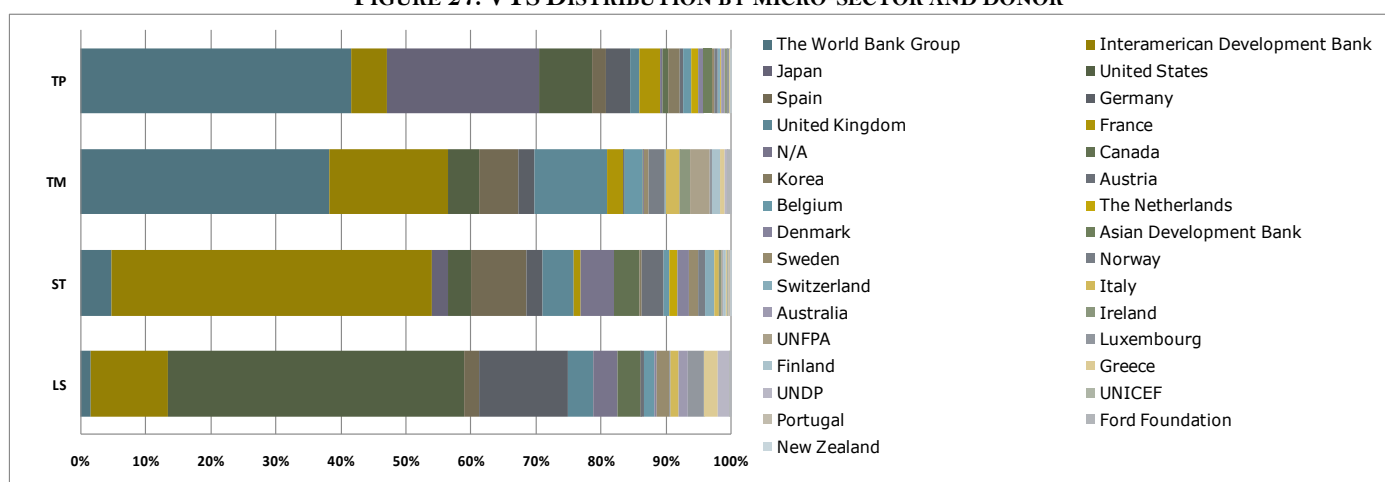


FIGURE 27: VTS DISTRIBUTION BY MICRO-SECTOR AND DONOR



Source: Own elaboration based on AiDA database

Concerning the other micro-sectors, it is worth noticing that Labour market governance is the least in terms of funding with only 79 M€, with 51 M€ targeting Core Labour Standards²⁴. Interventions targeting SI amount to 880 M€ and those in SA to 783 M€.

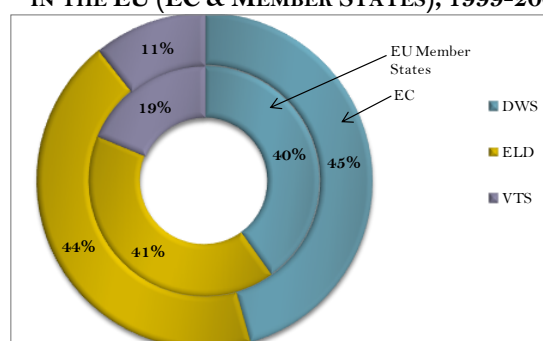
In the area of VTS, the most targeted micro-sector has been *Training Policy* (TP), which included all those interventions aimed at developing and strengthening technical and vocational education systems, TVET training infrastructures, and general TVET curricula. This micro-sector has received a total of 1,842 M€, of which the most significant portion has been allocated by the World Bank to the 'national initiative for human development support project (INDH)' in Morocco (626 M€)²⁵. Support to sectoral training interventions totalled 674 M€, interventions targeting marginalized groups 91 M€, and 58 M€ to interventions in the field of labour supply policies and measures.

In terms of *EU cooperation*, ELD interventions have been the main target of the Member States (1,139M€) followed by DWS (1.107 M€).

Compared to the EC cooperation, there is a similar distribution of funds between EC and MS for DWS and ELD, while on VTS - albeit in both cases the least funded sector - the MS have put more emphasis than the EC.

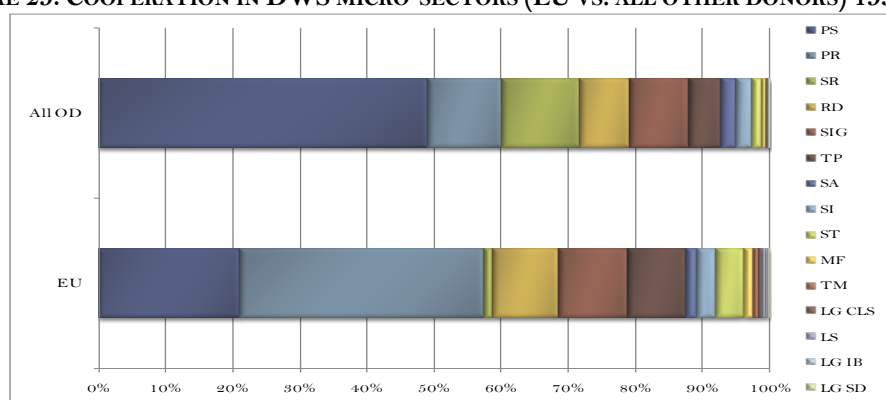
In terms of micro-sectors, both EC and EU MS have allocated most of their funds to programmes in the fields of private sector and poverty reduction. Nevertheless, the EC cooperation has focused strongly on sectors such as SR, SI and ST (respectively 16%, 2% and 2% while the MS have focused more on rural development and on supporting TVET reforms, particularly in the field of TP, which received respectively 18 and 10% of the total.

FIGURE 28: COOPERATION IN ESI MACRO-SECTORS IN THE EU (EC & MEMBER STATES), 1999-2008



Source: Own elaboration based on CRIS and AiDA databases

FIGURE 29: COOPERATION IN DWS MICRO-SECTORS (EU VS. ALL OTHER DONORS) 1999-2008



Source: Own elaboration based on CRIS and AiDA databases

If the whole set of donors is taken into account, it can be concluded that the leader in terms of funds committed to ESI sectors in the 20 selected countries is the World Bank (14,087 M€). It is followed by the Inter-American Development Bank (10,445 M€.) and the European Commission (3,473 M€). Therefore, it can be stated that the European Commission is indeed the lead donor if international financial institutions are disregarded.

²⁴ The most important contribution comes from The Netherlands, which has implemented in Bangladesh a project of 8 M€ to combat child labour, followed by the United States with three main projects on child labour in Uganda, Egypt and Tanzania.

²⁵ This programme is co-financed also by the EC with 60 M€.

ANNEX 7: LABOUR MARKET TRENDS IN THIRD REGIONS

c. Labour Market Trends in Sub-Saharan Africa

Despite declining fertility rates and the effects of the HIV/AIDS pandemic, the population of Africa remains among the world's fastest growing and most youthful. In 2005, according to the ILO, 62% of the overall African population was below 25 years old. In 2008, youth made up as much as one-third of the total working age population (aged 15 years and above), making this the most youthful population in the world. The relative success of the effort to increase access to education means that more and more young people enter the labour market after having completed secondary and tertiary education. Many of these have career expectations beyond a conventional blue-collar job.

Labour force participation rates are quite high in continental Africa. ILO has estimated that the labour force stood at 369 million people in 2006, representing a participation rate of 69% for the continent as a whole and 74% for Sub-Sahara Africa. Although Africa's economically active population is estimated to have increased by nearly 82 million in the last decade, the labour force participation rate has only declined by approx. 1%. ILO attributes this primarily to young people staying in school longer.

ILO estimates that about 63% of the total employment in Sub-Saharan Africa is in agriculture (2006). The proportion of women in agriculture is 44%, while women accounted for 46% of the labour force in the service sector and merely 27% in industry. On the one hand, this demonstrates the important role women play in the economy, but it also shows that women are found in those sectors where the likelihood of informal employment is highest (see below). The unemployment rate is estimated stood at an estimated 7.9% in 2008. A far larger share of the labour force is however subject to harsh conditions reflected in working poverty and vulnerable employment in the informal sector. Almost three fifths of the employed are classified as extreme working poor, earning less than USD 1 a day.

When it comes to labour productivity, Sub-Saharan Africa has a lower level than other regions. The added value per worker in the region is more than 10 times lower than that of a worker in the developed world, and productivity in Sub-Saharan Africa's best performing firms is on par with competitors in Asia. However, labour productivity has been increasing over the last ten years for the region as a whole. The increase was more than in the Middle East and North Africa and just at par with that of South-East Asia. While Africa's rapidly expanding work force could be an asset, the region has not been able to take advantage of this as much as other parts of the world, most notably Asia. Therefore, Africa has seen an increase in its employment, but not fast enough to keep pace with the rising working age population.

Economic growth in Sub-Saharan Africa slowed down from 6.6% in 2007 to 5.3% in 2008, with a more limited slowdown to 5.0% projected for 2009. At this stage, it appears that the region is in a less precarious position than other regions with respect to the global downturn and hence job losses due to its limited linkages with the global financial system. This may only hold in the short run as many countries in Sub-Saharan Africa are dependent on commodity and energy markets, and may suffer as a result of declining demand and prices in both (ILO, 2009).

The informal economy²⁶ constitutes a special challenge in most African countries. It is estimated that between 75% and 90% of the active population depend on the informal sector for their living where they either work in precarious economic activities with little social protection or are unemployed. Only three countries, Botswana, Mauritius and South Africa, had in 2006 wage and salaried employment totaling 80% or more of the active population (ILO, 2006). The majority of

²⁶ Definitions vary, but there is general agreement that work in the informal economy means being outside most legal and regulatory frameworks. The informal sector consists mainly of small operators involving self-employed persons and unpaid family members.

those in the informal economy are engaged in agriculture. With the exception of North Africa and the three above-mentioned countries, only 5-10% of new entrants into the labour market are absorbed by the formal economy. In urban areas, the informal economy in many countries appears to have reached the limits of its absorption capacity, causing increasing overt unemployment. Overt unemployment is primarily a formal sector phenomenon, and therefore more frequent in the countries where formal employment dominates over informal employment. Many well-educated young people prefer to wait for a well-paid job in the formal sector instead of starting their business (informal) business. However, in countries like Nigeria and Kenya, an increasing number of labour market entrants with a tertiary education opt deliberately for self-employment, usually with considerable success.

The percentage of women in the informal employment is particularly high and in many cases dominates the lower echelons in the sector. Women operate primarily in the food-subsistence sector. In urban areas, most women are involved in the informal economy such as street-vending, cross-border trading or marketing processed and semi-processed agricultural produce.

Women's predominance in the informal economy and, conversely, their relative absence in the formal sector, are usually attributed to their lower level of formal education, which, in turn, is related to persistent cultural barriers. Female illiteracy, which is particularly high in countries like Ethiopia, Mauritania, Mozambique and Senegal, are important constraints on the quality of the future labour supply. Of the small percentage of women working in the formal sector (roughly 2 to 5% of the total, although higher for South Africa and Mauritius and some few other countries), most of them work as teachers and nurses in the public sector.

Migration in Africa is dynamic and complex. This is reflected in the feminization of migration, brain drain from several parts of the continent and the increasing problem of trafficking in human beings. The traditional pattern of migration within and from Africa – male-dominated, long-term and long-distance – is increasingly becoming feminized: Professional women from Nigeria and Ghana now engage in international migration. Female nurses and doctors are being recruited from Nigeria to Saudi Arabia, while their counterparts in Ghana are being attracted by well-paid packages in the UK and United States.

Within the continent, South Africa, which uses bilateral agreements to manage the temporary admission of migrant workers from the neighboring countries for employment in the mining sector, constitutes a special case. It is estimated that poverty would increase by 15% in Lesotho if migrant workers in South Africa mines were to stop sending remittances home (Africa Focus Bulletin, Sept. 2006).

BOX 15 : THE AFRICAN AGENDA ON EMPLOYMENT PROMOTION AND POVERTY ALLEVIATION

As recognized by the African Union, the Copenhagen Summit on Social development represents a key milestone on the globalised social agenda, as it links poverty, unemployment and social exclusion as vital factors for a worldwide social justice and a redistribution strategy. As it was the case for the EU, Africa adopted an *African Common position on Human and Social development in Africa* in view of its participation to the Copenhagen Summit. In spite of several initiatives and common positions, little was done on the field and this resulted in the organization by the African Union of an Extraordinary meeting on *Employment Promotion and Poverty Alleviation in Africa*, in Ouagadougou in September 2004. The Theme of the Summit was “*Strategies for Employment Creation/Promotion and Enhancing Sustainable Livelihoods*” as it is recognized that employment plays a central role in determining the level of inequality and poverty.

Eleven Priority Areas were defined in the Action Plan (each of them with a global objective, a strategy and recommended actions):

1. Ensuring political leadership and commitment to create to create an enabling environment of good governance for investment, development and poverty alleviation in the context of NEPAD and the attainment of MDGs.
2. Promotion of the agricultural sector and rural development, sustainable management of the environment for food security and development of support infrastructure.
3. Development of an appropriate framework for integration and harmonization of economic and social policies.
4. Improving and strengthening the existing social protection schemes and extending it to workers and their families currently excluded, as well as occupational safety, health and hygiene.
5. Empowerment of women by integrating them in the labour markets and to enable them to participate effectively in the development of poverty reduction strategies, policies and programmes.
6. Human and institutional capacity building for public and private institutions in charge of employment promotion and poverty alleviation, including the social partners and other relevant actors of the civil society.
7. Utilizing key sectors with high employment potential to generate more jobs and allocate adequate resources for that purpose.
8. Building International cooperation, fair and equitable globalization, and partnerships for an enhanced international support to Africa's efforts towards achieving sustainable development, putting emphasis on the employment agenda, poverty alleviation, regional integration and a better participation in the globalization process.
9. Promoting regional and economic cooperation among the Regional Economic Communities (RECs) in order to expand economic space, intra and inter regional trade, markets and exploit the economies of scale.
10. Targeting and empowering vulnerable groups such as persons with disabilities, aged persons, migrants, children, youth and people infected and affected by HIV-AIDS, Malaria, Tuberculosis and Other Related Infectious Diseases, internally displaced persons, refugees, migrants and the working poor.
11. Mobilization of resources at national, regional and international levels.

Moreover, a monitoring mechanism for the implementation of the Action Plan was developed. It foresees monitoring actions at national (by relevant national institutions), regional (by regional economic communities) and at continental (African Union) level.

Source: Extraordinary Summit of Heads of State and Government of the AU on Employment Promotion and Poverty Alleviation in Africa, African Union, Ouagadougou 2004

1.4 Labour Market Trends in Middle East and North Africa

Middle East and North Africa (MENA) remains the region with the highest unemployment rate in the world at 12% (2006), as well as the lowest employment-to-population ratio at 46% (2008). MENA also has the lowest labour force participation rate at 53% (North Africa 51%). The lowest rates were registered for Egypt and Sudan, both below 50%.

These rates only increased by around 2 percentage points in the past ten years. However, especially in North Africa, progress has been made in reducing the unemployment rate in recent years, from a peak of 14% in 2000 to 10% in 2008, in line with robust economic growth rates in the range of 4.5-6.5%. The low participation rate reflects the limited chances for women in the region with only about one out of three women active in labour markets (the labour force participation rate for women was 30% in 2006). In addition, of those women participating in labour markets, 17% were unemployed and only 25% of the female working age population actually had a job in 2006. The situation is even worse for young women (aged 15 to 24) with an unemployment rate of 32% a labour force participation rate of 25% and an employment-to-population ratio of 17%. 'While all the indicators have improved over the last ten years, there is a long way to go before reaching equality in labour markets' (ILO, 2007)²⁷.

The ILO attributes the consistently high unemployment rates to a combination of inadequate economic growth, poorly functioning labour markets and labour market institutions. Another factor in the lack of employment generation is the reliance on oil production for economic growth, given that this sector is not very employment intensive. At the same time many of the jobs created were – as a result of low productivity – of such poor quality that they did not help the poor to work themselves and their families out of poverty.

Since the early 1990s, thousands of North Africans from Morocco, Algeria and Tunisia have attempted to cross the Mediterranean to reach Spain and Italy. But, as a new development, Sub-Saharan Africans are increasingly migrating to north African countries, with some using the region as a point of transit to Europe while some remaining in North Africa. These migrants come from an increasingly diverse array of countries and regions, such as Senegal, the Gambia, Sierra Leone, Liberia, Mali, Côte d'Ivoire, Ghana, and Nigeria as well as the Democratic Republic of Congo, Cameroon, Sudan, the Horn of Africa, and even Asia.

According to different estimates, between 65,000 and 120,000 Sub-Saharan Africans enter the Maghreb (Mauritania, Morocco, Tunisia, Algeria, and Libya) yearly, of which 70 to 80% are believed to migrate through Libya and 20 to 30% through Algeria and Morocco. Several tens of thousands of Sub-Saharan Africans try to cross the Mediterranean each year. The migrants are often relatively well educated and from moderate socio-economic backgrounds. They move because of a general lack of opportunities, fear of persecution and violence, or a combination of both.

Although the media focus on boat migrants, many employ other methods — using tourist visas and false documents, hiding in vehicles on ferries, and scaling or swimming around the fences surrounding the Spanish enclaves of Ceuta and Melilla in Morocco. Those considering North Africa as their primary destination or those who fail to enter Europe join growing immigrant communities. According to various estimates, at least 100,000 Sub-Saharan migrants now live in both Mauritania and Algeria, 1 to 1.5 million in Libya, and anywhere between 2.2 and 4 million mainly Sudanese in Egypt. Tunisia and Morocco house smaller but growing Sub-Saharan immigrant communities of several tens of thousands. After 2000, an immigrant backlash in Libya incited increasing numbers of Sub-Saharan migrants to move to other Maghreb countries or to

²⁷ ILO: Global Employment Trends, Brief, Geneva, January 2007.

Europe. As a result of this development, Sub-Saharan Africans have now overtaken North Africans as the largest category of irregular migrants intercepted by European border guards²⁸.

As regards the Middle East, the most important emigrants countries are Egypt, Iraq, Iran, West Bank and Gaza, Jordan, Lebanon and the Rep. of Yemen. In 2005, the number of Egyptian emigrants reached 2,400,000 (3.2% of population). The top destination countries for Egyptian emigrants were: Saudi Arabia, Libya, United States, West Bank and Gaza, Italy, Canada, Oman and Australia (World Bank Migration & Remittance Fact book 2008, Washington DC 2008).

At the same time, the Arab region has become a major destination for labour migrants. In 2005, the region hosted one in every ten international migrants in the world and one in every four migrants in the less developed regions. In 2005, migrants represented 7% of the region's population. In 2005, three Arab States were among the 20 countries with the largest number of migrants in the world: Saudi Arabia (6.4 million); the United Arab Emirates (3.2 million) and Jordan (2.2 million).

1.5 Labour Market Trends in Latin America and the Caribbean

The unemployment rate stood at 8% in Latin America and the Caribbean in 2006, which is about the same level as ten years earlier. Economic growth in 2008 slowed down in Latin America and the Caribbean to 4.5%, and is projected to decline further to 2.5% in 2009. Preliminary estimates for 2008 show a slight increase in the unemployment rate. The employment-to-population ratio has increased by 1.8 percentage points over the past decade. This is mainly the result of a much higher employment-to-population ratio for women. This rise in the employment share of women in the working age population went in parallel with a substantial increase in female participation in labour markets. The positive impact of several consecutive years of fairly high economic growth rates is also reflected in a decrease in working poverty.

The period of high economic growth also contributed to an acceleration in the shift in the sectoral employment distribution. Between 1998 and 2003, the share of agricultural employment in total employment decreased by 1.9 percentage points, as compared to 3.2 points in the subsequent five-year period (2003-2008). During both periods, most of the gains went to the service sectors. However, non-agricultural employment continues to be concentrated in low productivity, low wage sections of the economy, especially in the service sector, with insufficient levels of social protection. According to an analysis done for Panorama Laboral in 2005, the countries with the largest percentages of workers employed in the informal sector were Colombia, Ecuador, Paraguay and Peru, at close to 60%, while those with the lowest shares were Costa Rica (41%), Panama (42%), and Uruguay (38%).

Most migration from Latin America is destined at Southern Europe, and caused by economic motives. The reasons for these new flows are varied. The colonial connections between Latin America and Southern European countries consolidated the flows.

From the standpoint of the origin countries, the 'push' factors for out-migration, which have existed for several decades, are intensified. These include high unemployment and underemployment rates, political instabilities, and the weakening of the welfare state, which has meant a decrease in social services spending, among other reasons. After joining the EU, Spain and Portugal experienced strong economic growth. Latin America and the Caribbean countries helped fill the increasing demand, first for skilled and then for less-skilled labour. The informal economy, which has a long tradition in Southern Europe, gained a more important role as the demand for labour increased. Consequently, the use of irregular migrants increased. These migrants work in construction, agriculture, hospice, catering, and cleaning, often in positions natives do not fill. The recent growth of traditionally feminine labour niches, such as domestic

²⁸ Migration Policy Institute: Migration Policy Source Nov. 2006. Washington DC 2009

care for the elderly and domestic and industrial cleaning, is a particular pull factor for immigrant women, feminizing some Latin American and Caribbean immigrant communities in the region.

In terms of absolute numbers, within Europe Spain hosts the largest Latin American national population with just over 1 million individuals, including those legalized during the 2005 amnesty. Italy lags behind, with 205,000 LAC nationals, followed distantly by the United Kingdom (113,000) and Germany (94,000). Portugal, which has experienced immigration only recently, hosts a smaller number (56,000) (Migration Information Source, 2009). As regards the United States, most Latin America immigrants – legal and illegal – derive from Mexico, Cuba, Colombia, Dominican Republic, El Salvador, Jamaica and Guatemala. It is estimated that in the year 2000, about 2.5 million Latin Americans lived in another country within the region (including the US).

BOX 16 : THE LATIN AMERICAN & CARIBBEAN AGENDA ON JOB CREATION TO FIGHT POVERTY IN THE FRAMEWORK OF THE ORGANISATION OF AMERICAN STATES

A Special Summit of the Americas was launched in 2004 *to advance the implementation of measures to combat poverty, promote social development, achieve economic growth with equity, and strengthen governance*. This Summit emphasized the linkage between economic growth with equity to reduce poverty, social development, and democratic governance as the basis for the well-being.

Later in 2005, the Fourth Summit of the Americas had as main theme “Creating Jobs to fight Poverty and Strengthen Democratic Governance”. Employment was given a central place in the hemispheric agenda, *inseparable from liberty, justice, security, and protection, given that it is the principal vehicle for social integration*. Economic growth was recognized as indispensable and necessary, but not sufficient *for combating the high unemployment, informality, and the precarious nature of employment that afflict societies*. Decent work is recognized as *the most effective tool with which to forge a framework for material and human progress and it must become a goal for the next decade in the Americas*. Generating more and higher quality employment requires the implementation of a series of government policies, with the following objectives:

- a. Integration of macroeconomic, trade, production, infrastructure, migration, educational, and social welfare policies into the goal of generating quality employment, by evaluating their impact on jobs and effects on the labor market.
- b. Promotion of policies designed to develop productive networks or interlocking linkages that through expansion, increasing density, and greater competitiveness will contribute to the growth of private investment and employment.
- c. Promotion of specific programs for micro and small enterprises, reaching out effectively to that sector by providing technical assistance, micro-credit, training, and employment agency services.
- d. A reorientation of unemployment benefit policies on the basis of such criteria as guaranteeing a minimum income, reinsertion of the unemployed into the labor force, and enhancing the employability of the unemployed.
- e. Promotion of efficient and high-quality skills development systems and services that are coordinated with educational and economic policies, through increased investment—by both the public and the private sector—in vocational training with a view to enhancing individuals’ productivity and employability.
- f. A substantial narrowing of the gender gap, by promoting a reduction of the disparities between men and women in the labor sphere through an integrated approach that incorporates a gender perspective in employment policies.
- g. Promotion of an integrating social dialogue among government, employers, and workers, in a context in which both employers’ organizations and trade unions are strengthened.

It is interesting to note that reduction of the inequality was not only seen as a key concern within countries but also among them. Trade impact on employment rate, achieving more extensive access to markets for the region’s exports and reform of the fiscal systems to consider infrastructures as an investment and not as a current expenditure, were also given a key role.

The Plan of Action was concentrated in four pillars, each of them with national and hemispheric actions:

1. Creating Decent work (in each of its four strategic objectives),
2. Growth with employment (social dialogue, institutional strengthening for relevant public and private institutions, coordination of policies),
3. Social development (mainly education, health and indigenous groups) and
4. Strengthen democratic governance.

The Fifth Summit of the Americas, held in June 2009, was on the Theme “Securing Our Citizens’ Future by Promoting Human Prosperity, Energy Security and Environmental Sustainability”. In this occasion, employment is considered in relation to trade impact on economic growth and development, as well as in the framework of SMEs’ role in generating new employment, improve the quality of life, and have a positive impact on development and economic growth while promoting equity and social inclusion.

Source: Declaration and Plan of Action of the Fourth Summit of the Americas, Declaration of the Fifth Summit of the Americas

1.6 Labour Market Trends in Asia

East Asia

Until the global financial crisis that emerged in 2008, the East Asian economies enjoyed GDP growth of over 8%. This was underpinned by China's growth rate of more than 10%. Strong export performance. East Asia witnessed an increase in the unemployment rate by 0.3 percentage points in 2008, but it remains low at 3.8%. The employment-to-population rate is very high in East Asia, at 71.4% in 2008, but 2.7 percentage points lower than in 1998. The very high ratio is in part explained by the relatively high employment-to-population rate for women. Even though economic growth in East Asia slowed down by 2 percentage points in 2008, and is projected to decline further to 7.0% in 2009, these rates are still the highest among all regions. Continued high growth rates have contributed to a decline in vulnerable employment. Between 1997 and 2007, the share of vulnerable employment decreased by 8.3 percentage points. During the same period, extreme working poverty was reduced by a very impressive 28 percentage points, even though it continues to affect a considerable part of the employed.

As pointed out by the ILO, the fact that East Asia is on its way to becoming a middle-income region means that new challenges are arising. Despite successful global integration and increasing regional integration, many East Asian countries are falling behind in domestic integration. Inequality has risen, not just in income levels, but also in schooling and access to basic services. The development of labour markets will play an important role in handling these new developments as well as in further reducing decent work deficits. Despite a declining youth labour force, more than 200 million young people (aged 15-24) need to be well prepared to become the drivers of future growth. Success in this regard depends on higher skill levels and a smoother transition from school to work. This is especially crucial given the region's slow population growth, as labour shortages and the need for a well-educated workforce could become important issues in the future (ILO, 2007).

South-East Asia and the Pacific

Within South-East Asia, Cambodia and Vietnam have had the fastest GDP growth, with an average annual growth rate of more than 6% over the past ten years. In recent years South-East Asia and the Pacific has profited through trade and other economic linkages from the economic

BOX 17 : ASEAN COOPERATION ON LABOUR

Since 2000, ASEAN work on labour and human resources is guided by the ASEAN Labour Ministers Work Programme. The Work Programme provides the framework to prepare the region's labour force to face the challenges of globalization and trade liberalization. The five broad priorities initially set in the Work Programme are in the areas of employment generation, labour market monitoring, labour mobility, social protection, and tripartite cooperation. In May 2006, the ASEAN Labour Ministers agreed in their Joint Statement of 2006 to add a sixth priority area, occupational safety and health (OSH), in the ALM Work Programme. From the six priorities under the ALM Work Programme, two area-specific work programmes have been adopted by the ASEAN Senior Labour Officials for priority areas on tripartite cooperation and OSH capacities and standards in ASEAN.

Apart from the priorities set in the ALM Work Programme, ASEAN made a groundbreaking move to address the issue of migrant workers on 13 January 2007, when its Leaders signed the ASEAN Declaration on the Protection and Promotion of the Rights of Migrant Workers. The Declaration mandates ASEAN countries to promote fair and appropriate employment protection, payment of wages, and adequate access to decent working and living conditions for migrant workers. As a follow-up to the Declaration, an ASEAN Committee on the Implementation of the ASEAN Declaration on the Protection and Promotion of the Rights of Migrant Workers was established in July 2007.

The ASEAN Plus Three (APT) (China, Japan and the Republic of Korea), that meet annually as East Asia Summit (EAS), also cooperate in Labour.

Source: Extracted from [HTTP://WWW.ASEANSEC.ORG](http://www.aseansec.org)

boom in China and India. Underpinning Cambodia's GDP growth is stronger agricultural production, a booming tourism industry and robust garment exports. Vietnam's economic performance continues to be driven by surging private investment and strong domestic demand. According to the ILO (2009), the region's employment-to-population ratio decreased slightly between 1998 and 2008, by 0.4 percentage points; the decrease was larger for youth than for adults. The sub-region continues to enjoy one of the lowest unemployment rates. In 2008 approx. 5.7% of the labour force was unemployed, which is slightly more than the previous year. Remarkably, although the employment-to-population rate has increased, that for young women has fallen considerably, mainly as a result of more young women entering and staying in education. The increased female labour market participation has caused a relative increase of the unemployment for women, while at the same time the number of women in waged and salaried employment work has gone up. As a proportion of the employed, extreme working poverty more than halved during 1997-2007; as an indication of this the number of women in vulnerable employment (unpaid family or own account work) has decreased markedly (ILO: Global Employment for Women 2008 highlights).

Reliance in many countries in South-East Asia on manufacturing exports to industrialized economies, foreign direct investment, tourism revenues and remittances, makes this region highly vulnerable to a prolonged recession in the developed world. As a result, economic growth in the region fell to 5.1% in 2008, and is currently projected to decline to 4.2% in 2009. Inevitably, this will have a negative impact on the employment situation. In addition, the situation of migrants has been affected by the global economic crisis. In Malaysia, thousands of Indonesians working in the manufacturing sector have been laid off, the Thai government has announced that several hundred thousand work permits will not be renewed, and it is feared that as many as 100,000 Filipino migrant workers may lose their in 2009²⁹. It will take several years for the South East Asian countries to recover from this setback.

BOX 18 : ASEAN SOCIAL AGENDA

As a way to reinforce a sense of community building and regional solidarity, ASEAN has developed a comprehensive agenda of functional cooperation in fields including poverty eradication, social welfare and development, labour and employment, education and youth. The thematic elements of the ASEAN Socio-Cultural Community Plan of Action include poverty eradication, managing the social impact of economic integration, environmental sustainability, and promoting regional identity. These elements represent the social agenda of ASEAN.

As stated by the Director of the ASEAN Secretariat:

Poverty reduction strategies need to shift gradually from targeting those in extreme poverty to mitigating vulnerability to poverty among many more millions of people. Concentrating on factors that encourage productivity growth and the creation of quality jobs will be critical to promote sustainable competitiveness, quality employment and decent work.

In an era of rapid structural changes and increasing competitive pressure, it is essential that workers are protected, including migrant workers. Appropriate measures include strengthened social safety nets and labour market policies such as job-search assistance and retraining programmes to help workers adjust and to mitigate the costs of such adjustments.

Source: M. C. Abad, Director at the ASEAN Secretariat, article based on a paper presented at the 21st Asia Pacific Roundtable held in Kuala Lumpur on 4-8 June 2007

²⁹ Stimson: Global Economic Crisis and Southeast Asian Labour Migrant (WWW.STIMSON.ORG/PUB)

BOX 19 : TOWARDS AN ASEAN COMMUNITY

The ASEAN Plus Three (APT) (China, Japan and the Republic of Korea), that meet annually as East Asia Summit (EAS), also cooperate in Labour.

At the 12th ASEAN Summit in January 2007, the Leaders affirmed their strong commitment to accelerate the establishment of an ASEAN Community by 2015.

- The **ASEAN Economic Community** (AEC) shall be the goal of regional economic integration by 2015. AEC envisages the following key characteristics: (a) a single market and production base, (b) a highly competitive economic region, (c) a region of equitable economic development, and (d) a region fully integrated into the global economy. Its master Plan (called AEC Blueprint) foresees **Free flow of skilled Labour** among its strategic approaches. Among its priority actions: i) Facilitate the issuance of visas and employment passes for ASEAN professionals and skilled labour who are engaged in cross-border trade and investment related activities; ii) Enhance cooperation among ASEAN University Network (AUN) members to increase mobility for both students and staff within the region; iii) Develop core competencies and qualifications for job/occupational and trainers skills required in the priority services sectors (by 2009); and in other services sectors (from 2010 to 2015); and iv) Strengthen the research capabilities of each ASEAN Member Country in terms of promoting skills, job placements, and developing labour market information networks among ASEAN Member Countries.
- The **ASEAN Socio-cultural Community** (ASCC). Its primary goal is to contribute to realizing an ASEAN Community that is people-centred and socially responsible with a view to achieving enduring solidarity and unity among the countries.

Under the Human Development Chapter, we found the following priorities:

- **Investing in human resource development.** Enhance and improve the capacity of ASEAN human resource through strategic programmes and develop a qualified, competent and well-prepared ASEAN labour force that would benefit from as well as cope with the challenges of regional integration
- **Promotion of decent work.** Incorporating decent work principles in ASEAN work culture, safety and health at work place and ensuring that the promotion of entrepreneurship becomes an integral part of ASEAN's employment policy to achieve a forward-looking employment strategy
- **Strengthening entrepreneurship skills for women, youth, elderly and persons with disabilities.** Increasing the participation of women, youth, elderly, persons with disabilities, vulnerable and marginalized groups in the productive workforce by enhancing their entrepreneurial skills, particularly to improve their social well-being and contribute towards national development and regional economic integration.

Under the Social Welfare and Protection Chapter, **Social safety net and protection from the negative impacts of integration and globalization** is among the objectives.

Protection and promotion of the rights of migrant workers and **Promoting Corporate Social Responsibility (CSR)** are under Social Justice and Rights chapter.

Source: ASEAN Economic Community and ASEAN Socio-cultural Community respective Blueprints

South Asia

A growing labour force remains South Asia's main challenge. Over the last decade it has increased at the high annual rate of 2.1%. Compared with other regions, South Asia's labour force participation rate is relatively low (60%), however this is mainly due to the significant discrepancy between the rates for men (82%) and women (36%). What makes the situation of women even worse is that despite their low participation, they have a higher risk than men of becoming unemployed: the female unemployment rate in 2006 was 6.2% compared to 4.9% for men (ILO, 2007).

In addition, during the past decade unemployment rates for women increased markedly, rising to 6.2% in 2006. Comparatively, the male unemployment rate went up only slightly. South Asia's countries are different from the rest of Asia in that they have tended to be less integrated in global markets. They still strongly depend on agriculture and therefore on weather conditions and the demand for agricultural products. The agricultural sector accounts for over half of total employment, more than in any other region except Sub-Saharan Africa. Moreover, many of the new jobs created outside agriculture in South Asia are in the informal sector and are not necessarily of better quality than those in agriculture. Overall, South Asia's employment is not growing as fast as the working age population. During the last ten years the employment-to-population ratio, which is already one of the lowest in the world, went down from 58.4 to 56.5%. The low labour force participation for women is the main reason for this. Taken together with increasing unemployment rates, this means that employment creation has been insufficient to absorb the growing labour force. Even though working poverty has been dramatically reduced in the region – especially in India – the working poor rates remain high. Similar to the other Asian regions, economic growth in recent years has resulted in impressive reductions in working poverty in South Asia, especially in India. The share of vulnerable employment, also on a downward trend, remains very high.

Around 25 million Asian workers are currently employed outside their home countries. More than two million leave every year, while a similar number return. In the past the majority went to the Gulf countries, but nowadays the largest flows are within the Asia-Pacific region — with a number of countries serving as both origins and destinations. As a result of the rapid economic growth experienced by some Asian countries, workers are increasingly moving from one country to another on short-term contracts, and labour markets are becoming ever more integrated.

BOX 20 : SAARC SOCIAL CHARTER

Among the South Asian Association for Regional Cooperation (SAARC) areas of cooperation, Employment issues do not appear as such. They are nevertheless considered under Article V on Education, Human Resource Development and Youth Mobilization of the SAARC Social Charter (adopted in 1996 and signed in 2004):

- States Parties agree that broad-based growth should create productive employment opportunities for all groups of people, including young people.
- States Parties agree to provide enhanced job opportunities for young people through increased investment in education and vocational training.
- States Parties agree to provide adequate employment opportunities and leisure time activities for youth to make them economically and socially productive

Source: [HTTP://WWW.SAARC-SEC.ORG](http://www.saarc-sec.org)

Around half of the 2.6 million Asia-Pacific workers who leave home come from South Asia. Typically they follow well-worn paths to the Gulf region to perform all kinds of service and maintenance jobs, serve as store-keepers or guard establishments to build houses. In addition a large number of South Asian professional and technical workers head for North America and

Europe. Some South Asians also go to Southeast Asia to work in plantations in Malaysia, for example, as domestic helpers in Singapore, or as construction workers in the Republic of Korea.

Another 1.3 million migrant workers are from South-East Asia. These are mostly Filipinos, Indonesians, Thais, Burmese, and Vietnamese. Young Indonesian men, for example, find their way to Malaysia to take up unskilled and semi-skilled jobs in construction, say, or agriculture, while the women go to Saudi Arabia to work as domestic helpers. The Philippines and Thailand also send large numbers of workers to fill skilled and unskilled jobs in neighboring countries and in the Gulf³⁰.

1.7 Labour Market Trends in Eastern Europe and Central Asia

Despite solid economic growth rates recently, labour markets in Central and Eastern Europe continue to be characterized by the high unemployment that accompanied transition from the central planning system. Labour force participation in this region has been declining ever since the transformation process started. In most Central and Eastern European countries, economic activity rates have decreased for both men and women, with the decline often larger for men. In addition, the employment-to-population ratio dropped to 53% in (2006).

In 2008, growth is expected to decline to 6%, with a sharp downward turn to not more than 3.3% projected for 2009. Despite the high rates of growth, the rate of unemployment has come down only slowly from the levels witnessed in the first half of the 1990s. In 2008, the unemployment rate increased to 8.8%, from 8.5% in 2007.

The share of workers in the agricultural sector decreased by more than 8 percentage points during 1998–2008, and was 19% in 2008. The share in industry also decreased over this period by 2.4 points. As a result, the service sector is the only sector that saw an increase in its share in employment by 10.5 percentage points. The service sector provides over half of all employment opportunities in the region.

³⁰ Labour Migration in Asia (Brief by the Asian Programme on the Governance of Migration), ILO, Bangkok 2007

BOX 21 : CONCERTED SOCIAL POLICY OF MEMBER STATES OF EURASIAN ECONOMIC COMMUNITY*

Based on the evidence that transition to market economies was aggravating social and economic problems (inequitable income distribution, weakened motivation for work and unemployment, flaws in the system of social protection, relatively high level of poverty, worsening of the demographic situation across the Community and growth of unregulated labor migration), Eurasian Economic Community approved in April 2007 a resolution on a Concerted Social Policy in order *to coordinate the Parties' socio-humanitarian projects and programs, and to use integration opportunities more efficiently to promote development.*

As stated in the resolution, *introducing a social dimension to the economy, social development shall be viewed as interconnected with the general economic development of the Parties and the restructuring of the economy.* Even though each Party can set its own action plan, social integration process of Eurasian Community shall address the following most urgent challenges: i) provision of a fitting level and quality of life for the population, ii) overcoming poverty, iii) promotion of productive employment, iv) strengthening of social protection and support for the most vulnerable population groups, and v) utilization of opportunities for the institutions of civil society and the strengthening of social responsibility of business.

Among the directions to implement the social policy, it is worth mentioning:

In the social and labor area:

- creation of a single methodology for legal regulation of labor relations;
- preparation, on the basis of concerted principles and lines of approach, of model laws regulating labor protection;
- elaboration and implementation of concerted state policy with respect to work compensation;
- unified lines of approach to the formation of social security systems;
- creation of a common labor market in the Community;

In the area of education

- creation of a mutually acceptable concerted system of training and retraining teachers and instructors for EurAsEC states;
- enhancement of the effectiveness of informational and consulting support for educational systems, including the provision of educational and consulting literature;
- development of modern forms of education (including distance learning) on the basis of advanced information and communication technologies;
- expansion of academic mobility and export of educational services;
- creation of a single educational space within the Community;

In the area of population migration

- strengthening coordination in the area of migration regulation;
- improvement of the efficiency of concerted state policy in the area of migration by achieving conformity between the size, directions and structure of migration flows and the interests of migrants and societies in receipt of migrants;
- promotion of the integration of migrants into the society and promotion of tolerance towards migrants.

The mechanisms for its implementation would be: Harmonization and unification of legislation, Setting up a system of social guarantees and indicators, Social partnership, Social responsibility and Institutional development.

**Composed by the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic, the Russian Federation, the Republic of Tajikistan and the Republic of Uzbekistan. The Republics of Moldova, Ukraine and Armenia are observers.*

It is not surprising that the region's continuously high unemployment rates trigger big emigration flows. Many workers who lost their jobs as a result of restructuring and many young workers who never managed to find work have migrated westwards in search of opportunities. This is perceived as reducing the capacity for long-term economic development. Even more worrying is clandestine migration, including trafficking, which often reflects the poor labour market situation.

Eastern Europe and Central Asia accounts for one-third of all developing country emigration and Russia is the second largest immigration country worldwide. Over the past decade the former Soviet zone turned into one of the major human migration regions in the world. The amount of remittances sent home by labour migrants grew significantly in the 2000s and peaked in 2008. Labour migration is treated as a political issue in Central Asia, with recipient countries – mainly Russia and Kazakhstan – using migrants to exert pressure on migrant-sending countries. Remittances surged in 2006-2007, when the construction sector boomed in both Russia and Kazakhstan. The long rise was followed by an abrupt decline in early 2009. To a great extent, the migrants' abrupt return was the only major manifestation of the current global economic crisis to affect Kyrgyzstan, Tajikistan and Uzbekistan, the leading migrant-sending countries³¹.

³¹ Erica Marat, *Labour Migration in Central Asia: Implications of the Global Economic Crisis*, Central Asia-Caucasus Institute & Silk Road Studies Programme, Washington/Stockholm, May 2009

SECTION 2: EVALUATION QUESTIONS' MATRIX

ANNEX 8: EVALUATION QUESTIONS' MATRIX

| | | |
|------|---|--|
| EQ 1 | TO WHAT EXTENT HAVE EMPLOYMENT, SOCIAL INCLUSION IN THE LABOUR MARKET AND TVET RELATED ISSUES BEEN INCORPORATED IN EC COOPERATION WITH THIRD COUNTRIES TAKING INTO ACCOUNT THE EVOLUTION OF EC DEVELOPMENT POLICY IN THIS PERIOD AND EC INTERNATIONAL COMMITMENTS? | |
| | DAC Evaluation criteria : Relevance | |
| | EC specific issues : Internal Coherence | |
| | | |
| | Judgment criteria | |
| | 1.1. EC POLICIES AND STRATEGIES ON EMPLOYMENT, SOCIAL INCLUSION IN THE LABOUR MARKET AND TVET HAVE EVOLVED OVER TIME | |
| | Indicators | |
| | 1.1.1 EVOLUTION OF SPECIFIC REFERENCES TO EMPLOYMENT, SOCIAL INCLUSION IN THE LABOUR MARKET AND TVET OBJECTIVES IN POLICY DOCUMENTS RELATED TO COOPERATION WITH THIRD COUNTRIES ACCORDING TO INTERNATIONAL COMMITMENTS | |
| | <p>The period considered by this evaluation covers events that led to major changes in the EC development policy agenda. It is also necessary to recall the importance of previous international commitments and European progress at EU internal level that set the basis for the consideration of key social and economic elements of EC external actions.</p> <p><i>1.1. The influence of Multilateralism in EC Development policy</i></p> <p><i>1.1.1. The importance of the World Summit for Social Development</i></p> <p>During the evaluation period, relationships have strengthened with the United Nations System as a result of the increased commitment to multilateralism.</p> <p>The World Summit for Social Development was held in Copenhagen in March 1995. <i>The significance of social development and human well-being for all and to</i></p> | |

*give to these goals the highest priority both now and into the twenty-first century*³² was recognised for the first time. On that occasion, *a global drive for social progress* was launched and a new consensus was reached to put people at the centre of development³³. The year before the Summit, the Communication *European Union's priorities for the World Summit for Social Development* reaffirmed European commitment to eradicate poverty and integrate all sections of society in the framework of its development policy. In this framework, job creation, advancement of social rights and prevention of social exclusion were among the objectives. These objectives were indeed fully covered in the Copenhagen Declaration.

The importance of linking sustained economic growth and sustainable development and productive employment is highlighted as a core issue. In the specific Programme for Action on Employment, different actions are proposed that overhaul this linkage:

- i) The centrality of employment in economic and social policy formulation.
- ii) Linking education, training and labour policies.
- iii) Enhance the quality of work and employment.
- iv) Enhance employment opportunities for groups with specific needs.

In its Follow-up to the World Summit³⁴, considering that the main commitments were already put in practice in Europe, strong attention is given to the implementation of the relevant commitments in the international scene and in EU's bilateral relations with third countries. Keeping employment as the top priority for economic and social policy remains valid not only at European level but also at international level.

1.1.2. The Millennium Declaration and related Development Goals

At the turn of the millennium, a new consensus on global development goals emerged around the Millennium Development Declaration. The emphasis progressively shifted from growth and trade to sustainable development and poverty reduction.

The shift in emphasis that we observe around the turn of the millennium is from the Washington consensus to a pro-poor focus constructed around macroeconomic and labour demand policies. Until the early years of the new millennium, the themes of employment generation, social protection and workers' rights are still marginal in the international and EU policy strategies, despite the fact that they were already part of the social development objectives and policies since the Copenhagen Social Summit of 1995. The "overarching" international Declarations and Agreements provide the enabling

³² Copenhagen Declaration on Social Development, World Summit for Social Development, March 1995

³³ In 1993 and 1994 two other summits were organised by the UN in Viena (Declaration on Human Rights) and in Cairo (Population and Development).

UN General Assembly A/CONF.157/24 (Part I) 13 October 1993 Point 25. „*The World Conference on Human Rights affirms that extreme poverty and social exclusion constitute a violation of human dignity and that urgent steps are necessary to achieve better knowledge of extreme poverty and its causes, including those related to the problem of development, in order to promote the human rights of the poorest, and to put an end to extreme poverty and social exclusion and to promote the enjoyment of the fruits of social progress.*“.

UN International Conference on Population and Development, Cairo 1994 Principle 2 refers to *human beings being at the centre of concerns for sustainable development and that they have the right to an adequate standard of living for themselves and their families, including adequate food, clothing, housing, water and sanitation*. Moreover, Principle 3 sets out that *the right to development is a universal and inalienable right and an integral part of fundamental human rights and the human person is the central subject of development*.

³⁴ The European Union's follow-up to the World Summit for Social Development, COM(96) 724

framework for the MDGs. The Millennium Declaration and the MDGs provide a legislative framework for partnership, in terms of working towards complying with international Conventions and Agreements.

In 2005, the Communication *Policy Coherence for Development - Accelerating progress towards attaining the Millennium Development Goals* focuses on non-aid policies that can assist developing countries in attaining the MDGs. Among the eleven priority areas identified by the EC where synergies with development objectives can be found, reference is made to:

a. Social dimension of globalisation, promotion of employment and decent work.

The aim is to *strengthening the Social Dimension of Globalization with a view to ensure maximum benefits for all, both men and women. The EU will promote employment and decent work for all as a global goal.* Further collaboration with WTO, the Bretton Woods's institutions and ILO is seaked. EU commits itself to address the social consequences of adjustments and restructuring related to globalization, including through co-operation with the ILO on the impact of trade policy on employment and social issues, as well as to promote productive employment, investment in human resources, redistribution mechanisms, social protection, gender equality, social dialogue and effective application of rights at work. The EU also supports the incorporation of employment and decent work issues, in particular for young people, within the review of the MDGs and Millennium Declaration.

and

b. Migration.

The aim is to *promote the synergies between migration and development, to make migration a positive factor for development.*

In spite of the central role given to employment and decent work, the COM(2009)458 on *Policy coherence for Development - Establishing the policy framework for a whole-of-the-Union approach*, sets new priorities, within the eleven 2005 priorities, to be dealt with in the framework of the economic and financial crisis. Among these, employment and decent work remain outside and attention is given to: Climate change, global food security, migration, intellectual property rights for development and security and peace.

In 2005, a Commission Communication set out the *European Union's contribution to speeding up progress towards the Millennium Development Goals*³⁵ as part of the European Union's contribution to the UN Summit of September 2005. To that aim, the Commission's proposals are i) to increase financial allocations and to enhance the quality of aid, ii) to continue exploring the concept of policy coherence for development in order to find additional contributions to development and iii) to focus on Africa.

The "European Consensus" on Development (ECD)³⁶ further sets out development policy in line with the Millennium Development Goals: *The primary and overarching objective of EU development cooperation is the eradication of poverty in the context of sustainable development, including pursuit of the Millennium Development Goals (MDGs).* According to the European Consensus, EU would concentrate in nine areas, among which Human development and Social cohesion and employment. Under the Human development chapter, reference is made to EU contribution to '*Education for All*' and the priority is given to quality primary education and vocational training. Under the Social cohesion and employment chapter, the aim is to prevent social exclusion and to combat discrimination against all groups. In this framework Employment is considered by the ECD as a crucial factor to achieve a high level of social

³⁵ Brussels, 7.10.2005 COM(2005) 132 final/2

³⁶ Council of the European Union Brussels, 22 November 2005 DEVGEN 229 RELEX 678 ACP 155

cohesion. This chapter also foresees the promotion of social dialogue and protection.

The COM(2010) 159 on *A twelve-point EU action plan in support of the Millennium Development Goals*, linked to the *Europe 2020 Strategy*, that foresaw a renewed effort to reach the MDGs by 2015, proposes concrete actions to achieving the MDGs, among which:

- A European MDG fast track. The objective is to target the most MDG off-track countries (fragile and orphan countries) and the most off-track MDGs. There is also question of fostering ownership of MDGs in partner countries.
- Enhancing regional integration and trade to boost growth and jobs by continuing helping countries to participate in the global economy and by assisting the development of the private sector through mechanisms such as the ACP Investment Facility and the EU-Africa Infrastructure Trust Fund.

EU contribution to the MDGs is more recently confirmed by the Green paper on *EU development policy in support of inclusive growth and sustainable development. Increasing the impact of EU development policy* (COM(2010) 629 final). In its introduction we can read: *The achievement of the MDGs by 2015 must therefore remain Europe's first and overriding priority, and the European Consensus on Development provides the fundamental principles for moving forward. Inclusive growth is considered a mean to achieve the MDGs in that it allows people to contribute and benefit from economic growth, and to mobilise their economic, natural and human resources in support of poverty reduction strategies.*

An important contribution of the Green paper is the widened vision of EUs' contribution to achieving the MDGs. If in the 2009 Commission Staff working paper *Millennium Development Goals - Impact of the Financial Crisis on Developing countries* some missing dimensions of the MDG framework were mentioned, in the Green paper the EC proposes indeed to consider new *Joint Strategies for Inclusive Growth*, in partnership with the individual or regional groupings of developing countries, also involving private sector - businesses, foundations, academia and civil society organisations (CSOs) at large, etc. Priorities for actions of such Joint Strategies could be, among other: Promoting and supporting productive and sustainable investments and Access to capital and affordable credit.

1.1.3. The Decent Work Agenda

Between 2000 and 2005, we assist to the emergence of a new type of consensus based on the decent work agenda. The Lisbon Strategy and the European Social Agenda already provided a framework for action in favour of employment, equal opportunities and social cohesion within the EU but these themes were not yet considered as core themes for EC development assistance. The Decent Work Agenda contributes directly and indirectly to all eight MDGs in the global fight against poverty.

In the context of the EC external assistance, the decent work agenda also finds correspondence in the overarching goal of poverty reduction and the more specific Millennium Development Goals 1A (to prevent people from falling into poverty) and 1B (to promote employment and social inclusion of vulnerable groups).³⁷ In terms of concrete strategies, the first objective is promoted through the establishment and improvement of social protection programs targeted to the most vulnerable such as social assistance programs targeted to the poor. The second objective is promoted through policies targeting specific groups such as women, youth, and other groups considered at risk of social exclusion from the labour market.

³⁷ Note that the Commission Staff Working Document "Promoting Employment through EU Development Cooperation" states erroneously "(...) employment as such is not one of the Millennium Development Goals (MDGs)" (p.3).

In addition, the decent work agenda stresses the importance of workers' rights and the need to foster labour governance. In 2001, with the Commission Communication *"Promoting core labour standards and improving social governance in the context of globalization"*³⁸ that builds upon the Copenhagen Social Summit, EC development policy integrates international commitments in these areas.

The European Consensus puts at its core most of the elements of the decent work agenda. In particular, the ECD stresses:

- 1) The centrality of employment promotion and decent work for all;
- 2) Preventing social exclusion and combating discrimination against all groups including women, indigenous people, children and disabled people;
- 3) The promotion of social and fiscal policies to promote equity, and
- 4) Employment generation to promote social cohesion (p.28). In 2006, the EC adopts the Decent Work Agenda.

In 2006, the EC adopts the Decent Work Agenda³⁹. The Communication highlights that by *placing the emphasis on employment, the quality of employment and appropriate social policies, the promotion of decent work is a factor not only in justice and social cohesion but also in economic performance*. The interdependence of economic growth, investment, trade and decent work, as well as a better management of economic migration are key factors in promoting international and multilateral governance.

The adoption of the Decent Work Agenda by the EC has also implications for all of its aid modalities as it foresees *to integrate decent work into national and regional strategies to promote development and reduce poverty and the gradual inclusion of the decent work objective in budget support measures*.

As a result of the ILO Jobs Crisis Summit, held in Geneva in June 2009, representatives of government, workers and employers agreed on a Global Jobs Pact⁴⁰. The Pact proposes *coordinated global policy options in order to strengthen national and international efforts centred around jobs, sustainable enterprises, quality public services, protecting people whilst safeguarding rights and promoting voice and participation*. The Pact is mainly centered around the Decent Work Agenda's four strategic objectives⁴¹ and also adds Shaping fair globalization and Gender equality.

I. 2. The influence of EU internal policies in EC Development policy

I.2.1. The European social model and the Lisbon Strategy

Even though EU Member States (EU MS) have different internal policies and models of society that combine a market economy with social values of internal solidarity and support, the European Economic and Social Committee (EESC) considers that an European social model exists (see box); in the sense that all the national systems are characterized by the coherence between economic effectiveness, justice and social cohesion.

The European social model reflects the multidimensional character of social cohesion: political (role and quality of the institutions and participation of the citizens in the public sphere), economic (wealth and distributive aspects, productive sector, labour market and working relations), territorial (centro-

³⁸ Brussels, 18.7.2001 COM(2001) 416 final

³⁹ COM (2006) 249 Communication from the Commission to the Council, The European Parliament, The European Economic and Social Committee and The Committee Of The Regions *Promoting decent work for all The EU contribution to the implementation of the decent work agenda in the world* {SEC(2006) 643}

⁴⁰ Recovering from the crisis: A Global Jobs Pact

⁴¹ Creating Jobs, Guaranteeing rights at work, Extending social protection and Promoting Social Dialogue.

periphery differences, urban-rural zones) and social (wealth distribution, equal rights).

Evolution in the approach and deepening of the European social model

At the end of the 90s', EU emphasised the importance of employment and social policies, to multiply the growth opportunities and enlarge the access to the benefits of growth by the EU citizens. Social cohesion required the reduction of the disparities originated in the unequal access to employment opportunities and income. The improvement of life conditions implies an increase in productivity and therefore the adoption of measures aiming at introducing new technologies, new forms of work and new qualifications. Social cohesion is obtained through the intervention in these areas⁴². The two pillars of Social Cohesion are the European Employment Strategy⁴³ and the European Social Policy⁴⁴.

1.2.2. The external dimension of the European social model: its translation to EC development policy

The European social model is translated into EC development policy. It acquires an external dimension. The Commission's Communication *The European Community's Development Policy (2000)* outlines a new framework for the Community's development policy: Sustainable development is considered as a *multidimensional process that covers broad-based equitable growth, social services, environment, gender issues, capacity and institutional building, private sector development, human rights and good governance*.

European social values are thus somehow translated, and even presented as added value of Community policy, into development policy since 2000. However, it is mainly in 2004 with the World Commission on the Social Dimension of Globalization (WCSDG), and with the Commission's Communication *The Social Dimension of Globalisation - the EU's policy contribution on extending the benefits to all* that EU's economic and social model is explicitly considered as a source of inspiration for European action with partner countries. As mentioned in the WCSDGs' report⁴⁵, the integration of economic and social policies, and *the construction of the EU itself was an expression of that same model and, at the same time, a response to the pressures of globalization. Though a unique historical process, it contained elements that could inspire better, more inclusive management of the global economy*.

The Communication highlights that while EU approach to economic, employment and social issues and the EC model of sustainable development cannot simply be transposed to partner countries; it would present positive examples on how to ensure sustainable progress. These examples are process-related and are mainly relate to: solid institutional structures for the management of economic, social and environmental issues and the interplay between them,

⁴² ECs' second report on Social cohesion, 2001

⁴³ The EES, launched in November 1997 in the extraordinary European Council of Luxembourg (an Employment Chapter is introduced in the Treaty of Amsterdam in June), has as its main objective the reduction of unemployment in Europe, whose unacceptable level threatens the cohesion. In the meeting of the European Council in Lisbon of March 2000, the EES acquires major importance. In Lisbon, the EU sets a new strategic goal for the next decade: *to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion (Lisbon European Council 23 and 24 March 2000, Presidency Conclusions)*.

⁴⁴ The Lisbon Strategy pleads for the modernization of the European social model via the investment in human capital and the constitution of an active welfare state. The objective raised in the Social Agenda (approved in the European Council of Nice, December 2000) is to obtain a positive and dynamic interaction between the economic, employment and social measures and a political agreement that mobilizes key stakeholders to work jointly in the attainment of the new strategic goal defined in Lisbon.

⁴⁵ *A fair globalization - Creating opportunities for all*, World Commission on the Social Dimension of Globalization, February 2004

effective public services and services of general interest, strong social and civil dialogue, investment in human capital and the quality of employment. According to the Communication, the means through which the EU intends to promote the social dimension of globalization in its bilateral and regional relations are:

- Inclusion, since 1992, of respect for democratic principles, human rights and the rule of law in bilateral and regional agreements;
- Inclusion of respect of Core Labour Standards in external agreements (the first was the Cotonou Agreement);
- Dialogue and consultation with civil society and the social partners;
- Elaboration of Sustainability Impact Assessments involving key stakeholders;
- Policy dialogue at national and regional level to allow greater social economic and political stability;
- Mainstreaming of human rights and democratization issues in all EU policies, as it enables the promotion of decent work, the fight against illegal work as well as the exploitation of certain categories of people like women and children who are more exposed to trafficking and to low wages and unemployment or abuses such as moral and sexual harassment;
- Further develop bilateral and multilateral dialogues on South-North and South-South migration, its human aspects including basic rights, the protection and integration of migrants and its economic and social components in all their variety including remittances and brain drain/gain;
- Millennium Development Goals' achievement and continuous monitoring;
- Strengthening of EU policy coherence;
- External cooperation in :
 - (a) institutional and regulatory reforms, including agrarian and fiscal reforms, which will lead to sustainable formal private sector job creation and effective labour markets;
 - (b) improvement of an equitable access to social services, notably in health and education;
 - (c) development or strengthening of redistribution mechanisms, including social protection schemes; and
 - (d) better involvement of non-state actors, respect for CLS and the promotion of social dialogue.
- Mainstreaming of the social dimension at the programming and implementation phases;
- Consideration of social development aspects in trade negotiations;
- Market access for developing countries and Generalized System of Preferences (GSP) through which additional trade preferences are offered if the country complies with core labour standards⁴⁶.

⁴⁶ Art. 9 of the Council Regulation 980/2005 of 27 June 2005 on *Applying a scheme of generalised tariff preferences* states, among other, that *The special incentive arrangement for sustainable development and good governance may be granted to a country which: has ratified and effectively implemented the conventions listed in Part A of Annex III* (Civil and Political Rights, Economic, Social and Cultural Rights, Elimination of All Forms of Discrimination Against Women, on the Rights of the Child, Abolition of

After the adoption of the Decent Work Agenda, and in order for the EC to further develop the *Social dimension of globalization, promotion of employment and decent work* chapter of the ECD, the Commission elaborates in 2007 a Working paper on *Promoting Employment through EU Development Cooperation*. The paper focuses on employment and labour market within the broader concept of decent work, which calls *for the integration of economic and social objectives and for a combination of measures in the areas of productive employment, rights at work, social protection and social dialogue. Gender equality is integrated in all dimensions. In the context of globalization, the promotion of decent work should also be considered as a contribution to the improvement of all the social models in the world.*

The document notes that EC development strategy should reflect the different needs of Low Income Countries (LICs) and Middle-Income Countries (MICs). While LICs need to focus on the creation of productive jobs in the formal economy and on improving the living and working conditions of the poor in the informal sector, MICs should focus on the transition from the informal to the formal market and on improving skills shortages. The document also calls for a shift in emphasis towards employment generation in macroeconomic policies supported by budget support mechanisms and labour demand policies such as private sector and financial development.

This staff working paper also refers to the EU internal experience, which *shows that social development and social cohesion are in fact drivers of economic growth, and not a hindrance*, as a source of inspiration throughout the world. The social model would be the added value of the EU. It is important to recall that the EESC considers the *clear commitment to solidarity with the developing countries and for providing assistance to their economic, social and environmental reform programmes* as one of the core elements of the European Social Model.

In a context where the EU committed itself to increase Official Development Assistance (ODA), and considering European experiences in combining economic growth with social justice, the EC sees an important opportunity to address employment and by the same way to mobilize EU Member States in further promoting employment. The paper identifies policies conducive to employment at country level that are indeed inspired by most of the core elements of the European social model, as defined by the EESC (see Table). As in Europe, the main responsibility for promoting social cohesion and justice is that of country governments⁴⁷.

TABLE 14: RELATION BETWEEN EC WORKING PAPER ON EMPLOYMENT & THE EESC DEFINITION OF THE EUROPEAN SOCIAL MODEL

| EC WORKING STAFF PAPER | EESC DEFINITION OF THE ESM |
|---|--|
| COUNTRY LEVEL | |
| Fostering employment through the development of the private sector | |
| <ul style="list-style-type: none"> ▪ Removing barriers to formalization ▪ Improving the business environment and encouraging entrepreneurship ▪ Promotion of competitive markets | <ul style="list-style-type: none"> ▪ Macroeconomic and structural policy measures that promotes sustainable, non-inflationary economic growth, and provides support measures for industry and service providers and particularly for entrepreneurs and SMEs |

Forced Labour,, Forced or Compulsory Labour, Equal Remuneration of Men and Women Workers for Work of Equal Value,, Discrimination in Respect of Employment and Occupation, etc.)

⁴⁷ The Monterrey Consensus of 2002 also recognises that each country has primary responsibility for its own economic and social development through sound policies, good governance, and the rule of law.

| | |
|---|---|
| <ul style="list-style-type: none"> Reforming the financial sector | <ul style="list-style-type: none"> A broad agreement that public and private investments in Europe have to be sustained at a very high level in order to promote competitiveness and social and environmental progress |
| Governance: establishing a broad partnership and building institutional capacity | |
| <ul style="list-style-type: none"> Labour market policies: improving the knowledge base and consideration of CLS | <ul style="list-style-type: none"> Social and employment legislation that ensures equal opportunities and protects vulnerable groups, including positive policies to address the specific needs of disadvantaged groups |
| <ul style="list-style-type: none"> Education, T-VET, science and technology. Mismatch between skills offered (labour supply) and skills required (labour demand) is a common problem. VET is the entry point to address issues of labour supply and improve employability, productivity and competitiveness. Investment in education, science and technology for development | <ul style="list-style-type: none"> Policies programmes for promoting investments in areas that are essential for Europe's future, particularly life-long learning, research and development, environmental technologies etc |
| <ul style="list-style-type: none"> Specific measures for women and young people should be incorporated into the VET and skills development component of such a strategy, in particular through the development of non formal VET. Employment placement/guidance services Social Protection and better functioning of labour markets | <ul style="list-style-type: none"> A strong and clear commitment to pursue gender issues in all parts of society, and particularly in education and working life A continued priority for promoting social mobility and providing equal opportunities for all Governments and/or social partners or other agencies provide social protection systems (...) at levels that prevent poverty & social exclusion |
| <ul style="list-style-type: none"> Social dialogue | <ul style="list-style-type: none"> The involvement of employees at all levels together with systems of industrial relations or autonomous social dialogue. |
| AT REGIONAL LEVEL | |
| <ul style="list-style-type: none"> Trade: EPAs, Aid for Trade | <ul style="list-style-type: none"> Macroeconomic and structural policy measures that promotes trade |
| <ul style="list-style-type: none"> Mobility and migration | <ul style="list-style-type: none"> Necessary policies for addressing migration issues |

Source: Own elaboration

Further to this working document, the *Conclusions of the Council and of the Representatives of the Governments of the Member States meeting within the Council-Promoting Employment through EU Development Cooperation* addresses the need to create employment opportunities, through among others: *Step up efforts to promote more and better employment through development cooperation policies and programming, in particular for young people and women, and coordinate and harmonize their activities in this field as laid down in the Monterrey commitments and the Paris Declaration.*

This should be achieved, among others, through:

- Support employment as a cross-cutting issue
- Define adequate and effective employment strategies within the overall framework of decent work and promote the integration of productive employment, social protection

- Support efforts by the ILO and UN and other international entities to include full and productive employment and decent work for all, in the MDG targets
- Develop adequate gender disaggregated indicators on more and better employment and decent work for all, including the informal economy;
- Foster the positive potential of migration on economies of the countries of origin.

The 2008 Communication on the Renewed Social Agenda⁴⁸ confirms and further develops the external dimension of the European social model. The EC *reaffirms its commitment to promote the internationally-agreed agenda for decent work, including through the cooperation with the ILO and other partners, and the mobilization of all relevant EU policies*. It commits itself to include decent work and social concerns in agreements between the EU and third countries, and strengthen the social dimension of trade and trade-related policies. Development of social protection systems, modernization of labour markets and addressing the social dimension of globalization are to be included in its external cooperation.

Whilst social protection is mentioned, as shown above, in key policy documents showing the externalisation of the European social model, it acquires a predominant role in the framework of the food, economic and financial crises.

In 2009, the Commission Staff working paper *Millennium Development Goals - Impact of the Financial Crisis on Developing countries* accompanying the COM(2009) 160 on *Supporting developing countries in coping with the crisis* further recognises the importance of achieving the MDGs while at the same time it stresses the missing dimensions of the MDGs framework. While it recognises, for example, the importance of social protection for achieving the MDGs on a sustainable manner, it concludes that adding additional targets to the MDGs framework might be counter-productive in that it may result in a loss of country ownership and commitment.

But if social protection is not to be integrated into the MDG framework, one of the commitments set in the COM(2009) 160 is to further work on the social impact by protecting the most vulnerables by both: *i)* Taking targeted social-protection measures and *ii)* Support mechanisms to safeguard social spending, particularly in relation to social protection systems and labour markets, including enhancement of financial and in-kind transfers. To this regard, the Vulnerability FLEX instrument (EDF funding), focusing on social safety nets spending, and the Food Facility, are part of the EU's response to this challenge.

As for the newly adopted Europe 2020 Strategy⁴⁹, it is too soon to analyse its external dimension, its influence on external development policy. Nevertheless, being based on lessons learned from the Lisbon Strategy, it can be stated that the main principles and core values remain the same. In the short time elapsed since the adoption of the Europe 2020 Strategy, two of its three priorities, inclusive growth and sustainable growth⁵⁰, have been transposed in the Green paper on *EU development policy in support of inclusive growth and sustainable development*⁵¹. In the latter, the EC re-confirms its commitment to link, in its development policy, economic growth and social inclusion as the way *to deliver sustained development benefits, requiring coherence and balance across policies*. It further says: *Building on its deep experience of support for human and social development and looking beyond the traditional areas of*

⁴⁸ COM(2008) 412

⁴⁹ EUROPE 2020 A strategy for smart, sustainable and inclusive growth, COM(2010) 2020

⁵⁰ The third one being Smart growth – developing an economy based on knowledge and innovation.

⁵¹ GREEN PAPER. EU development policy in support of inclusive growth and sustainable development. Increasing the impact of EU development policy, COM(2010) 629 final

activity, the EU is now in a position to review (in partner countries) how to better integrate a focus on skills, innovation, creativity and entrepreneurship, in a comprehensive approach to social policies, and how to support active labour market policies, the decent work agenda, and the development of effective national social protection systems.

1.1.2 SPECIFIC REFERENCES TO EMPLOYMENT, SOCIAL INCLUSION AND TVET OBJECTIVES IN BILATERAL AND REGIONAL COOPERATION AGREEMENTS AND IN DEVELOPMENT COOPERATION FINANCING INSTRUMENTS APPROVED OVER THE PERIOD CONSIDERED

The extent to which ESI related policies are included in EC strategies with third countries and regions presents common patterns, even though there are differences across regions.

ACP:

Vocational Training & Labour Supply policies:

Within the Lomé Convention, the enhancement of the human resources value via education and training is indicated as a fundamental part of the social and cultural cooperation within the social development objective (art. 13). As a way to achieve this, the establishment and restructuring of training institutes, training of trainers, programmes of life skills and professional training, in particular for improving the status of illiterate people, women and disadvantaged groups in rural area (art.150) are mentioned. There is no mentioning of vocational training or human resources development within the section of industrial cooperation or support to private sector development.

The Cotonou Agreement, with the overall objective of reducing poverty, envisages a development cooperation strategy aimed inter alia at “promoting human and social development helping to ensure that the fruits of growth are widely and equitably shared and promoting gender equality” (art.20). This finds application both at level of economic and social sectors development. In the first instance, the economic sector shall promote the development of training systems helping to increase the productivity of formal and informal sectors (art.23). Within the social sector, support should go to developing sector policies and reforms bringing about improvement in coverage, quality of and access to basic social infrastructure and services, taking account of local needs and specific demands of the most vulnerable and disadvantaged, and ensuring better public spending. In this context, one of the aims is to improve education and training and building capacities and technical skills (art. 25). Specific attention goes to promoting youth’s skills to enlarge their employment opportunities in the productive sector.

In addition to these two key documents, further policy orientations have been developed at Caribbean, Pacific and Africa level. With regard to Africa, in the framework of the strengthened policy dialogue started with the Cairo Summit in 2000 and culminated with the adoption of the EU-Africa Strategic Partnership (2007), vocational training is mentioned in relation to the support to achieve MDGs. In 2005, TVET is mentioned within the support to access to all levels of education, to transfer of know-how and lifelong learning, going beyond primary education⁵². In the communication of 2007⁵³, TVET is referred indirectly when it is stressed the need for creating more and better jobs within the initiative for migration mobility and employment. This communication, in addition to reiterating the support to vocational training as part of the support to all levels of education, introduces the need of a better matching between education and labour market demand “ensuring that there are jobs behind education”.

⁵² COM (2005) 489: EU Strategy for Africa: Towards a Euro-African pact to accelerate Africa’s development

⁵³ COM (2007) 357: EU- Africa Strategic Partnership

The EU Strategy for Caribbean (2006)⁵⁴ includes among its three pillars promotion of social cohesion and combating poverty. Within this area, education represents a core strategy to escape poverty. In particular, skills development is considered as a way to answer to economic diversification requirement and social mobility especially in sectors adversely affected by structural reforms and by economic transition.

In the EU Strategy for the Pacific (2006)⁵⁵, there is no specific mentioning of TVET and skill development, but a generic reference to continue the support to human resources development in relation to the achievement of MDGs.

The Action Plan for the EU-South Africa Strategic partnership drawn up in 2007 provides the new framework for the cooperation with this country. Giving the specific nature of South Africa, cooperation in the area of education is limited to exchanges and participation in mobility schemes at higher education level. On the other hand, there is a specific dialogue sector devoted to exchanges in the area of employment and social affairs.

Employment & Labour Market

The importance of stimulating economic growth as a precondition for social progress and employment creation is emphasized in several documents, e.g. the Communication on the EU Strategy for Africa: “Without increased growth and private investment, few African countries will have the sustainable revenue they need to deliver basic social services such as education and health care. Boosting economic growth will thus be a key factor in achieving the MDGs”⁵⁶.

In the context of peace and security, the Africa-EU Strategic Partnership (2007) defines employment and social protection as a concern of common interest to the EU and Africa: “Employment issues, notably social protection, the shortage of employment opportunities and the promotion of decent work in Africa, will be jointly addressed, with priority being given to creating productive jobs in the formal economy, improving poor living and working conditions in line with the UN decent work agenda and integrating the informal economy into the formal. Investments in private sector development will be promoted, looking in particular to youth and women. The service sector will be further developed as this is where women and youth are mostly involved. Africa and the EU will make technology work for employment, and will ensure that infrastructure works to create jobs for Africans, both skilled and unskilled. In addition, attention will be paid to the creation of jobs through micro-finance schemes. As generally disadvantaged groups often benefit substantially from such microfinance schemes they should be actively pursued” (art. 55)⁵⁷.

In line also with the African agenda on Employment promotion and poverty alleviation, the “Action Plan (2008-2010) for the Implementation of the Africa-EU Strategic Partnership” (2007) further spells out the specific initiatives intended to follow up on the strategic partnership. Once more the importance of enhanced trade relations and deeper regional integration as essential contributions to development, economic growth and employment, and thus ultimately the eradication of poverty are highlighted. The Action Plan states a number of priority actions. Priority Action 1, relates to implementation of the Declaration of the Tripoli Ministerial Conference on Migration and Development. It suggests to “further integrating relevant issues concerning migration, mobility and employment into poverty reduction strategies and country strategy papers, in particular through support to continued improvement and updating of individual countries' migration profiles, with a particular focus on skills gaps and mismatches in labour

⁵⁴ COM (2006) 86

⁵⁵ COM (2006) 248

⁵⁶ COM (2005) 498 Final: Strategy for Africa: Towards a Euro-African pact to accelerate Africa's development

⁵⁷ The Africa-EU Strategic Partnership. A Joint Africa-EU Strategy, 2007.

markets". Priority Action 3, which deals with implementation and follow up to the "2004 Ouagadougou Declaration and Action Plan [by the African Union] on Employment and Poverty Alleviation in Africa" states as its objective to create more, more productive and better jobs in Africa, in particular for youth and women in the line with the UN Decent Work for All Agenda. The proposed related activities include:

- Integrate full and productive employment and decent work for all into national development strategies including poverty reduction strategies and country strategy papers;
- Strengthen the capacity of employment agencies and of other labour market actors and institutions, such as organizations of employers and workers, labour administrations, in Africa and encourage links and networks among them;
- Create a more direct link between skills training and the needs of local labour markets as well as possible investment opportunities, including through the provision of Technical and Vocational Education and Training (TVET);
- Encourage the elaboration of Decent Work Country Programmes and participation in joint awareness raising activities on Decent Work, with a specific focus on the informal sector, in particular for women and young people;
- Promote investment in private sector and microfinance schemes.

Commission staff interviewed in connection with the evaluation informed that employment and migration, are receiving increased attention. For instance, the EC took active part in drafting of the recent POVNET⁵⁸ statement on employment; just like employment and social protection initiatives are getting more prominence in course of the current global financial crisis.

The Communication on the EU-Caribbean Partnership, which is founded on the 2005 European Consensus and the Cotonou Agreement, considers the private sector and especially small and medium size enterprises as the expected driving force behind sustainable growth and job creation⁵⁹. The communication has no other references to employment and labour supply issues apart from this. As regards the Pacific, the Communication⁶⁰ on EU relations with this sub-region emphasizes stability and security as a main EU interest. The Communication has no mentioning of employment and decent work as concerns, but some text on the importance of strengthening the economic ties between the Pacific Islands and the EU.

Mediterranean and Middle East countries:

Vocational Training & Labour Supply policies:

The EU-Mediterranean Partnership (Barcelona Process, November 1995), which represents the framework of the relationship with the region, emphasizes that social and economic development must go hand in hand. Within the partnership section aimed at creating an area of shared prosperity, one of the long-term objectives is improving the living conditions of the population and increasing their employment level. However, vocational training is mentioned as part of the work programme only in the partnership section on Social, Human and Cultural issues in the framework of the objective of human development through education and training⁶¹.

⁵⁸ POVNET is a joint donor-working group under the auspices of OECD/DAC.

⁵⁹ COM (2006) 86 Final: An EU-Caribbean Partnership for Growth, Stability and Development.

⁶⁰ COM (2006) 248 Final: EU Relations with the Pacific Islands. A Strategy for a Strengthened Partnership.

⁶¹ Barcelona Declaration, 27-28/11/1995

The link between vocational education and economic development begins to emerge, still in an indirect way, in the first MEDA Regulation of 1996. Vocational training is mentioned as one of the measures to achieve a better socio-economic balance, and it is implemented in the framework of the industrial cooperation, which is one of the instruments to support the economic transition and the creation of a free trade zone. The MEDA 2 Regulation (2000) stresses further the role of vocational training in the framework of the objective of sustainable socio-economic development and as part of the accompanying measures for the implementation of structural reforms required to implement the free trade association agreement.

In the tenth anniversary of the Barcelona Process, the Council conclusions (Nov. 2005) finally make a clear link between vocational training, employment, especially for the young people, and poverty reduction: “Dans le but de favoriser dans l'ensemble de la région la création d'un plus grand nombre d'emplois pour le nombre croissant de jeunes et de réduire les niveaux de pauvreté régionaux et les écarts de prospérité, ainsi que d'augmenter les taux de croissance du PIB, les partenaires euro méditerranéens prendront des mesures visant: [...] améliorer la productivité de la main-d'œuvre en élargissant l'accès à la formation professionnelle et technique; [...] renforcer le rôle du secteur privé dans le financement et la formation sur le lieu de travail”.

In the five-year work programme⁶² for Euro-Mediterranean cooperation, that aims to implement the objectives agreed by partners at the 10th Anniversary Euro-Mediterranean Summit in accordance with the Barcelona Declaration of 1995, the Euro-Mediterranean partners commit, among other, to:

- Work to strengthen the quality and relevance to the labour market of primary and secondary education and training;
- Support market based reform of Technical and Vocational Education and Training, the involvement of commerce and industry, and rationalization of qualifications;
- Enhance the capabilities of universities and higher learning institutions.

A first Euro-Mediterranean Employment and Labour Ministers Conference was held in November 2008. It adopted a Euro-Med Framework of Actions⁶³ on employment, employability and decent work. One of the key objectives is Enhancing employability – human capital: *Facing the knowledge economy, investment in human capital is more important than ever, as is adapting education, training, and the workers' skills to economic change and the needs of labour markets, and facilitating professional mobility (including from informal to formal employment)*. In this framework, priority is given to: i) reforms of the education systems to respond to labour market needs and ensure quality education and life-long learning; ii) reinforcing demand-driven vocational training in key sectors, in terms of financing, organizational structures and promotion; iii) improving the functioning of public employment services, transparent labour market information systems and innovative career guidance services; and iv) supporting young people having difficulties integrating the labour market, including by strengthening their professional capacities.

Employment & Labour Market

Also in relation to employment, the Barcelona Declaration (1995) sets the direction for the collaboration between the EU and MEDA: “While the Barcelona Declaration and its overall approach remain valid, there is no room for complacency. The UNDP Arab Human Development Reports and the declarations of Sana’a and Alexandria and the Arab League Summit in Tunis in 2004 have all stressed the need to move forward in areas such as

⁶² Commission five-year work programme, Euromed, 2005

⁶³ Conclusions of the first Euro-Mediterranean Employment and Labour Ministers Conference, Marrakesh, 9 and 10 November 2008

political and economic reform, women's rights and education if the region is not to lag behind. Progress towards a number of the goals set out in the Barcelona Declaration has been slow, partly because Partners have at times not appeared wholly committed to implementing the principles to which they have signed up, partly also because of the difficulties caused by the continuing conflicts in the region, and because the search for consensus has sometimes acted as a brake on those wishing to move forward more rapidly"⁶⁴.

The proposed means to achieve the set goals are trade and services liberalization, enhanced investment and regulatory convergence combined with the continuation of structural reforms aimed at lifting obstacles to growth, investment and job creation. "The economic benefits for the region in terms of employment and growth will help the Mediterranean Partner countries to create the 5 million jobs a year they need to offer better economic prospects to the new entrants to their labour markets while ensuring the pursuit of sustainable development"⁶⁵.

Labour migration, including the social inclusion of migrants lawfully resident in a Member State, was nevertheless already a key issue since 2000⁶⁶. In 2004, in the ENP Strategy Paper, EUs' difficulty was explicitly recognized: *Partners are facing increased challenges in the field of Justice and Home Affairs, such as migration pressure from third countries*. This same year⁶⁷, the EU express its willingness to *promote a comprehensive approach towards migration and the social integration of legally residing migrants and extend to all partners the dialogue and co-operation on migration*.

The Euro-Mediterranean Association Agreements and the five-year work programme for Euro-Mediterranean cooperation underline the need for mutual dialogue and solidarity to guarantee to peace and security, and the development of the region. In this framework, economic cooperation is focused on areas that have suffered most because of trade liberalization, areas that generate growth and employment and areas most likely to bring economies closer together.

The strategic importance of the MEDA region for the EU is reemphasised in several recent documents, for instance the Regional Strategic Document and Indicative Programme for the EU-Mediterranean Partnership 2007-13: "La région méditerranéenne revêt une importance stratégique pour l'UE, (...) l'expansion rapide de la population et de la main d'œuvre conjuguée à une faible croissance économique nourrit le chômage et entraîne la stagnation des revenus. La situation économique est aggravée par trois «déficits» sociopolitiques, à savoir l'absence de liberté, le manque d'émancipation des femmes et l'accès insuffisant à la connaissance et à l'éducation"⁶⁸.

Hence, the EU policy aims at expanding the economic ties between the partners and extending trade liberalization to selected products and new areas such as services to stimulate growth and thus creation of employment opportunities for the many new entrants to the labour market.

The Sector Progress Report on the implementation of the European Neighborhood Policy in 2008 concluded that "in the field of employment and social policy much remains to be done. All ENP partners continue to consider the fight against poverty and the promotion of employment as priorities... Most partners are still faced with a number of challenges such as high unemployment, which particularly affects young people and women,

⁶⁴ Regulation (EC) No 1638/2006 of the European Parliament and of the Council of 24 October 2006 laying down general provisions establishing a European Neighborhood and Partnership Instrument.

⁶⁵ Same as above.

⁶⁶ COM(2000) 497, *Reinvigorating the Barcelona process*

⁶⁷ EU Strategic Partnership with the Mediterranean and the Middle East, June 2004

⁶⁸ Document de Stratégie Régionale (2007-2013) et Programme Indicatif Régional (2007-2013) Pour Le Partenariat Euro-méditerranéen. EUROMED

the prevalence of an informal economy, leaving workers without social rights and social protection, as well as the mismatch between education and labour-market needs. Most countries lack an integrated approach combining economic, employment and social objectives. They also suffer from poor administrative capacity in this area. Significant efforts are needed to implement effective labour-market policies and to promote decent work, and aimed at productive employment, rights at work, social protection, social dialogue and equal opportunities for men and women. The social and employment impact of the global economic crisis is increasing these challenges”⁶⁹.

More recently, in its Communication on *Barcelona Process: Union for the Mediterranean*⁷⁰, the EC, based on an analysis of the achievements of the Barcelona process, states the need for *a qualitative and quantitative change, to spur investment and employment creation and optimize the use of human resources*. At the first Euro-Mediterranean Employment and Labour Ministers Conference above mentioned, two key objectives were defined in the Framework of Action:

- Employment policies - more jobs to reduce unemployment and to meet the challenge of fast growing working age populations in the Mediterranean partner countries. Promoting job creation, social dialogue, promoting employment policies, along with education and social policies and encouraging entrepreneurship are among the objectives.
- Creating decent employment opportunities – better jobs.

Promoting equal opportunities for men and women, Integrating more young people into productive, formal employment, Developing an integrated strategy for transforming informal into formal employment and manage labour migration, taking into account the labour market needs of both sides of the Mediterranean and aiming at sustainable development, are identified as key cross-cutting issues.

In relation to labour standards, none of the Association Agreements (AA) includes a clause guaranteeing their respect. Only a general clause on Human rights is included in Art.2 of the Agreements with Tunisia, Egypt and Morocco (*Relations between the Parties, as well as all the provisions of the Agreement itself, shall be based on respect of democratic principles and fundamental human rights as set out in the Universal Declaration on Human Rights, which guides their internal and international policy and constitutes an essential element of this Agreement*). In these AAs reference is made, under the Chapter on Dialogue in Social Matters, to the movement of workers and working conditions of the migrant communities residing legally in their host countries. The AA's priorities for social cooperation with these countries include fostering the role of women in economic and social life, migration and social protection issues.

Explicit references to core labour standards appear only in the above mentioned ENP Strategy Paper that calls for an effective share of common values, among other respect of core labour standards, which would be translated in the Action Plans via the inclusion of priorities to strengthen commitment to these values. The Action Plans for Neighborhood countries make provision for countries to fulfill their obligations with respect to women and child rights in line with international conventions. For example, the EU-Tunisia Action Plan (Respect for Human Rights and Fundamental Freedoms) aims to strengthen the role of women in social and economic progress (Art. 71 of the Association Agreement); and to continue action on combating discrimination against women in line with the relevant international conventions. Under fundamental social rights and

⁶⁹ SEC (2009) 522/2: Staff Working Document accompanying the Communication on the Implementation of the European Neighborhood Policy in 2008, Sectoral Progress Report.

⁷⁰ COM(2008) 319

core labour standards, the Action Plan point six states: *Respect and implement the principles, fundamental rights, core labour standards and conventions pursuant to the 1998 ILO Declaration; Initiate dialogue on fundamental social rights and labour standards so as to provide a situation analysis and identify potential challenges and measures.*

Latin America:

Vocational Training & Labour Supply policies:

A constant theme has been the concern for the social deficit and inequalities of the region. One priority area of cooperation has been identified in the support to social development, according to the principles and the Action Plan of the 1995 Copenhagen Summit on Social Development. Since 2000, this area has progressively evolved into social cohesion, which has become the backbone of the EC support to the social sectors in the region. In this context education and training is always mentioned as a specific area of cooperation, both in terms of development of sector policies and of specific interventions to combat poverty and reduce social inequalities. However, there is only one specific reference to vocational education and training, in the Council Conclusions on the new priorities for Latin America⁷¹. In most of the cases, the cooperation in the field of education and training focuses on primary and basic education and on higher education.

At country level, bilateral agreements, with the exception of Mexico and Chile, do not give too much attention to TVET. The Mexican one foresees a specific area of cooperation on education and training where TVET is mentioned specifically with reference to improve the situation of the TVET sector and the access of the disadvantaged groups and the expertise level of senior staff working in private and public business. The agreement with Chile, among the objectives of the cooperation with the EU, indicated social development, which should go hand in hand with economic development and environmental protection. Within the thematic area of culture, education and audiovisual, it is envisaged significant support to all levels of education (including TVET and lifelong education) and in particular for the most vulnerable social groups: disables, ethnic minorities and extremely poor.

Within regional cooperation agreements, in two of them, with Mercosur and Andean Community, there is reference to TVET. In the first case cooperation in education and training, including TVET is geared towards regional integration. In the Agreement with the Andean Community, instead is implicitly mentioned within economic cooperation with the aim of improving human productivity in the work sector.

With regard to the financing instruments, the ALA Regulation 92/443 has provided financial resources and the overall cooperation framework till 2006. Education in general is mentioned as one of the dimensions of human development supported by the regulation. The DCI Regulation, entered into force in 2006, envisaged for Latin America (art. 6) a cooperation area in social cohesion to fight against poverty, inequality and exclusion. TVET is not explicitly mentioned nor with reference to fight against poverty, or as entry point to improve employability. However, giving the global policy orientations, we could assume that it is included within promotion of more and better jobs.

TVET seems to be addressed mainly as part of the education sector portfolio with the objective to provide educational alternatives to young people unable to pursue further education at secondary or tertiary level.

Employment & Labour Market

⁷¹ The European Union and Latin America – The present situation and prospects for closer partnership 1996-2000, COM(95) 495

Since 1995, policy orientations with the region have been framed within the objective of creating a new and stronger partnership with the sub-continent. In this framework, support to economic development, mainly via private sector, and regional integration, are constant priorities over the evaluation period. Explicit references to job creation are limited to cooperation agreements (Mercosur countries, the Andean Community and Central America), and in the Association Agreement with Chile. References are made in relation to economic growth and productivity, while in Central American and Andean countries job creation is also tackled as a social objective aiming at improving living standards and social consequences of structural reforms.

The Communication “The European Union, Latin America and the Caribbean: A Strategic Partnership” from 2006 mentions that for low-income and lower middle-income countries, the EC development aid will focus on achieving the MDG, especially the goals related with social cohesion. The EUROsocial programme, an initiative launched by the Commission in response to the May 2004 Guadalajara summit to facilitate exchange of good practice and experience in the field of education, employment, health and other social areas, is highlighted as an important instrument to be used to intensify EU-LA cooperation in these areas. It is worth mentioning that the 1995 COM on *the EU and Latin America – The present situation and prospects for closer partnership* already called for a “real integration”, a combination of free trade and social cohesion.

The importance of social cohesion in the agenda is also showed by the organization of a High Level Conference on Social Cohesion in 2006 and by the creation of the Working group on Social Cohesion (in Latin America and the Caribbean), composed by the EC, the World Bank, the International Monetary Fund and the InterAmerican Development Bank. ESI related issues are also a key concern in the biregional Social Cohesion forum organized in 2007. The importance of social investment via human capacities development, promotion of decent work and fulfillment of social and economic rights, as well as social protection, was recognized. Social dialogue and consultation with civil society were also presented as conditions for promoting social cohesion.

While there are few references to employment and social cohesion in the 2002-2006 Latin America programming document⁷², these issues appear rather prominently in the policy and programming documents for the 2007-2013 period. With reference to the increasing unemployment rate, the Regional Programming Document for 2007-2013 states that “employment is still the main source of concern” to the EC. “The quality of jobs is also an issue, with a huge informal sector in urban areas and low-productivity farming that employs 50% of the population”⁷³. Among the five thematic programmes under the DCI instrument, particularly the issues of social cohesion, employment and decent work under the “Investing in People” programme are considered important in the context of Latin America. Hence, drawing on the DCI Regulation “a large scale programme will be mounted to improve higher education in the region... It will focus on links with employment and the evolution of business in educational institutions”, i.e. a clear indication of the perceived correlation between competitiveness, education and employment as was the case in MEDA.

In the new communication *The European Union and Latin America: Global Players in Partnership*⁷⁴, the EC proposes to set up a political dialogue on employment and social affairs in order to implement the decent work agenda and address key employment policy issues, such as matching skills with labour market needs, youth employment and the extension of social protection.

⁷² Latin America Regional Strategy Document, 2002.

⁷³ Latin America: Regional Programming Document 2007-2013 (E/2007/1417)

⁷⁴ COM(2009) 495/3

Asia:

Policy orientations with this region derive from two global communications on EU-Asia relationship⁷⁵ and from the ASEM (Asia Europe Meeting) process and then regionally by specific communications and Cooperation Agreements signed between 1994 and 2004 with five of the SAARC (South Asia Association for Regional Co-operation) countries.

*Europe and Asia: A Strategic Framework for Enhanced Partnerships*⁷⁶ set action areas for collaboration between the EU and Asia. Actions included among others:

- Strengthening mutual trade and investment flows, that included private sector collaboration and enhanced market access for the poorest developing countries, and
- Promoting development in the region that included strengthening efforts towards poverty reduction and strengthening dialogue on social policy, in particular dialogue and exchange of best practice on the links between trade and social development, including the promotion of core labour standards
- Contributing to the spreading of democracy, good governance and the rule of law, and respect for human rights, in particular (for this evaluation) uphold the universality and indivisibility of human rights. Moreover, to pursue a constructive dialogue both in bilateral and regional and multilateral fora, notably in the UN and its different agencies, in particular the ILO and encourage the signing and ratification of the principal human rights instruments by those countries who have not yet done so.

*The Regional Programming for Asia, Strategy Document 2007-2013*⁷⁷ supports Asia-Europe Meeting (ASEM) that includes among others dialogue on employment and social policy including decent work conditions and social protection⁷⁸.

Vocational Training & Labour Supply policies

In the global documents, there is little reference to TVET. The two exceptions are:

1. The EC Working paper on *Perspectives and Priorities for the ASEM Process into the new decade*⁷⁹, where, with the aim of promoting networking and increased contacts and exchanges between the peoples of the two regions in the field of education, reference is made to vocational training and life-long learning. In addition, there is an indirect reference to TVET in the EC Staff Working Document in preparation of the 4th ASEM Summit (2002) within the cooperation area “people to people” where it is proposed to promote exchange of experience on education as a factor for employability and alleviation of the adverse consequences of globalization.
2. In the framework of ASEM, two Labour and Employment Ministers Conferences have been organized in 2006 and 2008. In the first Conference, organized on the theme "More and Better Jobs – Working Jointly to Strengthen the Social Dimension of Globalization", investment in human

⁷⁵ COM (1994) 314: Towards a new Asia Strategy, and COM (2001) 469 : Europe and Asia: A Strategic Framework for Enhanced Partnership

⁷⁶ Brussels, 4.9.2001 COM(2001) 469 final Communication from the Commission *Europe and Asia: A Strategic Framework for Enhanced Partnerships*

⁷⁷ Revision 1, 31 May 2007

⁷⁸ Ibid p. 10

⁷⁹ COM(2000) 241

capital is defined as a key factor for economic progress and social inclusion. Education and training are considered important for labour mobility and integration of immigrant. Lifelong learning and recognition of non-formal learning and training certificates among regions are also critical to employment security and re-integration in the labour market. The second ASEM Labour and Employment Ministers Conference adds the necessity of intensifying exchanges of experiences, expertise and good practices in training and employability, social protection and labour migration. In the field of TVET, the exchange of experiences would be lead by the Philippines and would include qualification frameworks in both regions.

In the other documents, only education is mentioned, and in the framework of the development cooperation with the poorest countries of the region, as part of the support provided in poverty alleviation.

Country agreements are geared towards promotion of different forms of development and in particular to support the fight against poverty on one side and bilateral trade on the other. The agreements underline the importance of developing human resources for social and economic development, particularly among disadvantaged sections of the population.

- In the agreement with Pakistan, there is specific reference to TVET, where human resources development is recognized as integral part of both social and economic development and within this, skill development is an important area of cooperation in view of improving living conditions of the most disadvantaged groups and contributing to a favorable economic and social environment.
- The Indian Strategic Action Plan (2005), within the EU-India Strategic partnership, includes employment and social policies within the economic dialogue and cooperation. Within this, EU and India agreed to share experience and exchange information and views on labour issues, including requirements for trained manpower and on human resources management in particular through training and skill development. According to DG EMP, as regards TVET, India is primarily interested in collaboration in the fields of advanced technical and higher education, whereas broad skills issues have a low priority.
- With regard to China, probably the most important partner in Asia, the cooperation does not include TVET. In the area of education, the cooperation is limited to higher education, whereas in relation to employment on issues related to decent work and social protection.

With regard to the financing instruments, the ALA Regulation 92/443, as it was the case for Latin American countries, has provided financial resources and the overall cooperation framework till 2006. Education in general is mentioned as one of the dimensions of human development supported by the regulation.

Employment & Labour Market

Although the EU-Asia relations are regulated by separate sub-regional communications (e.g. on ASEM and relations with ASEAN, China and India)⁸⁰, they share a common emphasis on the importance of strengthening the economic partnership between the EU and the sub-regions and promotion of sustainable and equitable economic growth. Another common feature is the attention given to the decent work and social security agenda, while the documents have few references to labour demand and employment issues.

⁸⁰ COM (2003) 399 Final: A new partnership with South East Asia; COM (2001) 469 Final: Europe and Asia: A strategic Framework for Enhanced Partnerships; COM (2000) 241 Final: Working Document: Perspectives and Priorities for the ASEM Process into the new decade; COM (2006) 631 Final: EU-China: Closer partners, growing responsibilities; and COM (2004) 430 Final: An EU-India Strategic Partnership.

Employment and social issues are typically referred to as topics for dialogue and exchange of experience between the EU and the partner countries: “There is much to be gained from dialogue and exchange of best practices on the links between trade and social development, including the promotion of core labour standard”⁸¹. Along the same line “In the economic field, ASEM [Asia Europe Meeting] efforts should focus on strengthening the economic partnership between the two regions (...) Topics for (...) dialogue, which should also include academic and civil-society participation, include sustainable development and the protection and preservation of the environment, employment and social security, public and corporate governance, consumer protection and competition policy...”⁸².

In more recent documents, e.g. the Multi-Annual Indicative Programme for Asia 2007-13, the reference to employment and social issues is more explicit: “Asia’s economic growth in the past two decades has been remarkable... This development enabled significant progress in reducing absolute poverty across the continent... However, these achievements have taken place in a context of growing income disparities within and between countries and increasing disconnectivity between output growth and employment creation, as well as strong pressure on the environment. Despite sustained economic growth rates, in many countries, employment creation has recently been declining and has remained concentrated on low productivity jobs, partly in the informal sector. Social protection is poor throughout the region: child labour and the situation of women remain worrying everywhere...”⁸³. As mentioned, the primary answer to this development is intensified dialogue on issues such as decent work, social protection and corporate governance.

In the first ASEM Labour and Employment Ministers Conference, following the externalization of the European social model mainly since 2004, European representatives stressed EU’s increasing activity to include employment, decent work and regional and social cohesion into its external policies. The relation between growth and employment, and the role of employment and social policies in promoting sustainable employment creation, and providing security as well as flexibility in the labour market and in employment, are stressed. Moreover, decent work is defined as *the key to sustainable productivity growth and vice versa*.

Finally, (illegal) migration and human trafficking, are taking an increasing prominent role in the relations between the two continents and also in discussions at official level, as Asia is a source of potential significant – documented and non-documented – migratory flows to Europe (Strategy Paper and Indicative programme for Multi-Country Programmes in Asia 2005-06). In the first ASEM Labour and Employment Ministers Conference, migration is recognized as *a major element of globalization which can be an important factor for economic growth and employment and called for an effective management of migration processes*.

Eastern Europe and Central Asia:

⁸¹ COM (2001) 469 Final: Europe and Asia: A Strategic Framework for Enhanced Partnerships

⁸² As above

⁸³ Multi-annual Indicative programme for Asia 2007-2010

The policy framework with this region is given by the Partnership and Cooperation Agreements (PCA)⁸⁴ that the EU has signed with each country during the 1990s, with similar objectives and structure, and since 2005 by the European Neighborhood Policy for a part of the countries⁸⁵. Russia has further developed its dialogue with the EU through four Common Spaces⁸⁶ & ⁸⁷.

The PCA, with the support of TACIS, aims to promote free trade and free Foreign Direct Investment between the EU on the one hand and the involved CIS country on the other.

Vocational Training & Labour Supply policies

Within the PCA documents there are no specific or direct reference to vocational education and training. Indirectly TVET is included into promotion of human resources development as an instrument to achieve economic development and consolidation or completion of the transition to market economy. Another area, which indirectly could imply financing of TVET measures and policies, is the support to measures bringing about structural and social reforms necessary to a stable and harmonious economic transition.

With regard to Russian Federation, neither the PCA nor the Road Map to achieve the four common spaces mentions vocational education as an area of cooperation. The focus is more on measures for reducing the social impact of transition and on higher education.

At the level of the financing cooperation instruments, in TACIS Regulation, whose overall objective is support the transition to market economy, TVET is included in the emphasis put on Human Resources Development for supporting the reforms and restructuring processes. Training (re-training) is included also among the measures for the area of cooperation “support in addressing the social consequences of transition” and education and training within the area of cooperation “support to institutional, legal and administrative reforms”.

In the article specifically dedicated to cooperation in Central Asia, the DCI Regulation does not mention education and training, but rather refers to the social consequences of transition. The ENPI Regulation for the cooperation areas with Eastern European countries and Russian Federation refers to the PCAs.

More recently, in the framework of the *European Union and Central Asia: Strategy for a New Partnership*⁸⁸, a *European Education Initiative for Central Asia* has been launched. It sets up a coordination mechanism among EU donors to further support the modernization of the education and vocational training sector. The Initiative relies on existing activities and EU national and regional support and coordinates with other international donors.

Employment & Labour Market

The EC policy definition mainly concentrates in support of structural reforms, to improve the functioning of the market; specific emphasis is put on competition policy and trade related reforms and agreements to facilitate international trade with the neighboring countries, and the rest of the world,

⁸⁴ The PCAs represent legal treaties setting out the political, economic and trade relationships between the EU and individual countries and provide policy direction in formulating country and regional strategies.

⁸⁵ These are: Russian Federation, Ukraine, Belarus, Moldova, Georgia, Azerbaijan and Armenia.

⁸⁶ In May 2003 the EU and Russia agreed to reinforce their co-operation not as part of the ENP, but rather in a strategic partnership aimed at creating four ‘common spaces’.

⁸⁷ These are: Economic, Freedom, Security and Justice, External Security and Research and Education.

⁸⁸ Adopted by the European Council in June 2007

through WTO membership.

When referring to employment, the PCAs link it to social protection. Among the objectives we can read:

- optimization of the labour market;
- modernization of the job-finding and consulting services;
- planning and management of the restructuring programmes;
- encouragement of local employment development;
- exchange of information on the programmes of flexible employment, including those
- stimulating self-employment and promoting entrepreneurship
- prevention of major accident hazards and the management of toxic chemicals;
- to develop the knowledge base in relation to working environment and the health and safety of workers.

Private sector development is a cornerstone for economic growth and job creation. The Council regulation No 99/2000 concerning the provision of assistance to the partner States in Eastern Europe and Central Asia defines the areas in which EC support should target its assistance:

- promotion of small and medium-sized enterprises
- development of the banking and financial services systems,
- promotion of private entrepreneurship including joint ventures,
- industrial cooperation, including research,
- privatization, enterprise restructuring,
- promotion of market-orientated framework for trade and investment.

The same regulation further develops the PCA approach as it provides support in addressing the social consequences of transition via, among other: reform of the health, pension, social protection and insurance systems, assistance to alleviate the social impact of industrial restructuring, assistance for social reconstruction and development of employment services, including re-training.

More recently, as regards Central Asia, the core objective of the EC assistance 2004-2006 was to promote the stability and security of the countries and to assist in their pursuit of sustainable economic development and poverty reduction⁸⁹. The assistance to Central Asia is structured around three "tracks". The objective of Track 3, which consists of pilot schemes directly addressing poverty reduction and conflict prevention, was to "assist the most vulnerable sections of the populations in the target areas in their efforts to tackle poverty and facilitate economic and social development" with attention particularly to community driven development measures designed to improve their income, food security, local governance, social protection and employment opportunities. "Activities geared at women and female-led households will be a particular focus"⁹⁰. Human resources development,

⁸⁹ Strategy Paper 2002-2006 & Indicative Programme 2002-2004 For Central Asia, EC 2001.

⁹⁰ Central Asia Indicative Programme 2005 – 2006, adopted by the European Commission on 20 August 2004

vocational education and training, skills upgrading schemes for job creation and income generation with a special emphasis on small business stimulation and the inclusion of women in these programme areas were seen as integral parts of such local development strategies in the pilot areas.

According to interviewed EC staff, an effort has been made to promote the European social agenda to Russian officials, including the value of linking an active labour market policy with social safety policies. The policy dialogue on labour market and social protection issues primarily takes place through the topic-based sub-committees.

In relation to labour standards, as in the case of Mediterranean countries, none of the PCAs include a clause guaranteeing their respect. Only the same general clause on Human rights is included in Art.2. Reference is made to labour conditions, mainly referred to migrant workers, and cooperation priorities in social fields are established, as previously mentioned. The PCA with Russia is more developed and includes an Art. on Coordination of social security for an equal treatment among the parties. Explicit references to core labour standards appear only in the above mentioned ENP Strategy Paper that calls for an effective share of common values, among other respect of core labour standards, which would be translated in the Action Plans via the inclusion of priorities to strengthen commitment to these values. In contrast with what happened in MENA ENP countries, the Action Plans for ENP east countries do not refer to core labour standards.

In the region, only Armenia benefits from the EU scheme of Generalized System of Preferences Plus (GSP+)⁹¹. A part from traditional development cooperation, this is a complementary way to have an effect on effective respect of, among other, core labour standards.

1.1.3 SPECIFIC REFERENCE TO COMPLIANCE WITH EC COMMITMENTS TO DW AGENDA, MDGs, CLS IS INCLUDED IN THE GLOBAL AGREEMENTS WITH INSTITUTIONS SUCH AS EIB, UN ORGANIZATIONS, INVOLVED IN THE IMPLEMENTATION OF EC COOPERATION

The joint Memorandum of Understanding signed in 2004 by the European Commission, the European Investment Bank (EIB) and the World Bank, aims at further enhance, structure and streamline their coordination. They recognise their own mandate and domains of policy emphasis but no reference is made to the compliance of neither values nor international commitments such as the DW agenda, MDGs and CLS.

Further to the Agreement and the exchange of letters between the EC and the ILO, a Memorandum of Understanding, establishing a strategic partnership, was signed in 2004 by both parties. This Memorandum recognized common values and stated the common goal of achieving the MDGs and the DW agenda targets. The fields of cooperation are: CLS, Corporate social responsibility, social dialogue, employment and migration.

The European Community and the United Nations signed on 29 April 2003 the Financial and Administrative Framework Agreement (FAFA). While this is an administrative agreement, it includes in its preamble the common willingness to achieve the MDGs. The ILO adhered to it.

⁹¹ See footnotes **Error! Bookmark not defined.** and **Error! Bookmark not defined.**

1.2 EMPLOYMENT, SOCIAL INCLUSION IN THE LABOUR MARKET AND TVET POLICY ORIENTATIONS HAVE BEEN PRIORITIZED AND MAINSTREAMED INTO CSP/NIP, RSP/RIP

1.2.1 EXISTENCE IN THE CSP AND RSP OF AN ANALYSIS OF THE SITUATION IN THESE AREAS

&

1.2.3 PROBLEM ANALYSIS IN THE AREA OF EMPLOYMENT, SOCIAL INCLUSION AND TVET MAKE SPECIFIC REFERENCE TO THE SITUATION OF VULNERABLE GROUPS AND MARGINALISED GROUPS AND IN PARTICULAR OF WOMEN AND YOUTH, IN CONFORMITY WITH OFFICIAL TEXTS

EC country analyses refer to Employment and labour market related issues in all selected countries (Tanzania does not include any specific ESI analysis as such, but rather a macroeconomic and private sector & integration analysis, in agreement with its PRSP) but here again there are significant differences across regions and countries' income levels and an evolution over the period.

Mediterranean countries, together with Jamaica and South Africa, benefit from a developed analysis in the two periods. Unemployment and mismatch between human resources development and labour market needs are a constant in these countries. Analysed in different ways, the informal sector is also tackled. The in-depth analyses, mainly in the case of Jordan and Jamaica, and to a lesser extent in South Africa and the remaining Mediterranean countries, is also translated by the consideration of vulnerable groups' specific situation, mainly in relation to women and youth.

The Eastern European and Asian (Central, South and Southeast) countries (all of them middle income countries, with the exception of Bangladesh, Vietnam and Kyrgystan), present analyses on ESI related issues in both periods but they are very limited, and in some cases, such as in Russia and in Vietnam, the analysis in the first period mainly relates to the mismatch between human resources development (TVET) and labour market needs. The second period benefits from a deeper analysis and particular attention is given to youth and migrants, especially in Russia, China and Vietnam. In the other countries, only broad analyses on income inequalities and discrimination are done.

In Brasil, El Salvador and the Dominican Republic, the analysis is mainly carried out in the second period and it is framed in a broader context of social inequalities and lack of social cohesion. Child labour is considered in the three countries, women in the Dominican Republic and in El Salvador and youth in the latter also.

In the selected African countries, an analysis is only done in the second period and it is very limited, with the exception of Mali, which benefits from a good analysis on active population and employment. In this country, child labour and internal and external migration are framed within the ESI analysis.

1.2.2 NUMBER OF CSP FROM THE COUNTRY SAMPLE WHERE EMPLOYMENT, TVET, LABOUR GOVERNANCE AND SOCIAL INCLUSION IN LABOUR MARKET ARE AMONG THE OBJECTIVES OF THE EC RESPONSE STRATEGY AND REPRESENT ONE OF THE PRIORITY SECTORS.

Refer to Vol 1. Chapter 5 for a detailed analysis per region.

Among the 20 selected countries, with the exception of the Dominican Republic (that has Employment as a secondary/mainstreamed area of intervention), each one has at least one ESI-related priority area in the programming exercises.

ACP

In African low income countries the late introduction of ESI related issues at response strategy level, as well as the lack of the integrated approach when dealing with education & training and labour market needs, are translated into programming: Employment creation, Private sector development and TVET are secondary areas of support in all selected countries, with the exception of Tanzania, that shows a rather diversified and comprehensive ESI

cooperation framework. In Mali and Niger Migration is a core area of intervention.

In South Africa, where the ambition of a social inclusive society coexists with macroeconomic and economic growth related support: Private sector development, Employment creation and TVET, together with social cohesion, are core areas of EC support in the country. This is complemented with a special attention conferred to safety nets.

SOUTH AFRICA Slow growth of the economy and low foreign investment, high and rising unemployment and widening income inequality were identified by EC country analysis in 2003 as key issues to be addressed. EC response strategy was focused on equitable access to and sustainable provision of social services and equitable and sustainable economic growth, aiming at accelerating growth, equity and employment.

In the 2007-2013 CSP, the country analysis presents an in-depth analysis of employment situation in the country. The combination of slow economic growth and reduced demand for labour, the increasing number of new entrants, results in an increase in unemployment. The lack of relevant skills of the labour force, caused also by emigration, and the external labour migration from other African countries, are also key concerns. EC response strategy concentrates on promoting pro-poor sustainable economic growth, including reducing inequality, developing skills and tackling social exclusion. Gender is included under the umbrella of crosscutting issues. Under Focal Area 1 (employment) and 2 (Capacity Development for Service Delivery and Social Cohesion), it emphasises the need to promote female entrepreneurship.

In Jamaica labour market and employment analysis is a constant in EC country analysis in the last two CSPs. The shift from formal to informal employment in the country, as well as the stagnation of productivity, resulted in a response strategy concentrated in macroeconomic support assisting the governments' economic reform programme, as well as in private sector development. In 2008, the country analysis show, in spite of a decline in poverty and unemployment rates, important social inequities. EC cooperation strategies and programmes in Jamaica reflect the attention given to employment in economic and social policy formulation, as illustrated by the banana and the sugar industry transformation initiatives and the strong focus on youth in crime prone urban areas.

Mediterranean and Middle East countries

In the Mediterranean countries, the in-depth analysis on ESI specific context is well translated into EC response strategy and programming. EC support to macroeconomic and economic growth is explicitly linked to employment creation and labour market situation and this results in well-targeted, holistic and integrated strategies in the four countries. Private sector development and TVET are core areas in all countries, so as Employment creation in Jordan and Tunisia. In terms of secondary areas of support, Employment creation is considered in the two remaining countries. Social protection and Migration, core areas in Morocco, are also tackled in Jordan and Egypt. These two countries have also Decent work as a secondary area.

Among the visited countries:

JORDAN EC response strategy over the first programming period was to minimise any negative impact of economic reform measures through support for social reforms (poverty alleviation) and human resources development (employment creation). Moreover, priority Area 3 aims to support the re-integration of displaced work force into the economic life in privatised and restructured public and private enterprises. Priority Area 5 (*Strengthening of pluralism of society and the rule of law*) refers to strengthening of women rights, especially the political, social and economic role of women. However, there is no reference to the related ILO Conventions.

EC country analysis for the CSP 2007-2013 shows that job creation was one of the main challenges in the country due to the increasing

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| | <p>official unemployment rate. Moreover, youth unemployment remains particularly high. The mismatch between the output of the education system and the needs of the labour market require a reorientation of education and employment policies, with the inclusion of the private sector. This would ensure not only economic growth but also social stability. Moreover, there is no employment strategy to address the problems of the labour market. EC response strategy focuses, among others, on ensuring the sustainability of the development process, with better management of human and natural resources. Further development of the Jordanian education and employment strategies is considered essential for promoting a technologically skilled and adaptable Jordanian workforce capable of absorbing the economic challenges. This also implies addressing the issue of labour market imbalances. It reaffirms the commitment of promoting women's rights.</p> |
| MOROCCO | <p>There are three main priority areas: i) Vocational Training, with a strong presence of the EC in Morocco. The ultimate goal behind the support to VET is employment. However, cooperation in this domain is managed by the economic section; ii) social protection, which represents a key area of EC support to the national policies. An example is the 'programme d'appui assurance-maladie', which will reach its third phase in 2011; iii) Employment, which rests on several projects on the supply side, as the project 'appui aux migrations vers l'Europe'.</p> |
| | <p>Latin America</p> <p>In the Latin American selected countries, economic growth and social development go hand-by-hand already since the first programming period and are further stressed in the last one (refer to § 4.4.2): Private sector development (linked to broader economic reforms and to the integration into the world economy) and social cohesion are core areas in both countries. Employment creation and TVET, core areas of support in El Salvador, are secondary areas in Brasil.</p> <p>Asia</p> <p>In Vietnam and Bangladesh, trade and economic development aiming at integration into the world economy seem to be a constant over the period and this is translated into programming via the attention given to Employment creation, Private sector development and TVET, as well as to Migration. In the last programming period, the combined approach of economic growth and social justice and inclusion emerges and decent work, mainly in relation to labour rights, acquires an important role.</p> |
| VIETNAM | <p>The education and training system is often perceived as no supportive of economic development because it does not cater to the trained manpower requirements of the workforce (education and vocational training is not responding to the demand of the labour market). Raising the number of workers with vocational training to 30% by 2005 was one of the targets in Vietnam's five-year socioeconomic plan (2001-2005).</p> <p>In that period, considering the country's rapid economic development and the need for skilled labour, EC response strategy was therefore focused on the Improvement of human development, including increased access to, and enhanced quality of, vocational training. In this framework, it was foreseen to consider a possible support for a Labour Market Observatory. The second priority sector was Integration into the international economy (Reform towards a market oriented economy: human development, private sector, social consequences of reform (migration) and good governance). No reference is made to core labour standards.</p> <p>In the CSP for 2007-2013, the country analysis points out that in spite of reduction in poverty rate, there are increasing disparities</p> |

| | |
|--|--|
| | <p>between rural and urban areas, and within cities, particularly associated with migrants. During the past five years, 7.5 million jobs have been created, equivalent to an average of 1.5 million additional jobs annually (Target for period 2006-2010: job creation for 8 million workers, which is 1.6 million annually). Non-State economic sectors remain the most dynamic source of job creation, with 90% of new employment in the entire economy. At the same time, labour emigration has aggravated as a response to missing employment opportunities. The capacity for further economic development, economic integration and poverty reduction is hampered by persisting problems of low productivity, under-qualification and lack of professional and technical staff. Rural unemployment rates remain high and above 20%, and urban labour markets are under strain, not least due to the continued restructuring of state enterprises.</p> <p>EC response strategy for the period focuses on: i) Support for Vietnam's Socioeconomic Development Plan (that aims at maintaining economic growth, promoting productive employment and decent work and strengthening the country's industrial competitiveness, while taking due care of the need for social inclusiveness, thus reducing economic and social disparities, and building a modern, accountable and efficient administration), ii) health and iii) trade-related assistance.</p> <p>Regarding the consideration of the situation of vulnerable groups and marginalised groups and in particular of women and youth, the last CSP benefits from a deeper analysis on employment issues and particular attention is given to youth and migrants.</p> <p>Eastern Europe and Central Asia</p> <p>Regardless of their income development level, Eastern European and Central Asian countries from the sample show a rather comparable EC response strategy that concentrates on support to social consequences of transition, very much linked to social protection, and support to rural economy, since the first years. Programming priorities reflect this approach: Private sector development and Social protection are core areas in all four countries and TVET in three of them. Employment is mainstreamed in all the countries and Migration also receives an important weight, even though it is only a core area in Kyrgyzstan.</p> <p>UKRAINE EC country analysis for the first period does not assess ESI related issues. EC response strategy focuses on build bridges across the future eastern borders of the EU and allows Ukraine to benefit from the advantages of EU enlargement, through improved border management.</p> <p>The last CSP gives more attention to employment analysis. In spite of strong economic growth and increased government spending on minimum wages and pensions, there is a substantial increase in official employment and the informal economy continues to play a major role as a social buffer. The level of income inequality is low. Labour migration is an issue.</p> <p>Youth unemployment is not considered an urgent issue at present, for which reason neither the EC, nor any other development partner, are funding specific initiatives addressing this issue.</p> |
| | <p>1.3 EC FINANCIAL COMMITMENTS ON EMPLOYMENT, SOCIAL INCLUSION IN THE LABOUR MARKET AND TVET OBJECTIVES REFLECT EC POLITICAL COMMITMENTS</p> |
| | <p>1.3.1 DEGREE OF CORRESPONDENCE BETWEEN INTENDED AND REALISED INTERVENTION LOGIC IN TERMS OF COMMITMENTS BY MICRO-SECTORS OVER TIME</p> <p>We can look at the correspondence in three difference ways.</p> |

I. Overall commitments for each sector for the period under investigation

According to the data collected in the inventory, it comes out that by considering two main thresholds, 500 M and 100 M, it is possible to identify three main categories, namely

TABLE 15: OVERALL ESI-ENLARGED COMMITMENTS FOR EACH SECTOR

| Sectors that have received more than 500 M over the period | | Sectors that have received between 500M and 100M | | Sectors that have received less than 100M | |
|--|------------------|--|----------------|---|---------------|
| PR | 3,508,925,412.70 | RD-BAN | 334,167,911.95 | LG CLS | 61,159,053.07 |
| PS | 1,702,794,247.68 | TM | 210,942,539.14 | LS | 54,547,730.05 |
| SR | 1,445,447,106.24 | MF | 204,892,035.68 | LG IB | 20,231,896.76 |
| SA | 1,005,101,768.02 | SI | 183,564,679.89 | LG SD | 2,347,458.71 |
| TP | 653,994,682.98 | SIG | 182,064,790.88 | | |
| RD | 536,286,311.35 | ST | 106,647,692.71 | | |

Source: Own elaboration based on the Inventory of EC ESI related interventions

II. Evolution of the commitment by sector over the period in absolute terms (in order to see whether allocation to each specific sector has been on the rise or not)

FIGURE 30 : EVOLUTION OF EMPLOYMENT & LABOUR MARKET DEMAND (ELD) COMMITMENT BY SECTOR OVER THE PERIOD IN ABSOLUTE TERMS

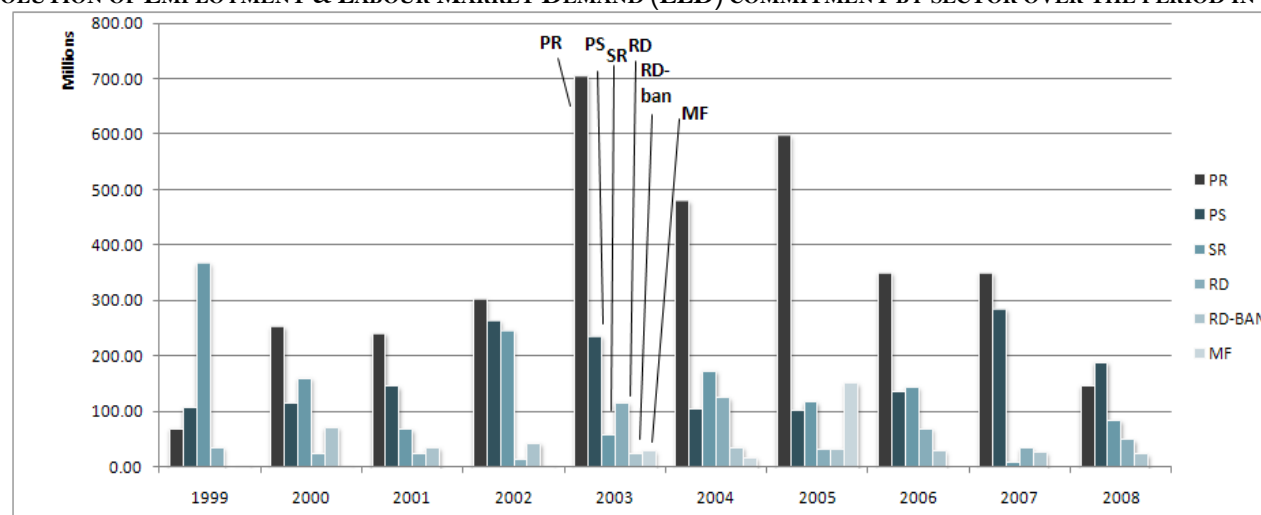


FIGURE 31 : EVOLUTION OF DECENT WORK, SOCIAL COHESION & LABOUR MARKET GOVERNANCE (DWS) COMMITMENT BY SECTOR OVER THE PERIOD IN ABSOLUTE TERMS

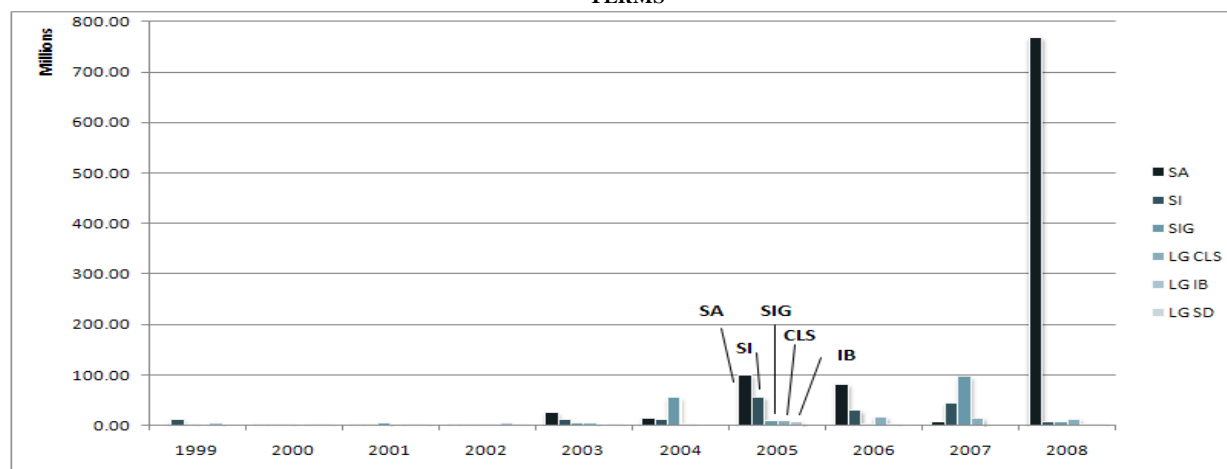
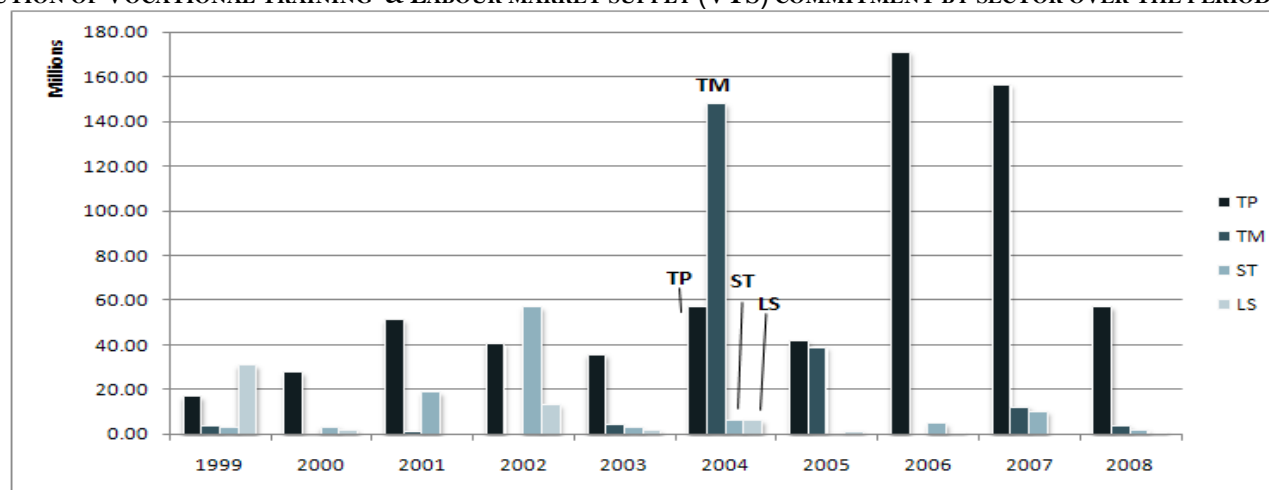


FIGURE 32 : EVOLUTION OF VOCATIONAL TRAINING & LABOUR MARKET SUPPLY (VTS) COMMITMENT BY SECTOR OVER THE PERIOD IN ABSOLUTE TERMS



Source: Own elaboration based on the Inventory of EC ESI related interventions

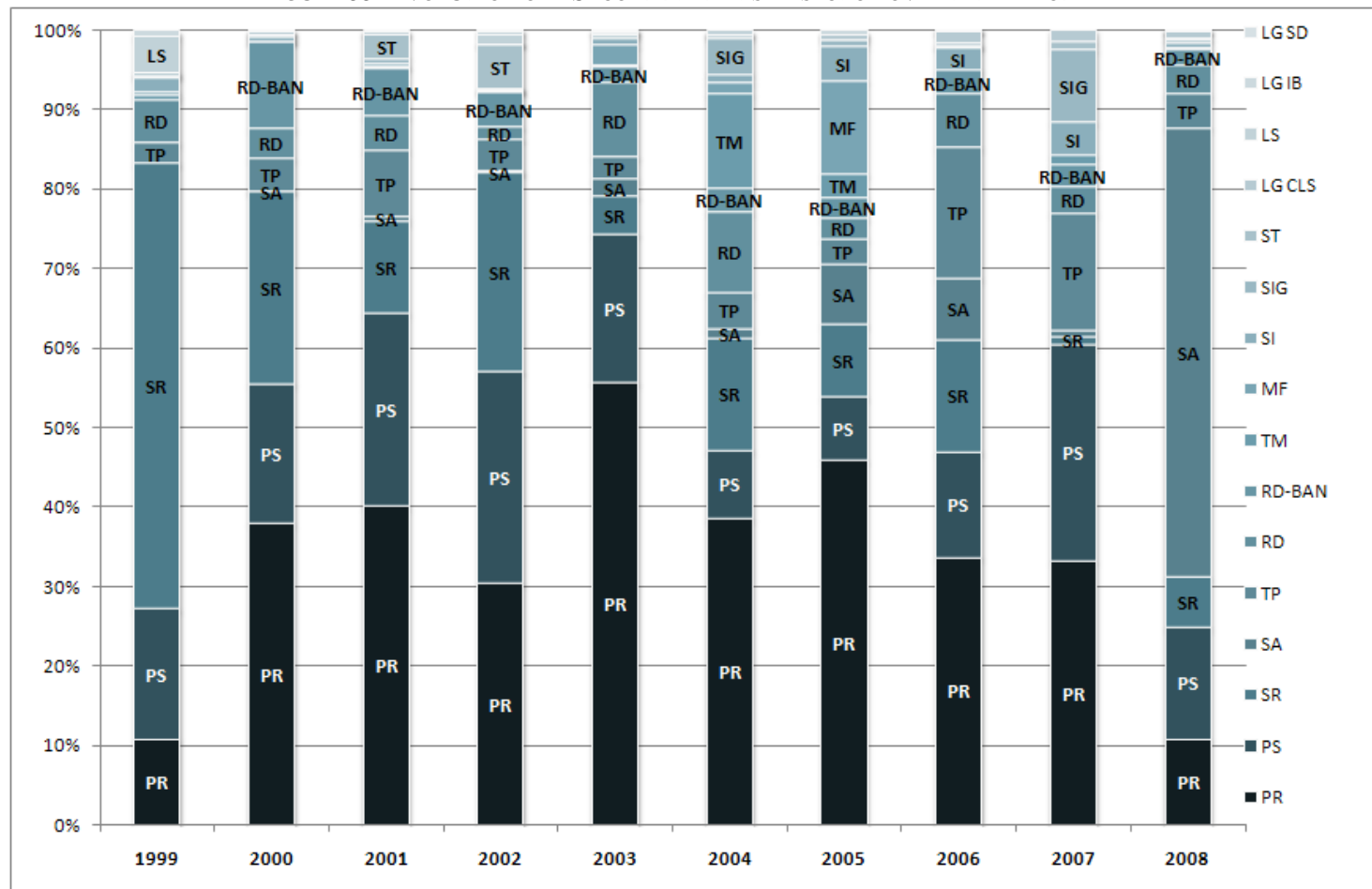
The analysis of commitments by sectors shows that for most of them it is not possible to outline one clear tendency over the period considered. This can be likely ascribed to the different programming periods of the countries and regions taken into account in the analysis. However, it might be noted that sectors as TP, SA, SI, SIG, LG CLS have received relatively more funds after 2004 than in the previous period.

While for EC regional programmes, there is a rather clear breakthrough in 2005 with a shift from ELD to DWS interventions, for EC country programmes it could be argued that the change has been more gradual. Although traditional sectors of cooperation such as structural reforms and rural development have been receiving fewer funds, they can still be considered as important targets. Support for private sector development has stayed rather constant over the period, proving to be a fundamental channel for trade development, competitiveness enhancement, and job creation. Following the European Consensus on Development and the Decent Work Agenda, both ratified in 2005, EC support to decent work and social inclusion has significantly increased. As shown in Fig. 2, resources allocated to social assistance of marginalized groups, social safety nets, social protection of vulnerable groups (SA) have been on the rise. The same applies for interventions in the field of technical and vocational training (TP), social inclusion of marginalized groups (SI), and core labour standards (LG CLS) (see sections 5.2.2.1 & 5.2.3.1).

III. Evolution of commitments by sector over the period, by year and in %

This allows seeing whether the relative weight, by year, of the commitment to each specific sector.

FIGURE 33 : EVOLUTION OF ESI COMMITMENTS BY SECTOR OVER THE PERIOD IN %



Source: Own elaboration based on the Inventory of EC ESI related interventions

1.3.2 OVERALL AMOUNT OF COMMITTED FUNDS FOR ESI RELATED SECTORS COMPARED TO TOTAL AMOUNT OF COMMITTED COOPERATION FUNDS AT GLOBAL LEVEL AND THEIR EVOLUTION FROM A PROGRAMMING PERIOD TO THE SUBSEQUENT ONE.

TABLE 16: OVERALL ESI COMMITMENTS BY PERIOD (ESI VS ENLARGED) IN ABSOLUTE TERMS AND IN %

| | EC Global Commitment | EC Commitment to ESI | % ESI / Global | EC Commitment to ESI Enlarged | % ESI Enlarged/ Global |
|-----------|-------------------------|-------------------------|-------------------|----------------------------------|---------------------------|
| 1999-2001 | 14,425,176,681.50 | 192,451,394.05 | 1.33% | 1,933,567,970.80 | 13.40% |
| 2002-2006 | 29,748,864,206.75 | 1,084,434,279.80 | 3.65% | 5,863,197,420.33 | 19.71% |
| 2007-2008 | 17,779,216,495.25 | 1,203,716,618.36 | 6.77% | 2,416,349,926.68 | 13.59% |

Source: Own elaboration based on the Inventory of EC ESI related interventions

TABLE 17: OVERALL ESI COMMITMENTS BY YEAR IN ABSOLUTE TERMS AND IN %

| | EC Global Commitment | EC Commitment to ESI | % ESI / Global | EC Commitment to ESI Enlarged | % ESI Enlarged/ Global |
|------|--------------------------|-------------------------|-------------------|----------------------------------|---------------------------|
| 1999 | 4,557,109,538.13 | 71,130,075.51 | 1,56% | 658,747,710.80 | 14,46% |
| 2000 | 6,204,802,655.81 | 37,819,480.04 | 0,61% | 670,425,675.87 | 10,80% |
| 2001 | 3,663,264,487.56 | 83,501,838.50 | 2,28% | 604,394,584.13 | 16,50% |
| 2002 | 4,964,392,689.00 | 120,109,369.86 | 2,42% | 998,638,304.27 | 20,12% |
| 2003 | 6,867,278,843.59 | 90,498,398.02 | 1,32% | 1,267,929,048.84 | 18,46% |
| 2004 | 5,593,327,451.91 | 302,800,069.11 | 5,41% | 1,248,484,328.63 | 22,32% |
| 2005 | 5,526,334,981.18 | 264,491,524.41 | 4,79% | 1,305,601,655.82 | 23,63% |
| 2006 | 6,797,530,241.07 | 306,534,918.40 | 4,51% | 1,042,544,082.77 | 15,34% |
| 2007 | 6,799,417,703.59 | 342,619,165.59 | 5,04% | 1,054,829,789.96 | 15,51% |
| 2008 | 10,979,798,791.66 | 861,097,452.77 | 7,84% | 1,361,520,136.72 | 12,40% |
| | 61,953,257,383.50 | 2,480,602,292.21 | 4,00% | 10,213,115,317.81 | 16,49% |

Source: Own elaboration based on the Inventory of EC ESI related interventions

1.3.3 OVERALL AMOUNT OF COMMITTED FUNDS FOR ESI RELATED SECTORS COMPARED TO TOTAL AMOUNT OF COMMITTED FUNDS AT COUNTRY AND REGIONAL LEVEL AND THEIR EVOLUTION FROM A PROGRAMMING PERIOD TO THE SUBSEQUENT ONE

TABLE 18: OVERALL COMMITMENTS BY REGION (COUNTRY & REGIONAL PROGRAMMES) VS ESI COMMITMENTS

| | GLOBAL | ESI |
|-------------------------------|-------------------|----------------|
| ACP | 35,862,711,751.15 | 600,557,092.67 |
| All Countries | 4,513,314,316.74 | 57,919,067.69 |
| Asia | 5,926,664,369.47 | 113,658,387.44 |
| Eastern Europe & Central Asia | 4,672,519,560.47 | 132,553,709.04 |
| Latin America | 3,152,790,686.34 | 185,317,421.69 |

Mediterranean and Gulf Region

7,825,256,699.33

1,390,596,613.68

61,953,257,383.50

2,480,602,292.21

Source: Own elaboration based on the Inventory of EC ESI related interventions

Evolution Overall amount of committed funds for ESI compared to total amount of committed funds at regional level.

TABLE 19: OVERALL ANNUAL COMMITMENTS BY REGION (COUNTRY & REGIONAL PROGRAMMES) VS ESI & ESI ENLARGED COMMITMENTS

| | Region | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|--------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| GLOBAL | ACP | 2,723,255,706.57 | 4,103,636,388.78 | 2,002,738,948.41 | 2,549,157,129.18 | 4,109,152,107.65 | 3,020,618,880.41 | 2,649,271,991.06 | 4,031,758,285.75 | 3,476,374,274.45 | 7,196,750,040.89 |
| | All Countries | 292,728,059.62 | 292,220,616.15 | 224,728,297.95 | 584,307,771.78 | 732,133,210.68 | 469,888,495.89 | 407,956,255.14 | 497,559,316.32 | 519,551,413.92 | 692,260,879.31 |
| | Asia | 316,410,471.10 | 509,602,105.01 | 324,022,209.42 | 504,504,215.52 | 373,638,290.41 | 646,147,724.88 | 958,165,403.48 | 680,881,642.30 | 686,680,678.00 | 726,611,631.35 |
| | Eastern Europe & Central Asia | 441,056,345.76 | 417,140,861.34 | 442,412,379.16 | 462,460,038.21 | 589,304,735.95 | 439,559,210.55 | 435,658,699.17 | 494,158,292.55 | 503,974,000.00 | 627,055,000.00 |
| | Latin America | 171,771,447.50 | 420,151,817.68 | 287,250,717.50 | 205,719,614.62 | 408,173,577.07 | 373,954,509.31 | 262,684,348.89 | 281,543,855.77 | 335,340,800.00 | 390,200,000.00 |
| | Mediterranean and Gulf Region | 611,909,509.58 | 462,050,868.87 | 382,111,955.12 | 860,243,919.69 | 634,876,921.83 | 645,378,631.07 | 792,598,285.44 | 811,648,852.40 | 1,259,496,555.22 | 1,346,941,240.11 |
| | Grand Total | 4,557,109,558.13 | 6,204,802,655.81 | 3,663,264,487.56 | 4,964,392,689.00 | 6,867,278,843.59 | 5,593,327,451.91 | 5,526,354,981.18 | 6,797,550,241.07 | 6,799,417,705.59 | 10,979,798,791.66 |
| ESI | ACP | 19,182,787.71 | 28,090,588.31 | 24,477,094.98 | 10,163,187.66 | 41,127,693.21 | 54,164,370.00 | 143,950,642.17 | 164,439,318.00 | 63,253,632.00 | 51,703,978.63 |
| | All Countries | 517,916.06 | 269,622.62 | 1,064,587.00 | | | | | | 33,176,437.57 | 22,890,504.44 |
| | Asia | 562,500.00 | | | 10,000,000.00 | 700,000.00 | 20,656,562.69 | 41,518,149.00 | 15,040,000.00 | | 25,201,175.75 |
| | Eastern Europe & Central Asia | 7,095,288.28 | 6,157,625.15 | 12,358,383.52 | 15,316,603.41 | 14,857,481.93 | 9,045,719.95 | 24,691,896.16 | 13,951,466.67 | 25,628,214.02 | 3,451,009.95 |
| | Latin America | 9,559,217.53 | 1,014,607.96 | | | 8,548,487.00 | 41,480,188.31 | 19,413,493.08 | 21,173,597.09 | 83,374,137.00 | 771,891.92 |
| | Mediterranean and Gulf Region | 34,232,366.13 | 2,287,236.00 | 45,601,773.00 | 84,627,578.79 | 25,264,735.88 | 177,473,228.16 | 34,917,342.00 | 91,928,716.64 | 137,184,745.00 | 757,078,892.08 |
| | Grand Total | 71,130,073.51 | 37,819,480.04 | 83,501,838.50 | 120,109,369.86 | 90,498,598.02 | 302,800,069.11 | 264,491,524.41 | 306,534,918.40 | 342,619,165.59 | 861,097,452.77 |
| ESI Enlarged | ACP | 384,141,859.79 | 572,702,244.96 | 477,907,287.31 | 451,091,475.84 | 986,486,004.08 | 736,207,652.88 | 828,264,482.17 | 760,702,371.37 | 621,230,210.77 | 428,059,890.58 |
| | All Countries | 517,916.06 | 269,622.62 | 1,064,587.00 | | 79,383,270.45 | | | | 33,176,437.57 | 27,118,214.44 |
| | Asia | 31,662,500.00 | 9,154,217.62 | 56,489,841.00 | 21,833,047.95 | 34,550,000.00 | 42,894,220.09 | 65,803,149.00 | 36,940,000.00 | 46,787,095.00 | 27,000,237.73 |
| | Eastern Europe & Central Asia | 20,650,829.17 | 12,623,458.56 | 21,531,093.82 | 23,703,111.52 | 28,324,843.36 | 19,319,138.19 | 32,346,885.43 | 28,797,597.67 | 26,228,194.62 | 17,451,009.95 |
| | Latin America | 12,292,239.65 | 6,441,002.96 | 1,800,000.00 | 21,728,283.00 | 51,393,761.30 | 136,479,244.31 | 93,813,495.08 | 63,173,397.09 | 100,225,107.00 | 15,811,891.92 |
| | Mediterranean and Gulf Region | 209,482,366.13 | 69,233,149.15 | 45,601,773.00 | 480,282,385.96 | 87,389,169.65 | 313,584,073.16 | 285,171,644.14 | 150,928,716.64 | 227,184,745.00 | 846,078,892.08 |
| | Grand Total | 638,747,710.80 | 670,425,673.87 | 604,394,584.13 | 998,638,304.27 | 1,267,929,048.84 | 1,248,484,328.63 | 1,303,601,635.82 | 1,042,544,082.77 | 1,054,829,789.96 | 1,361,520,136.72 |

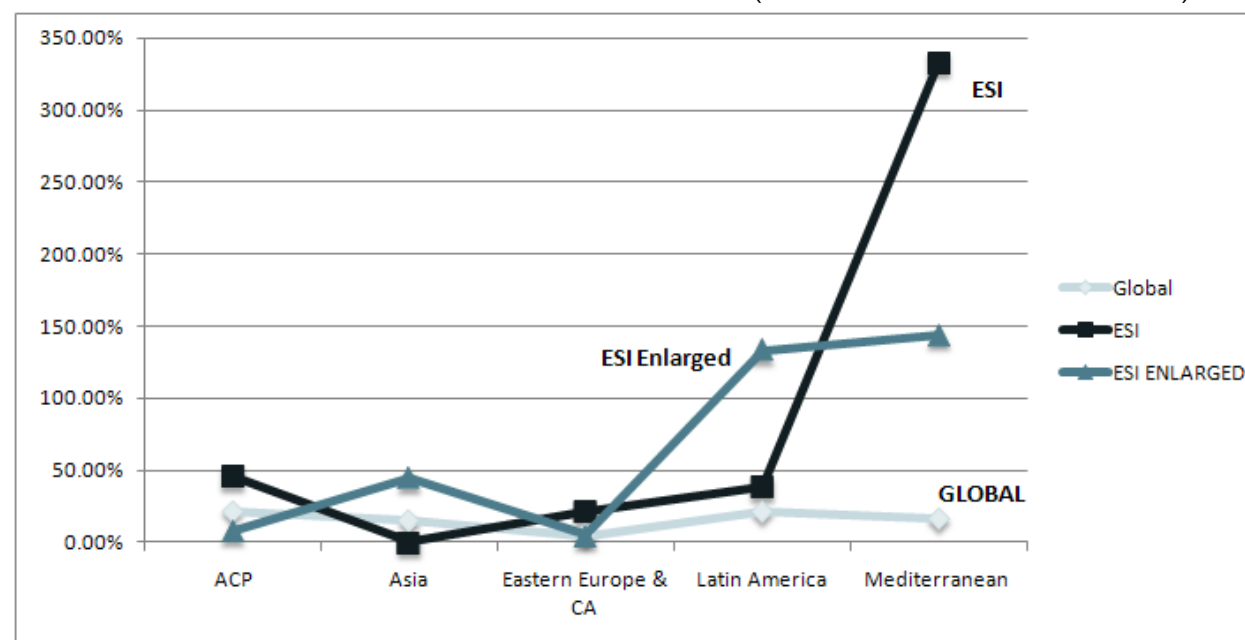
Source: Own elaboration based on the Inventory of EC ESI related interventions

In order to provide a better understanding of the evolution and the relationship between global cooperation and ESI cooperation, the table below shows their average annual growth in each region:

TABLE 20: AVERAGE ANNUAL GROWTH OF OVERALL COMMITMENTS BY REGION (COUNTRY & REGIONAL PROGRAMMES) VS. ESI COMMITMENTS

| | GLOBAL | ESI | ESI ENLARGED |
|-------------------------------|--------|---------|--------------|
| ACP | 21.62% | 45.73% | 8.35% |
| All Countries | 16.54% | 1.77% | 3.18% |
| Asia | 14.74% | 0.00% | 44.75% |
| Eastern Europe & Central Asia | 4.53% | 21.77% | 4.93% |
| Latin America | 21.02% | 38.49% | 133.04% |
| Mediterranean and Gulf Region | 16.16% | 333.60% | 144.00% |

Source: Own elaboration based on the Inventory of EC ESI related interventions

FIGURE 34 : AVERAGE ANNUAL GROWTH OF OVERALL COMMITMENTS BY REGION (COUNTRY & REGIONAL PROGRAMMES) VS ESI COMMITMENTS

Source: Own elaboration based on the Inventory of EC ESI related interventions

TABLE 21: AVERAGE GROWTH OF OVERALL COMMITMENTS BY REGION (COUNTRY & REGIONAL PROGRAMMES) VS. ESI & ESI ENLARGED COMMITMENTS

| | | GLOBAL | ESI | % ESI/ GLOBAL | ESI Enlarged | % ESI Enlarged /Global |
|----------------------------------|-----------|-------------------|----------------|------------------|------------------|---------------------------|
| ACP | 1999-2001 | 8,829,629,043.76 | 71,750,271.00 | 0.81% | 1,434,751,392.06 | 16.25% |
| | 2002-2006 | 16,359,958,392.05 | 413,847,211.04 | 2.53% | 3,762,751,986.34 | 23.00% |
| | 2007-2008 | 10,673,124,315.34 | 114,959,610.63 | 1.08% | 1,049,290,101.35 | 9.85% |
| Asia | 1999-2001 | 1,150,034,733.33 | 562,500.00 | 0.05% | 97,306,553.62 | 8.46% |
| | 2002-2006 | 3,363,337,276.59 | 37,894,711.69 | 2.61% | 202,022,417.04 | 6.01% |
| | 2007-2008 | 1,413,292,309.33 | 23,201,173.73 | 1.78% | 73,737,332.73 | 5.22% |
| Eastern Europe & Central Asia | 1999-2001 | 1,300,539,534.26 | 23,611,296.93 | 1.97% | 34,307,363.55 | 4.21% |
| | 2002-2006 | 2,240,920,976.21 | 77,863,133.12 | 3.47% | 132,891,576.17 | 5.95% |
| | 2007-2008 | 1,131,009,000.00 | 29,079,223.97 | 2.57% | 43,679,204.57 | 3.86% |
| Latin America | 1999-2001 | 379,173,932.63 | 10,533,323.29 | 1.20% | 20,533,242.61 | 2.34% |
| | 2002-2006 | 1,530,073,903.66 | 90,617,567.43 | 5.92% | 363,592,130.73 | 24.09% |
| | 2007-2008 | 743,340,300.00 | 34,146,023.92 | 11.32% | 116,034,993.92 | 15.61% |
| Mediterranean and Gulf Region | 1999-2001 | 1,436,072,313.37 | 32,121,373.13 | 3.64% | 324,317,233.23 | 22.27% |
| | 2002-2006 | 3,762,746,610.43 | 414,211,601.47 | 11.01% | 1,317,355,939.53 | 35.01% |
| | 2007-2008 | 2,606,437,773.33 | 394,263,637.03 | 34.31% | 1,073,263,637.03 | 41.18% |

Source: Own elaboration based on the Inventory of EC ESI related interventions

1.4 EC SUPPORT STRATEGY IN A GIVEN COUNTRY TAKES INTO ACCOUNT EC-SPECIFIC REGIONAL POLICY FRAMEWORKS' OVERARCHING OBJECTIVES

1.4.1 COHERENCE BETWEEN POLICY DIALOGUE AT COUNTRY LEVEL IN ESI AREAS AND RELATED DIALOGUE PROCESSES AT SUB-REGIONAL AND REGIONAL LEVELS.

&

1.4.2 LINKAGE OF STRATEGIES AND OBJECTIVES IN THE DIFFERENT ESI RELATED AREAS WITH THE FOLLOWING REGION SPECIFIC EC OBJECTIVES: i) LATIN AMERICA: TRADE, REGIONAL INTEGRATION AND SOCIAL COHESION; ii) ASIA: ECONOMIC GROWTH WITH SOCIAL PROTECTION USING EU EXPERIENCE; iii) ECA COUNTRIES: TRANSITION TO MARKET ECONOMY; iv) ENP COUNTRIES: APPROXIMATION WITH EUROPE (LEGAL FRAMEWORK, SHARED ECONOMIC PROSPERITY, SOCIAL COHESION), COMPETITIVENESS AND HUMAN RESOURCES DEVELOPMENT; v) ACP: POVERTY REDUCTION, GENDER, EXCLUSION, SKILLS UPGRADING, INFORMAL ECONOMY, MIGRATION

See also JC 11, Indicator 1.1.2.

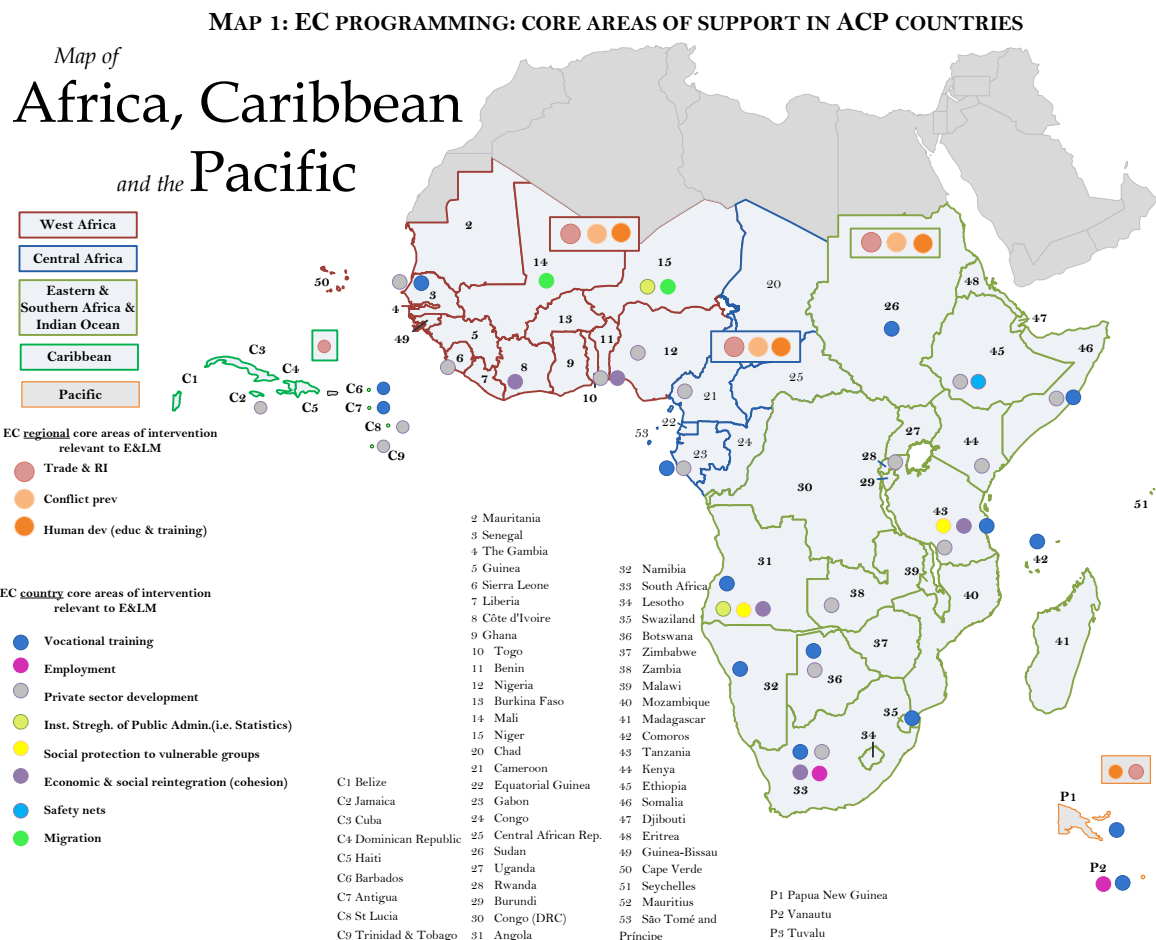
ACP

Most of EC regional objectives for the ACP region are treated at country level: poverty reduction, skills upgrading, gender exclusion.

The importance of stimulating economic growth as a precondition for social progress and employment creation is emphasized in several documents, e.g. the Communication on the EU Strategy for Africa: “Without increased growth and private investment, few African countries will have the sustainable revenue they need to deliver basic social services such as education and health care. Boosting economic growth will thus be a key factor in achieving the MDGs”⁹².

According to EC officials, in ACP coherence is mainly facilitated via the EPA negotiations. Regional policy and strategy documents see economic growth achieved through enhanced trade, deeper regional integration and a conducive business climate as the key to creation of more productive and better jobs. This is in line with the African agenda on Employment Promotion and Poverty Alleviation, as well as with the Caribbean agenda on job creation to fight poverty in the framework of the Organization of American states.

The following map helps visualising coherence between country and regional areas of priority intervention and regional strategic objectives



Source: own elaboration based on regional and national indicative programmes' analysis

⁹² COM (2005) 498 Final: Strategy for Africa: Towards a Euro-African pact to accelerate Africa's development

(Poverty reduction, gender, exclusion, skills upgrading, informal economy, migration).

Among the visited countries, the following can be added:

JAMAICA The policy dialogue mainly concerns the serious macro economic situation crippling recovery of the Jamaican economy. The policy agenda for Jamaica has more in common with that for Latin America (focus on trade, regional integration and social cohesion) than with the typical ACP policy agenda (poverty reduction, gender, exclusion, skill upgrading and migration). This probably mirrors the fact that the EU-LAC summit is a major vehicle for policy dialogue between the Caribbean and the EU.

SOUTH AFRICA Regional integration and South-South cooperation have emerged as core principles of the development agenda for South Africa. The removal of tariffs and bureaucratic barriers to trade, strengthening regional infrastructure, and expanding market access are all key issues for South Africa's and African growth and development. South Africa is both a member of the G20 and leader of the African bloc, and as such is particularly well-positioned to serve as both a bridge and power broker in its push to deepen regional integration, increase South-South cooperation, and strengthen its stake in North-South trade agreements⁹³.

South Africa joined the negotiations with the Southern African Development Community or SADC EPA group in February 2007. Five of the seven countries in the SADC Group have initialed and are close to signing an interim or "stepping stone" EPA. However, South Africa has opted not to join at this stage as its trade relations with the EU are governed by the TDCA.

MEDITERRANEAN AND MIDDLE EAST COUNTRIES

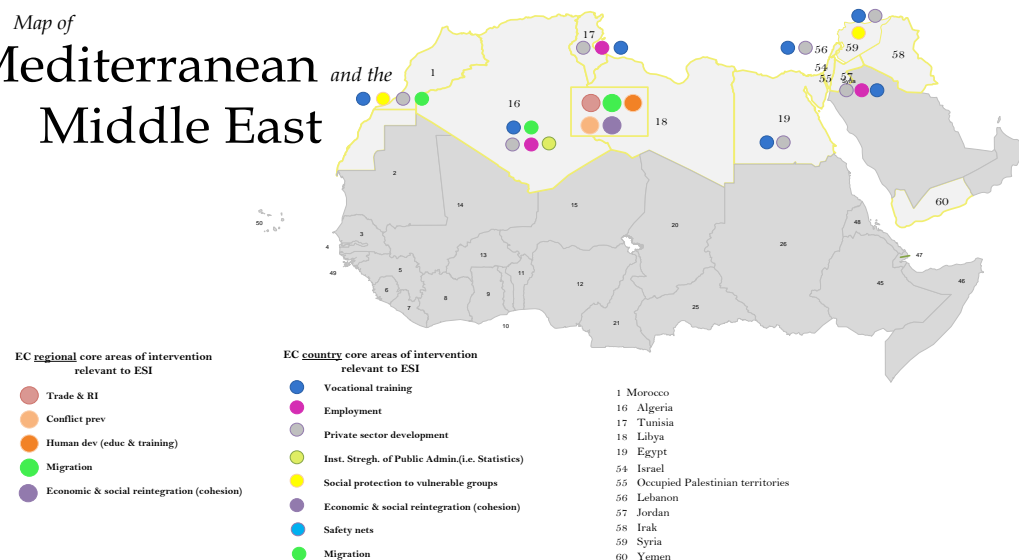
For southern and eastern neighboring countries, coherence between country and region specific EC objectives is strengthened via the European Neighborhood Policy. The Action Plans, which implement the ENP, encompasses an ambitious agenda in the political, social and economic fields, designed to move the neighboring countries closer to a set of shared values with the EU. Furthermore, according to EC HQ officials, the regular dialogue established in the framework of the ENP constitutes an important factor to bring countries closer to EU standards. It is a way to commit partners.

EC policy and strategic framework towards MENA countries benefits from a holistic approach all over the period considered. Human resources development policies linked to TVET appears since the beginning as highly responsive to economic transition processes and labour market needs.

⁹³ Rob Davies, South Africa's Minister of Industry and Trade, discuss his country's role in regional integration and South-South cooperation. <http://www.wilsoncenter.org/ondemand/index.cfm?fuseaction=media.read&mediaid=30210543-C45C-81F1-F96A31D0DBF4249E>

MAP 2: EC PROGRAMMING: CORE AREAS OF SUPPORT IN MEDITERRANEAN & MIDDLE EAST COUNTRIES

Map of
**Mediterranean
and the
Middle East**



Source: own elaboration based on regional and national indicative programmes' analysis

JORDAN As an illustration of EC support to Jordan within the framework of the regional and bilateral cooperation agreements, mention may be made of the EC technical assistance to JEDCO for the implementation of the JSMP aimed at securing benefits from trade liberalization in services in the context of WTO (GATS), the ENP, the Association Agreement and in line with the Istanbul Framework Protocol of July 2004.⁹⁴

MOROCCO In terms of regional cooperation strategies, there is coherence in terms of goals and orientations concerning migration policies, vocational training (Euromed) and other broader economic issues (i.e. Euromed marché, Euromed qualité).

LATIN AMERICA

EU-LAC summit is a major vehicle for policy dialogue between Latin America and the EU. It ensures coherence between country and regional cooperation levels. Trade and deeper regional integration, and an enhanced competitiveness framework, are necessary conditions to stimulate growth and facilitate and further develop EU-LAC relations. The explicit linkage with employment and job creation is nevertheless weak, even though it could be

Macroeconomic reforms, enhanced investment, and regulatory convergence are the means to generate growth and job creation. This strategy is complemented by attention to social consequences of globalization, mainly in relation to migrant workers.

Policy evolution (from AAs to ENP and related Action Plans) seems to have had an effect on the incorporation of respect to core labour standards.

This strategy responds to European willingness to create closer economic ties between the EU and MENA; strategy that is further stressed in recent years.

The map helps visualising coherence between country and regional areas of priority intervention and regional strategic objectives (Approximation with Europe (legal framework, shared economic prosperity, social cohesion), competitiveness and human resources development).

Among the visited countries, the following can be added:

⁹⁴ Project No. 10 in Annex 4, Inception Report, June 2009, JSMP Logical Framework, P.17

implicitly assumed. Attention to social cohesion and more recently to Decent Work may have further stressed the emergence of an integrated approach combining economic development and social equity. This is in line with the Latin American agenda on job creation to fight poverty in the framework of the OAS.

The following map helps visualising coherence between country and regional areas of priority intervention and regional strategic objectives (Trade, regional integration and social cohesion).

MAP 3: EC PROGRAMMING: CORE AREAS OF SUPPORT IN LATIN AMERICAN COUNTRIES



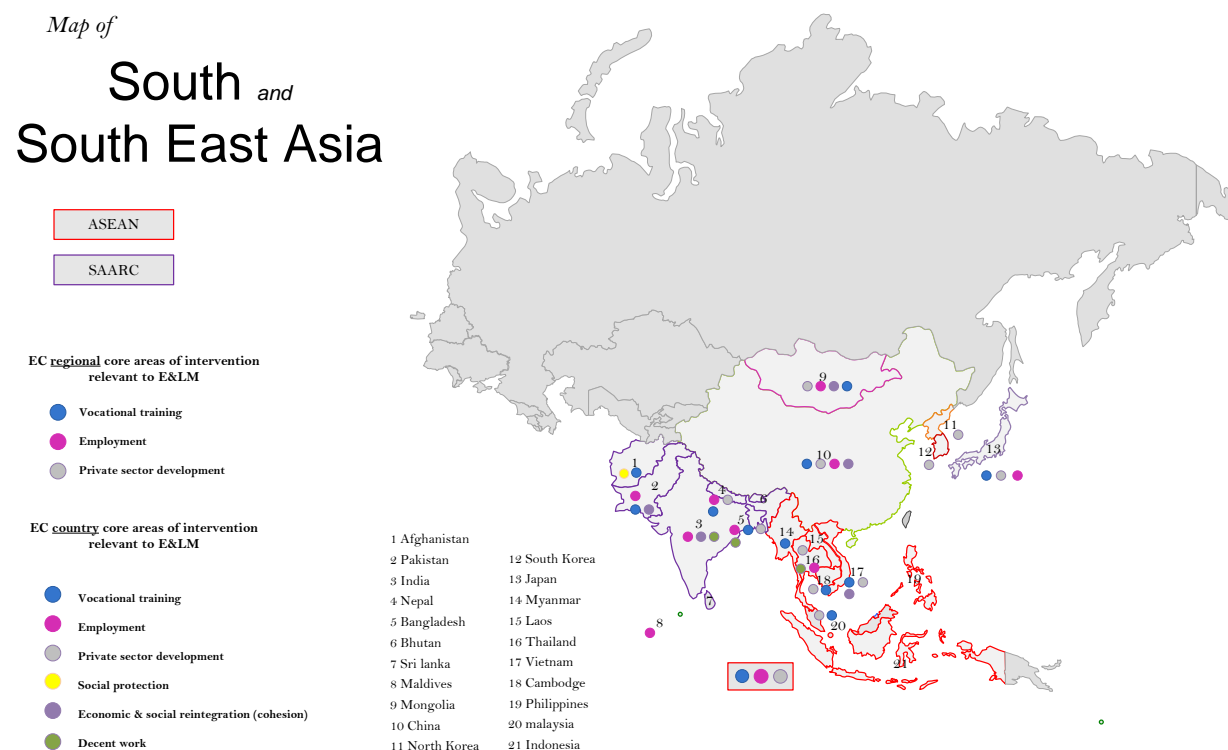
Source: own elaboration based on regional and national indicative programmes' analysis

ASIA

Employment and labour market are also more visibly emerging in recent years and, as for other regions, they are framed in an overall strategy that combines economic growth with equity and social justice. Here, more than in other regions, social protection seems to be one of the pillars. This may respond to the regional policy evolution, in particular in ASEAN, where recent commitments to accelerate the establishment of an ASEAN Community result in the formulation of, among other, Economic and Socio-cultural Blueprints.

The following map helps visualising coherence between country and regional areas of priority intervention and regional strategic objectives (Economic growth with social protection using EU experience).

MAP 4: EC PROGRAMMING: CORE AREAS OF SUPPORT IN SOUTH AND SOUTH EAST ASIAN COUNTRIES



Source: own elaboration based on regional and national indicative programmes' analysis

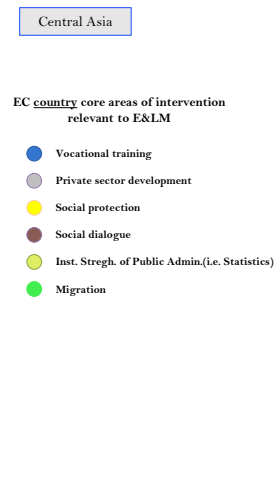
EASTERN EUROPE AND CENTRAL ASIA

EC approach to human resource development seems to be, at policy and strategy level, wide-ranging. The integration between VET, economic development and consolidation or completion of the transition to market economy, is only implicit. There seems to be a lack of specific VET strategies. Approach to Employment and labour market concentrates, since the first years, on support to social consequences of transition, very much linked to social protection, and support to rural economy.

The following map helps visualising coherence between country and regional areas of priority intervention and regional strategic objectives (Transition to market economy for ECA countries & Approximation with Europe (legal framework, shared economic prosperity, social cohesion), competitiveness and human resources development for ENP east countries).

MAP 5: EC PROGRAMMING: CORE AREAS OF SUPPORT IN EASTERN EUROPE AND CENTRAL ASIA COUNTRIES

Map of Eastern Europe and Central Asia



Source: own elaboration based on regional and national indicative programmes' analysis

UKRAINE

The Partnership and Co-operation Agreement (PCA) which entered into force in 1998 provides a comprehensive and ambitious framework for cooperation between the EU and Ukraine, in all key areas of reform. At the Paris Summit in September 2008 an agreement was reached to start negotiations on an EU-Ukraine Association Agreement, which is to be the successor agreement to the PCA. Several negotiating Rounds have since been organised, alternately in Brussels and Kiev.

There appear to be a reasonable coherence between the ongoing association agreement negotiations and the policy dialogue on E&SI/ESI issues to the extent the dialogue covers these issues. Linkage of ESI areas with EU approximation is clearly taking place as hypothesised in the desk phase.

In the cases in which country and regional programming are coherent, according to EU Delegation's officials, it happens in the following areas:

TABLE 22: REGIONAL AREAS OF INTERVENTION THAT ARE COHERENT WITH ESI COUNTRY PROGRAMMING

| Areas covered by regional programming | % of the cases |
|--|----------------|
| Trade & Regional integration | 62,5% |
| Economic and social reintegration (cohesion) | 62,5% |
| Migration | 37,5% |
| Human resources development | 25% |
| Other | 25% |

Source: Worldwide Survey to EU Delegations

In 80% of the cases coherence mechanisms are Explicit Policy Statement, and in 20% of the cases there are Administrative / Institutional structures in charge of coherence-check.

Sources of verification :

- International commitments
- EC global and thematic policy related documents
- Regional and national cooperation agreements
- RSP and CSP
- Inventory of EC projects
- Other external studies and reports
- Interviews with key institutional stakeholders
- Questionnaires

Methods :

- Document analysis
- Inventory Analysis
- Analysis of interviews with key institutional stakeholders
- Questionnaire analysis

| | | |
|------|--|--|
| EQ 2 | To what extent was EC ESI and TVET related support able to take into account the specific countries' context and its change over the period without losing coherence with the overall policy and normative framework? | |
| | DAC Evaluation criteria : Relevance | |
| | | |
| | Judgment criteria | |
| | 2.1 NATIONAL POLICY PRIORITIES, AND THEIR EVOLUTION, ARE REFLECTED IN EC ESI AND TVET STRATEGY TOWARDS A GIVEN COUNTRY | |
| | Indicators | |
| | <p>2.1.1. REFERENCES TO COUNTRY-SPECIFIC EMPLOYMENT AND SOCIAL INCLUSION SITUATION IN THE LABOUR MARKET AND RELATED ISSUES, AND TO THE CORRESPONDING NATIONAL STRATEGY, ARE INCLUDED IN CSP SECTIONS ON COUNTRY CONTEXT, IN THE RESPONSE STRATEGY AND TRANSLATED IN FINANCED PROGRAMMES</p> <p>ACP</p> <p><i>LOW-INCOME COUNTRIES</i></p> <p>MALI. In the period 2003-2007 country analysis refers to socioeconomic aspects but little is said on employment. In 2008-2013 a good analysis on active population and employment is done. TVET weakness is highlighted in the analysis, as well as internal and external migration. Human resources development in terms of quality of curricula for education and TVET and in terms of public and private affairs management is among the challenges identified. In this period, EC response strategy tackles the <i>definition and implementation of the country's migration policy</i>. Provision is made to assist the country to better manage the flows of migrants and the remittances of the Mali Diaspora. <i>Regional local economic development</i> is also considered.</p> <p>NIGER. In the first period, no specific analysis on employment & labour market was done. Noting the particular levels of poverty in the country and the environmental conditions recalled the need to develop a strategy that focuses on the rural poor and an overall integrated rural development policy including the <i>development of agricultural and non-agricultural micro enterprises</i>. At the same time, the CSP focuses on improving infrastructure⁹⁵, education, training, and reducing the vulnerability of the poor, including improved access to education and health services. In 2008-2013, the country analysis only mentions mismatch between post-primary education and labour market needs, which generates youth and women unemployment. Agriculture sector employs 84% of active population and this seems one of the reasons why <i>EC response strategy concentrates on rural development, considered also by the country as the driving force of economic growth, and regional integration</i>. EC response strategy notes also the need to accelerate development in order to <i>reduce the</i></p> | |

⁹⁵ Infrastructure development and public works are a source of employment generation

migration pressures of the poor. Gender is considered in relation to promoting human rights.

TANZANIA. In the 2001-2007 CSP, country analysis is made along the PRSP priority sectors: macro economy, governance, road, education (mainly basic), private sector & regional integration, Agriculture (80% of active population), Water and Natural Resource, Gender, Health and HIV/AIDS. There is no employment/labour market analysis. EC response strategy, coherent with the country's PRSP, does not include employment among its priority sectors. Joint donor strategy for 2008-2013 states that achieving Goal 1 (eradicate extreme poverty and hunger) is feasible. Poverty and inequality are important concerns. The Joint strategy therefore focuses on: i) Growth of the economy to reduce income poverty; ii) Improvement of quality of life and social well being (among other goals: expansion of technical and vocational education, improved survival, health and well-being of all children and women, especially of vulnerable groups, adequate social protection and rights of the vulnerable and needy groups with basic needs and services) and iii) Reduction of political and social exclusion and intolerance.

UGANDA. Good socioeconomic analysis, but no employment analysis as such. Income inequality is broadly covered in the country analysis for the CSP 2002-2007. EC strategy focuses on Macroeconomic Support and Economic Reform (private sector, regional integration, finance) and on rural development (support to SMEs). In the CSP for 2008-2013, a specific § on social development, decent work and employment is included. Household income and employment by area, as well as small reference to TVET, are included. Employment conditions (lack of skilled resources, surplus of rural labour, need to link education system to market demand) are treated. Decent work as such is not treated. EC response strategy includes improving access to post-primary education & training as one of the purposes of a Budget support programme. Rural development (enhance smallholder agriculture productivity and incomes and improve agriculture livelihoods of returning IDPs) is also covered.

UPPER-MIDDLE INCOME COUNTRIES

DOMINICAN REPUBLIC. ESI related sectors are present in EC strategy since 2007. In the country analysis section of the previous CSP, labour market and employment issues were not present. In the same section of the CSP for 2007-2013 there is a brief analysis on employment and on the causes of low income levels, due to scarce productivity. Under a specific § on Decent Work & Employment, reference is made to lack of cohesion and gender inequality. In agreement with its overall strategy for the Caribbean, EC response strategy focuses, among other, on economic governance and competitiveness. In order for the country to achieve the MDGs, and considering labour as the main asset of the poor, EC response strategy concentrates also on employment creation, employability and access to labour market.

JAMAICA. Labour market and employment analysis is a constant in EC country analysis in the last two CSPs. The shift from formal to informal employment in the country, as well as the stagnation of productivity, resulted in a response strategy concentrated in macroeconomic support assisting the governments' economic reform programme, as well as in private sector development. In 2008, the country analysis show, in spite of a decline in poverty and unemployment rates, important social inequities. EC response, through support to the MTF, focuses on Macroeconomic stability and Promoting social cohesion and inclusion. Support to economic regional integration and trade is also foreseen.

SOUTH AFRICA. Slow growth of the economy and low foreign investment, high and rising unemployment and widening income inequality

were identified by EC country analysis in 2003 as key issues to be addressed. EC response strategy was focused on equitable access to and sustainable provision of social services and equitable and sustainable economic growth, aiming at accelerating growth, equity and employment.

In the 2007-2013 CSP, the country analysis presents an in-depth analysis of employment situation in the country. The combination of slow economic growth and reduced demand for labour, the increasing number of new entrants, results in an increase in unemployment. The lack of relevant skills of the labour force, caused also by emigration, and the external labour migration from other African countries, are also key concerns. EC response strategy concentrates on promoting pro-poor sustainable economic growth, including reducing inequality, developing skills and tackling social exclusion. Gender is included under the umbrella of crosscutting issues. Under Focal Area 1 (employment) and 2 (Capacity Development for Service Delivery and Social Cohesion), it emphasizes the need to promote female entrepreneurship.

2.1.2 EXTENT TO WHICH ESI AND TVET ARE PART OF THE POLICY DIALOGUE AND, WHEN REPRESENTING AN IMPORTANT ISSUE AT COUNTRY LEVEL, ARE INCLUDED IN THE PRIORITY AREAS OF EC STRATEGY AND INTERVENTION AT COUNTRY LEVEL.

For policy dialogue see JC 22, Indicator 2.2.1.

As shown under JC 12, Indicator 1.2.3., EC country analyses refer to Employment and labour market related issues in all selected countries. Furthermore, as demonstrated by the field visits, EC has been rather responsive to the national strategies.

JORDAN EC strategy has been responsive to the Social and Economic Transformation Programme (SETP) and the more recent National Social and Economic Plan (NSEP). Nevertheless, there is one ESI related area of support in which the EC has concentrated most of its support, the development of TVET institutional framework, in line with Jordanian's National Agenda related to E-TVET.

The structure of the economy is characterised by almost 75% of all workers being in the service sector, 22% being in industry and only 3% being in agriculture⁹⁶. The overwhelming majority of enterprises are small; 94% have four workers or fewer and account for around half the total workforce. Also there is a mismatch between the needs of the labor market and the provision of skill labour. Hence, the EC has extended support to enhance the competitiveness of the small and medium enterprises (SMEs) in both the industrial and services sectors. It also, provided support to restructuring the E-TVET sector, building the institutional capacity of the Ministry of Labor, enhancing social dialogues and building capacity of social dialogue partners.

In relation to human resources development and its correspondance with labour market needs, which is at the core of EC strategy in the considered period, EC support is highly respondant to the country needs. It is aligned to the three major objectives of Jordanian's National Agenda related to E-TVET for the period 2007-2012 which were:⁹⁷

⁹⁶ ETF 2006.

⁹⁷ Technical & Vocational Education & Training (TVET) Council: Employment- Technical & Vocational Education & Training (E-TVET), Sector Programme Document, Hashemite Kingdom of Jordan (Amman, E-TVET Council, May 2008), P.5

| | | |
|--|--------------|---|
| | | <p>(a) To promote labour-intensive and export-oriented industries,</p> <p>(b) To eradicate structural unemployment, and</p> <p>(c) To expand significantly vocational training and employment.</p> <p>The National Agenda goes a long way towards establishing a sector policy for TVET, mainly in terms of governance and management. The ENP Action Plan includes the development and implementation of a vocational training programme.</p> <p>For instance, the E-TVET Council had produced a broad E-TVET strategy but had no time frame, indicators or costing. The E-TVET support will eventually assist MoL with monitoring of the financial plan. Similarly, EC will assist MoL with the development and implementation of the LMIS, a major element in the E-TVET strategy.</p> <p>More significantly, EC sector budget support to the E-TVET reform corresponds to Jordan's E-TVET Sector Reform Document relating to employment and planning for E-TVET.⁹⁸</p> <p>Another good illustration of alignment between the Government of Jordan and EU strategies can be found in the EC technical assistance to JEDCO for the implementation of JSMP. The JSMP is fully in line with Jordan's National Agenda (2006-2015), the National Foreign Trade Strategy (2009-2013) and the Jordan vision 2020. At the same time, Jordan has reinforced its commitments regarding services following the entry into force the EU-Jordan Action Plan (2005) and ENP (2007).</p> |
| | MOROCCO | <p>EU support in the field of ESI has tended to follow the evolving relationship with the EU. A broad spectrum of initiatives and agreements contribute to developing the economy and hence employment. Undoubtedly the EU Morocco Association Agreement has contributed to the EU being Morocco's primary trading partner.</p> |
| | SOUTH AFRICA | <p>During the post-Apartheid period, EC support has sought to respond to the changing needs of South Africa. Support at this time was aligned to the Reconstruction and Development programme white paper (RDP) which was later reinforced and elaborated on by the Macro-Economic Strategy for Growth, Employment and Redistribution (GEAR), issued in 1996. The focus for the period 2003-06 was on improved access to social services, particularly health care including HIV/AIDS prevention and care. In the last period the EC responded to the Government's increasing concerns with respect to unemployment. The CSP also reflects the ambitions set out in the Polokwane Resolutions that underpin the policies of the current Government of South Africa.</p> |
| | JAMAICA | <p>The focus areas 'poverty reduction' and 'private sector development' are clearly in line with the goals and the priorities of the current and previous government as expressed in the MTF. Furthermore, the programmes appear to be well aligned to the realities of Jamaica, as described above. Creating social services and income opportunities for poor and crime prone communities and for the rural population affected by the changes of the global market for bananas and sugar are highly relevant areas of support.</p> <p>One may wonder however why TVET has received very little attention under the prevailing circumstances. The national TVET system managed by the HEART Trust is still, although pretty sophisticated by regional standards, widely supply-driven and is not currently responding to the frightening realities of the Jamaican labour market. Education and training plans have been developed with TVET expecting to play a critical role in workforce development and training. Over the past two years, the focus appears to</p> |

⁹⁸ E-TVET Council, op.cit, PP10 & 12 and the detailed conditionality matrix

| | |
|--|---|
| | <p>have shifted from workforce development and competitiveness to remedial education for secondary school leavers and programmes for at-risk youths.</p> <p>UKRAINE</p> <p>The ESI related support appears to be well aligned to the circumstances prevailing in Ukraine. The EC cooperation in the field of ESI, including advancement of social and labour rights, is clearly a reflection of the specific circumstances existing in Ukraine. Given the serious imbalances of the labour market, it is however surprising that the EC has paid relatively little attention to reform of the TVET system and to the use of more active labour market policy instruments as a means to reduce these imbalances. While the European Training Foundation (ETF) has conducted considerable analytical work on the TVET system in Ukraine, this has so far resulted only in one project (implemented by InWent). A new project, designed by the ETF, is presently being contemplated. The EC Delegation indicated however that it tended to repeat the activities of the previous one, and has therefore requested a considerable change of the proposed design.</p> <p>VIETNAM</p> <p>EC cooperation basically provided support to the Doi Moi reforms process launched in 1986 which facilitated Vietnam's transition to a rapidly growing socialist-oriented market economy generating employment and ensuring socio economic equality in the process. Most recently, the entire EC cooperation has been designated to assist the government to implement its Socio-Economic Development Plan (SEDP) 2006-2010. This support has systematically covered all of the four pillars of SEDP, namely, fostering business development, ensuring social inclusion, managing natural resources and strengthening governance. EC strategy is translated into different programmes: support to the formulation, revision and implementation of the Labour Code, the Multilateral Trade Policy Assistance Programme, EC contribution to the multi-donor Ninth Poverty Reduction Support Operation (led by the World Bank, it enabled EC to influence the latest revision of the Labour Code).</p> <p>The following § show the results of the analysis carried out for each of the regions in relation to ESI coverage in programming and its translation into effective commitments.</p> <p>ACP</p> <p><i>From strategy to programming</i></p> <p>An overall analysis of the Indicative Programmes for all ACP countries shows that only 38% of the ACP countries have at least one ESI relevant sector as a core area of intervention: 22 countries in Africa, five in the Caribbean and three in the Pacific.</p> <ul style="list-style-type: none"> ▪ Vocational and human resources development is among the core sectors (with different weight thought) in 16 ACP countries⁹⁹, but it seems to be linked with labour market needs in only eight countries¹⁰⁰. Despite the large number of youth unemployed in Sub-Saharan Africa none of the current CSPs have made specific provisions to address this burning issue. ▪ While Private sector development as the expected driving force behind sustainable growth is a core sector in 17 ACP countries, Employment |
|--|---|

⁹⁹ Africa: Senegal, Gabon, Sudan, Somalia, Angola, Tanzania, Comoros, Namibia, Botswana, Swaziland and South Africa; Caribbean: Barbados, Antigua; Pacific: Papua New Guinea, Tuvalu and Vanuatu.

¹⁰⁰ Africa: Comoros, Angola, Namibia, Botswana and South Africa; Caribbean: Antigua; Pacific: Papua New Guinea and Vanuatu.

creation is considered a core sector only in two countries (South Africa and Vanuatu).

- It is interesting to note that TVET coexists, as core sector, with Private sector development only in six (African) countries¹⁰¹.
- As in policy definition, labour migration aspects have been integrated into programming in sub-Saharan countries (Mali and Niger)¹⁰². Institutional capacity for National Statistics institutions is foreseen in the last programming documents for Niger and Angola; but no specific reference to institutional support to social partners appears.
- At regional level, human resources development is among the core areas in four out of the five sub-regions¹⁰³. Trade and regional integration, considered as important vectors for economic growth and employment, are among the core areas in four out of the five sub-regions.
- Many of the CSPs identify transport infrastructures and water and sanitation as priority sectors. Both offer considerable potential for employment generation, particularly when labour intensive methods are adopted. The development and/or upgrading of the road infrastructure is included as a priority sector in the Democratic Republic of the Congo, Ethiopia, Ghana, Kenya, Lesotho, Malawi, Mali, Mozambique, Tanzania, Uganda and Zambia. Lesotho and South Africa have programmes in the water sector.

If we only take into consideration ACP selected countries, we observe the following:

In low-income countries, the late introduction of ESI related issues at response strategy level is translated into programming in different forms:

- In Mali, Niger and Uganda, ESI related areas are secondary areas of intervention. The only exception is (labour) migration, a core area in Mali and Niger. In Mali, with respect to the protection of migrants, provision is made under governance (3) *Appui à la gouvernance politique et sociale* and refers specifically to migration in relation to promoting human rights. In Niger a key rationale for the rural development and food security programme is to arrest the migration patterns.
- In the case of Tanzania, programming presents a comprehensive framework of action that includes as core areas: private sector, TVET, social protection and social inclusion. Employment is tackled as a secondary area. Nevertheless, it should be noted that the strategy towards Tanzania is a joint donor exercise and this may have influenced the comprehensive approach.

In upper-middle-income countries, attention to private sector development translates EC strategy towards economic growth. Economic and social reintegration appears as a core area in South Africa. Safety nets, secondary area, are also inserted in this framework.

It should be highlighted that employment creation appears as a secondary area of intervention in all selected countries¹⁰⁴, with the exception of South Africa.

From programming to effective commitments

ESI related issues commitments in the 7 ACP selected countries amount to 1 784 M€ (18,52% of EC global country commitments to ESI related issues). The 87% of ESI commitments relate to poverty reduction and structural reforms (including those related to the Special framework of assistance for the

¹⁰¹ Africa: Senegal, Gabon, Somalia, Tanzania, Botswana and South Africa.

¹⁰² In Senegal Migration is a non focal sector

¹⁰³ Caribbean, West Africa, Central Africa, Eastern and Southern Africa and the Pacific.

¹⁰⁴ The survey should provide information on the number of ACP countries in which this occurs and to what extent.

Banana sector) programmes. Project/programme approach receives less attention over the years.

During the period covered by this evaluation, the EC has financed VTS projects in a considerable number of African countries and some few Caribbean countries, but VTS constitutes an important area of support only in three of the ACP countries selected for the desk phase (South Africa, Tanzania and to a lesser extent Niger). The VTS projects typically focus on improving the relevance and quality of existing VET programmes, and strengthening of the interaction between training institutions and economic actors. In cases, there is a specific reference to skills development devoted to unemployed youth.

While few projects are explicitly devoted to the issue of employment creation, indirectly employment constitutes an important aspect of the country strategies for the majority of ACP countries. Among the 20 countries selected for the desk phase, there are major EC-funded ELD initiatives in the following ACP countries: Jamaica, Mali, Niger, South Africa, Tanzania and Uganda. Private sector development and SME support are the predominant micro-sectors.

Mediterranean and Middle East countries

From strategy to programming

Overall, the analysis of the Indicative Programmes for Mediterranean & Middle East countries shows that seven out of the twelve relevant countries have at least one ESI relevant sector as a core area of intervention.

- In the seven recipient countries, the main preliminary finding is that policy definition seems to have been translated in EC programming. Indeed, the latter presents a rather comprehensive approach as TVET and Private sector development coexist as core areas, thus highlighting the link between vocational education and economic development and labour market needs.
- Employment creation is an explicit objective of almost all country strategy papers. The means to achieve this include design of broad employment and poverty alleviation strategies, micro-enterprise development, private sector development and macro-economic reform. Employment creation is tackled as a core sector in three countries (Algeria, Tunisia and Jordan) and has been considered as secondary area in two other countries (Morocco and Egypt).
- Migration is a core area in Morocco and Algeria, and a secondary sector in Jordan and Egypt.
- Social protection is a core sector in two of the countries and a secondary sector in Jordan and Egypt as well. Decent work is also a secondary sector in the latter¹⁰⁵. NIP 2008-2013 for Egypt includes finance activities that work towards the obligations of CEDAW and towards the attainment of MDG3, namely the enhancement of the position of women on the labour market and of their participation in the decision-making process.
- Regional support also presents a rather comprehensive approach. It complements country level programming and focuses on trade and regional integration, human resources development, conflict prevention and economic and social inclusion. Migration is also treated at regional level.

In the four selected countries, EC response strategy is well translated into programming, as already seen under § 4.2.2

¹⁰⁵ Most of the ESI related issues included in different country strategy papers are part of the Decent Work strategic objectives. Nevertheless, for some of the countries, reference is made in the report to Decent Work as a stand-alone core or secondary area.

- TVET and Private sector development coexist as core areas. In Tunisia and Jordan, employment creation is an explicit objective and is among their respective core areas of support. It is considered as secondary area in Morocco and Egypt.
- The holistic and comprehensive approach adopted by the EC in its strategy and programming exercises is also stressed by the fact that:
 - Migration is not only a core area of intervention at regional level but also at country level: it is a core area in Morocco, and a secondary sector in Jordan and Egypt.
 - Social protection is a secondary area in Jordan and Egypt. Decent work is also a secondary sector in the latter¹⁰⁶.

Institutional strengthening, linked to competitiveness and productivity issues, is also an important element of EC programming in Egypt and in Jordan. Additionally, in the case of Jordan, institutional support to ensure the overall efficiency and effectiveness of labour market inclusion services via information and counseling for job-seekers and intermediation between labour supply and demand is also foreseen.

From programming to effective commitments

ESI related issues commitments in Mediterranean & Middle East selected countries amount to 1 150 M€ (13% of EC global country commitments to ESI related issues). The 51% of ESI commitments relate to poverty reduction and structural reforms programmes.

Since 2004, we observe an important increase in commitments, mainly those related to VTS and DWS. DWS related cooperation represent between 2004 and 2008 92% of total DWS commitments over the entire evaluation period. VTS cooperation represent between 2004 and 2008 70% of total VTS commitments over the entire evaluation period.

If we look at the four selected countries, this evolution is also reflected when we look at aid modalities. DWS in the period 2004–2008 is channeled via budget support and VTS is for the first time channeled via budget support in that same period 2004–2008, even though in this macro-sector project/programme approach is also used (31 M€ between 1999–2003 and 25M€ in 2004–2008).

The EC has financed vocational education and training programmes in the majority of MEDA countries. Within the field of VTS, the EC has financed major programmes and projects in four MEDA countries included in the desk study: Egypt, Jordan, Morocco and Tunisia. Typical elements of the support include development of mechanisms for identifying skills needs, reform of the TVET system with the objective to make it more demand-responsive, establishment of a national vocational qualification framework and enhance of the quality of TVET. Employment-related initiatives were identified in the same countries where the EC is supporting VTS, i.e. Egypt, Jordan, Morocco and Tunisia.

The EC has supported a number of projects in Morocco associated with employment and the broader social sector. These have included human resources development and social integration. Employment creation was supported through a project supported in 1999 and enterprise development in 2002. Migration cooperation with the country refers to institutional building of the l'Agence Nationale pour la Promotion de l'Emploi et des Compétences as a way to better manage labour legal migration. Morocco also participates in a regional programme to promote social dialogue and the rights of workers in addition to the Euro-Mediterranean Human Rights Network that addresses, amongst others, the rights of migrants and asylum seekers.

¹⁰⁶ Most of the ESI related issues included in different country strategy papers are part of the Decent Work strategic objectives. Nevertheless, for some of the countries, reference is made in the report to Decent Work as a stand-alone core or secondary area.

The EU/Jordan Action Plan does not refer to adherence to Core Labour Standards. However, a 2002 project supported *Labour Empowerment through Labour Rights Education and Capacity Building* and two projects in 2005, namely, *Capacity in Management, Leadership and Planning of the Ministry of Labour* and *Institutional Strengthening Of The Ministry of Labour*. A women's empowerment project *Jordan Forum for Business & Professional Women - Incubator and Training of Women's SMEs* was supported under 1999 funding. The CSP 2002 – 2006 supported actions in Jordan that built upon previous support to selective individual poverty alleviation instruments, such as the Social Productivity Programme (via the structural adjustment operations), the Development and Employment Fund (micro-enterprise development and staff training) by supporting the design and implementation of a broad-based poverty alleviation and employment creation strategy. Priority Area 4 (*Institutional support to economic and social actors*) of the CSP 2008-2013 makes provision to support the involvement of business associations, trade unions, employers, employees and other civil society actors must be prepared to fully participate in a socio-economic dialogue. This support is targeted at the Jordanian Economic and Social Committee, created with the support of the European Economic and Social Committee.

Latin America

From strategy to programming

The analysis of the Indicative Programmes for Latin America countries shows that all 17 countries have at least one ESI relevant sector as a core area of intervention. A preliminary study shows the following:

- Economic reforms and development of the private sector are considered the key to creation of more gainful employment. Enhancement of the productivity and competitiveness of the private sector, often with special attention to SMEs, are the key ingredients to create more and better jobs. Consequently, private sector is a core sector in 16 out of the 17 Latin American countries. In four of these countries, Employment creation is also a core sector, mainly in the last programming period.
- On the contrary of what was observed at policy and strategy level, EC programming approach seems to be inclined to a human resources development strategy responsive to labour market needs: TVET is a core sector in seven countries, and in six of them, it coexists with private sector development initiatives.
- As previously mentioned under § 4.3.1 and § on EC response strategy, a constant theme in the region has been the concern for the social deficit and inequalities of the region. This has resulted to an increased consideration in programming exercises on social cohesion, related to economic and social reintegration. In 15 countries, this is a core sector, mainly in the last programming period. It is furthermore worth noting that in all of these countries, with the exception of Nicaragua, it coexists with private sector development, thus illustrating the combined approach of economic growth with social justice adopted by the EC in the region.

At sub-regional level, this is also the case for the Andean Community strategy.

Education and training in conflict contexts, as a way to reintegrate society, has also received an important consideration in countries such as El Salvador, Guatemala, Honduras and Colombia. Decent work is a core sector in Bolivia, while in Colombia reference is made to one of its strategic objectives, Social dialogue.

Among the selected countries, El Salvador translates the integrated approach adopted by the EC in the region: economic growth linked to social development and human resources development strategy responsive to labour market needs. Brazil translates the same approach but it differs in that it has a less diversified sectoral coverage.

From programming to effective commitments

ESI related issues commitments in Latin American selected countries amount to 52,28 M€ (0,93% of EC global country commitments to ESI related issues).

Social inclusion related programmes are financed in both countries. In Brazil, the programme relates to urban social inclusion and in El Salvador, two phases of a same programme tackle social integration of young people in conflict contexts via, among other means, TVET. Private sector development (related to SMEs development in both countries) and rural development in Brazilian regions complete the framework.

Asia

From strategy to programming

The analysis of the Indicative Programmes for South and Southeast Asian countries shows that 17 out of the 21 countries have at least one ESI relevant sector as a core area of intervention. A preliminary study shows the following:

- Employment related initiatives constitute an important part of the collaboration with the EU in almost all Asian countries. As is the case for the other regions, private sector development and trade are the usual instruments used to stimulate creation of new employment opportunities.
In terms of programming documents, Employment creation is a core area in nine countries (mainly SAARC). In six countries, it coexists with TVET and in five countries; it coexists with Private sector development. This approach seems to illustrate a relatively comprehensive and integrated approach when dealing with ESI issues in the region.
It is interesting to draw attention to the fact that employment and vocational training are core areas of intervention also at regional level, for ASEAN countries.
- As observed at strategy level, Pakistan, India, Mongolia China and Vietnam show a combined approach of economic growth and social justice and inclusion.

Moreover, as foreseen at policy level, dialogue on issues such as decent work is also reflected in programming (in India, Bangladesh and Thailand).

In low-income selected countries, EC approach is very similar. The difference concerns:

- the different weight, according to specific country's context and needs, gave to the different areas, and
- the consideration of Decent work in Bangladesh in the last programming period. Core labour rights are tackled in different priority areas:
 - under the governance and human rights priority area, mainly in relation to child labour,
 - under the Enhancing Trade Capacity and Economic Development, and Core labour rights and decent work opportunities are also considered as crosscutting issues.

In China the approach is very similar and it also tackles the social consequences of economic reform. Moreover, it is complemented with support to Social protection and institutional strengthening. Labour migration is tackled in both low-income countries as a secondary area and in China as a core area.

From programming to effective commitments

ESI related issues commitments in Southeast Asian selected countries amount to 217 M€ (2,25% of EC global country commitments to ESI related issues).

It is worth mentioning that 69% of the committed amount to the three selected countries relates to poverty reduction.

Private sector development seems to be the instrument used to stimulate creation of new employment opportunities, as it results from the inventory. It is interesting to observe that despite the fact that Decent work was only considered as such in Bangladesh programming, commitments have been made in China (protection of migrant women workers) and in Vietnam (*Democratic participation and social dialogue in private sector in Khanh Hoa* and *Empowerment of Workers and Trade Unions in Vietnam*). In China, social security reform is supported. Support to TVET policy and systems is financed in Vietnam and Bangladesh. Moreover, in Bangladesh EC provides life skill training on income generating activities for vulnerable groups.

Eastern Europe and Central Asia

From strategy to programming

The analysis for Central Asian and Eastern European countries shows that 11 out of the 12 countries have at least one ESI relevant sector as a core area of intervention. A preliminary study shows the following:

- As mentioned before, addressing the social consequences of transition is a fundamental part of policy objectives with the countries, and this is also reflected in programming, as shown by the importance of Social protection.
- Private sector development and TVET coexist, thus translating, as in other regions, an integrated approach.
- Institutional strengthening, mainly related to the development of statistical services including for classification, external trade, macro-economic indicators, business registration and statistics, user relations as well as social indications related to FSP priorities, is a core area in Central Asian countries. Moldova and Azerbaijan also receive support to this area.

Social dialogue appears as an important sector in Russia. In Central Asian countries, support to social partners relates to enhance cooperation between people, social partners and civil-society organisations from different countries in the region, and between them and the EU, allowing the establishment of sustainable contacts and collaborative initiatives, actions, and mechanisms, such as Regional Environmental Centres.

The above mentioned observations apply to the selected.

From programming to effective commitments

ESI related issues commitments in Eastern European and Central Asian is as follows: DWS receives 83 M€, ELD 81,6 M€ and VTS 60,7 M€. From 2006 onwards, a shift from project/programme approach to budget support is observed.

In Eastern European and Central Asian selected countries ESI cooperation amounts to 112 M€ (1,17% of EC global commitments to ESI related issues).

EC commitment to supporting countries in relation to social consequences of transition is mainly translated in countries such as Russia, Ukraine and to a lesser extent in Kyrgyzstan. Programmes relate to specific support to vulnerable groups and in the case of Russia and Ukraine to support to social protection systems.

A number of projects have been supported in the Kyrgyz Republic that relate to employment and gender. These include *Strengthening the role and socio-economic conditions of vulnerable women in Kyrgyz society*, *Development of a National Labour Market and Employment Promotion Policy in the Kyrgyz Republic*, *Support to the Development of an Employment Policy* and *Social Partnership in Vocational Education and Training (SPi VET)*. Evidence of projects to support employment generation through increased productivity is to be found in the 2003-funded project *Development of farming and agribusiness oriented training and capacity building programme*. SME development was funded through the 1999 programme and grassroots entrepreneurship through the 2001 programme.

In Ukraine, support was provided for the strengthening of social services in selected regions of Ukraine with the aim of developing and implementing an

integrated approach to social service in order to fight social exclusion and poverty, in particular at regional (oblast) level. The 2003 NIP focused on the development and implementation of integrated social services for exposed families and children by providing technical assistance to the network of Social Services Centres for Youth in Kiev oblast. The 2004 TACIS programme provided support for, among others, *Assistance to enterprise development* (that included SME development and SME finance support to regional banks and a micro lending programme). The social components of the NIPs for the subsequent two years dealt with developing a system for social benefits (2005) and women and children's rights (2006). TVET interventions are rather limited and concentrated in the first period (2000, 2003 & 2006).

In Russia, support related to the social and employment sectors has included private sector development (indirect employment) and pension reform (2002), *Developing Social Services for Vulnerable Groups III*, *Social Integration of the Disabled in the Privolzhsky Federal Okrug* and *Approximation of Health and Safety at Work Legislation* (2003). *Promoting Social Dialogue* and *Job Creation and Income Generation in the North Caucasus* were included in the 2005 NIP.

The integrated approach observed in EC strategy and programming is translated in EC specific commitments.

- In addition to broad TVET system reform, EC has supported specific system improvement initiatives such as upgrading of teachers/instructors, curriculum development and provision of equipment and teaching materials. The purpose of the support is to improve the relevance and quality of TVET, hereby increasing the supply of skilled labour for the domestic labour market and the highly skilled technicians that may qualify for employment abroad.
- As regards employment and labour demand, the EC has supported various kinds of private sector and trade related initiatives in essentially all countries in the region. In Russia alone, the EC collaboration includes more than 15 mostly smaller projects within these fields.

Institutional strengthening mainly relate to labour market governance (in Russia and Kyrgyzstan). Social dialogue support is concentrated in the first years of the evaluation period and it is only supported in Russia and Ukraine, even if in the latter they only relate to support to trade unions.

2.1.3 EC FINANCIAL COMMITMENTS OVER MACROSECTORS AND SECTORS IN DIFFERENT COUNTRIES REFLECT THEIR DIFFERENT LEVEL OF DEVELOPMENT AND SPECIFIC NEEDS IN RELATION TO ESI SUBJECTS.

TABLE 23: EC ESI COMMITMENTS BY SECTOR AND BY COUNTRIES' INCOME DEVELOPMENT LEVEL

| ESI | Lower-Middle-Income | Upper-Middle Income | Low Income | High Income | Grand Total |
|--------|---------------------|---------------------|----------------|---------------|----------------|
| SA | 851,458,320.88 | 14,520,569.51 | 132,122,877.65 | | 998,101,768.02 |
| TP | 545,287,475.79 | 252,414,668.49 | 55,056,557.46 | 54,585,827.28 | 647,342,529.02 |
| TM | 154,775,267.24 | 55,188,540.19 | 22,980,751.71 | | 210,942,559.14 |
| SI | 50,407,552.67 | 64,021,281.79 | 42,680,770.00 | 592,148.00 | 157,501,752.46 |
| ST | 71,060,433.25 | 11,017,086.69 | 21,374,670.79 | 2,450,000.00 | 105,902,190.71 |
| SIG | 40,685,094.27 | 7,209,865.65 | 6,951,662.26 | | 54,824,622.18 |
| LS | 5,546,988.21 | 51,179,425.05 | 19,469,577.79 | 551,759.00 | 54,547,750.05 |
| LG CLS | 15,794,758.45 | 194,958.10 | 11,600,000.00 | | 27,589,716.55 |
| LG IB | 11,154,245.17 | 7,480,728.40 | 1,096,112.11 | 500,811.08 | 20,231,896.76 |
| LG SD | 505,554.61 | 682,150.51 | 496,595.59 | | 1,682,098.71 |
| | 1,524,669,490.50 | 401,909,274.58 | 295,809,555.54 | 58,278,525.56 | |

Source: Own elaboration based on the Inventory of EC ESI related interventions

The bulk of EC funds have financed ESI interventions in lower-middle income countries, which have received 1,524 M€, namely more than 60% of the total allocation. Upper-middle income countries have received 18% of the total, namely 401 M€; Low income countries have received 293 M€, 13 % of the total, and high income economies 38 M€, around 2% of the total.

FIGURE 35: TOTAL AMOUNT ALLOCATED BY SECTOR AND INCOME LEVEL



Source: Own elaboration based on the Inventory of EC ESI related interventions

In terms of sectoral classification, as shown in the figure above, interventions in the field of social safety nets, social protection of disabled, victims of violence, children at risk and other vulnerable groups have been financed mostly in lower-middle income countries, 85% of the total and in low-income countries, 13% of the total.

Financial allocation to TVET interventions has been particularly significant in lower-middle income countries, 53% of the total and in upper-middle income countries, 36% of the total.

Programmes promoting and supporting the access of women, youth, disadvantaged and vulnerable groups to vocational education and training have been financed mostly in lower-middle income countries, 73% of the total. Programmes aiming at facilitating and improving the social inclusion of women, youth, indigenous people and other disadvantaged groups have targeted upper-middle income countries, which have received 47% of the total, and low-income economies (31%). Financial support to workers rights, migrant rights, non-discrimination measures has been considerable in lower-middle income countries, more than 57%, and low-income economies (42%).

High income economies have received some limited support for training programmes and schemes in specific areas such as agriculture, banking sector, tourism, health, at secondary level education (2 M€), and for measures supporting institutional capacities of key relevant institutions and the labour markets' normative framework (0,5 M€).

Measures and projects addressing social consequences of transition, training for unemployed and economically inactive, institutions facilitating access to the labour market, have been financed mostly in lower-middle income countries (55%) and upper-middle income countries (37%).

Finally, EC support to measures targeting consultation/exchange of information between, or among, representatives of governments, employers and workers, on issues relating to economic and social policy, labour disputes, trade unions has targeted mostly upper-middle income countries (41%), lower-middle income countries (30%), and low income economies (29%).

If the ESI-enlarged definition is taken into account, the scenario changes remarkably. As a matter of fact, it turns out that the bulk of EC funds have financed ESI-enlarged interventions in low income countries, which have received 4,142 M€. This increase can be largely explained by the support to poverty reduction programmes (3,508 M€), which 84% of the total has been funded in low income countries. Measures supporting the development of small and medium enterprises, support to the private initiative, investment promotion, both at urban and rural level (PS-1,476 M€) have been financed mostly in upper-middle income countries, 45%, and lower-middle income economies, 35%. Projects supporting reforms promoting economic growth, i.e. reforms aiming at economic restructuring, enhancing market competition, including labour market flexibility, improving macroeconomic stabilisation, promoting regional integration and integration into world market (SR-1,053 M€) have been funded mostly in lower-middle income countries, 53% of the total allocated to SR, and in low-income economies, 42% of the total for the sector.

2.2 POLICY DIALOGUE HAS PROMOTED EMPLOYMENT AND SOCIAL INCLUSION IN THE LABOUR MARKET APPROACHES AND PRACTICES IN PARTNER COUNTRIES IN COHERENCE WITH EC POLICY ORIENTATIONS

2.2.1 EXISTENCE OF A STRUCTURED AND ONGOING POLITICAL DIALOGUE AT COUNTRY LEVEL IN THESE AREAS

See also JC 1.1, I, 1.1.2. on ESI consideration in bilateral and regional cooperation agreements, intended as the outputs of policy dialogue in the different regions, at regional and bilateral level.

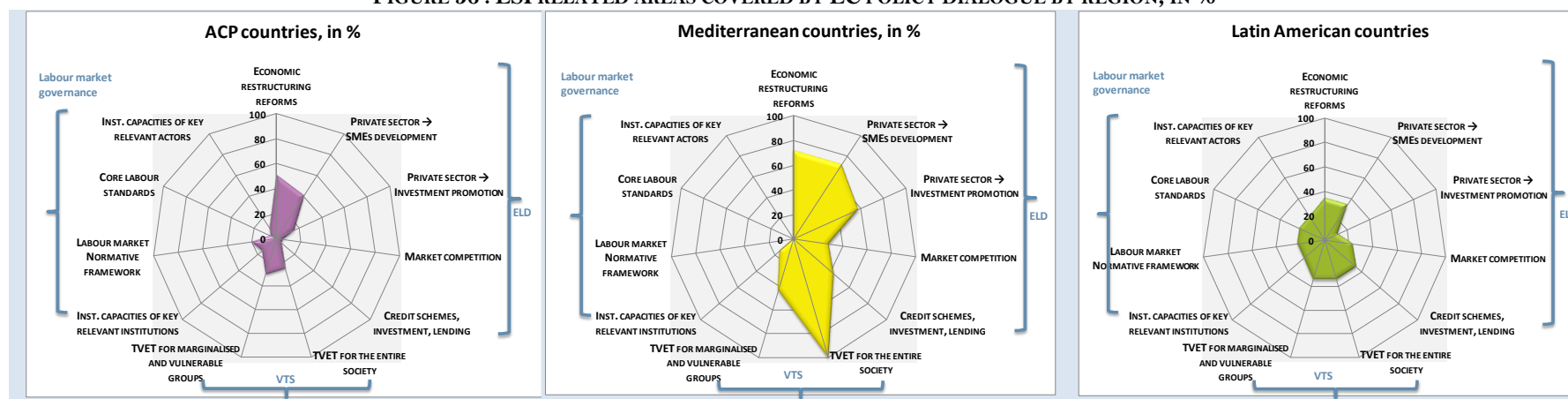
According to EUD officials, a policy dialogue on ESI issues exists at country level between the EC and the Governments in 83% of the cases. As mentioned above, when a strong political framework exists, EC cooperation strategy is largely responsive to it. When this dialogue on ESI related areas exists, the areas covered are as follows:

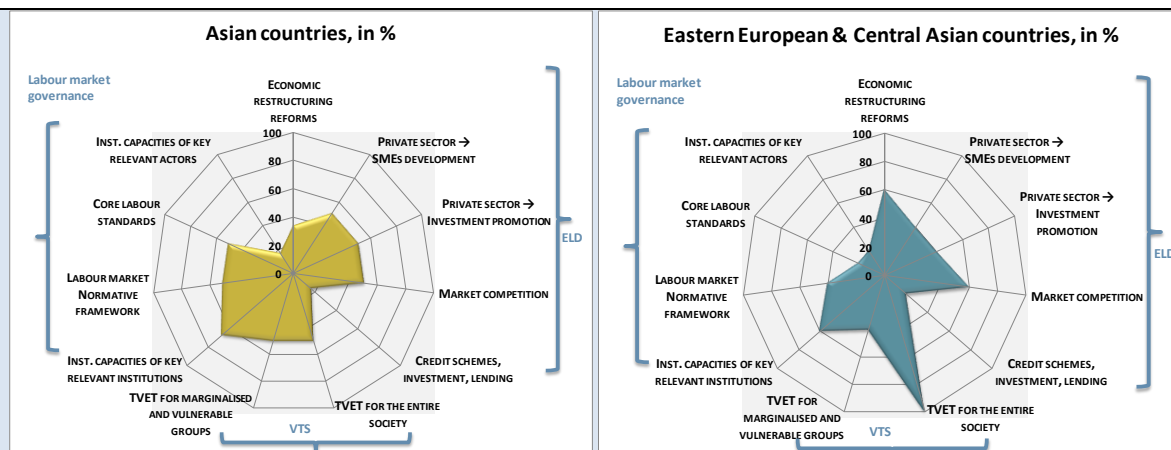
TABLE 24: EC ESI RELATED AREAS COVERED BY EC POLICY DIALOGUE WITH BENEFICIARY COUNTRIES

| Sector | % of the cases |
|---|----------------|
| Labour demand side: Economic restructuring reforms | 47,92 |
| Labour supply side: Technical and vocational training for the entire society | 47,92 |
| Labour demand side: Private sector → SMEs development | 43,75 |
| Labour supply side: Technical and vocational training for marginalised and vulnerable groups | 35,42 |
| Labour market governance: institutional capacities of key relevant institutions | 27,08 |
| Labour demand side: Private sector → Investment promotion | 25,00 |
| Labour demand side: Market competition | 22,92 |
| Labour market governance: normative framework | 20,83 |
| Labour demand side: Credit schemes, financial investment, lending programmes | 18,75 |
| Labour market governance: Core labour standards | 14,58 |
| Labour market governance: institutional capacities of key relevant actors (employees and employers organisations) | 12,50 |
| Other | 16,64 |

Source: Survey to EU Delegations

If we look at the ESI policy dialogue per region, we observe:

FIGURE 36 : ESI RELATED AREAS COVERED BY EC POLICY DIALOGUE BY REGION, IN %



Overall, according to EC officials, policy dialogue on ESI related issues exists mainly after 2005:

| | Yes | No | Don't Know | N/A |
|-------------------------|-------|-------|------------|-------|
| it exists prior to 2005 | 22.2% | 33.3% | 25.0% | 19.4% |
| it exists after 2005 | 63.6% | 15.9% | 6.8% | 13.6% |

Source: Survey to EU Delegations

The field visits provide with additional information on policy dialogue.

JORDAN The EU-Jordan Action Plan adopted in January 2005 within the framework of ENP covers a time frame of 3 to 5 years, the implementation of which helps fulfilling the terms of the Association Agreement (aligning Jordanian standards and legislation with those of the EU).¹⁰⁷

The Action Plan provides the channel for policy dialogue for deriving and implementation policies and measures to promote, among others, economic growth, employment and social cohesion and reduce poverty thereby contributing to sustainable development.¹⁰⁸

¹⁰⁷ Nabulsi, Mohammad: *Implementation of the Jordan-EU Action Plan: A CSS independent evaluation 2008* (Amman Centre for Strategic Studies, University of Jordan, April 2009)

¹⁰⁸ EC: Strategy Paper 2007-2013 & NIP 2007-2010, P.4

| | |
|---------|---|
| | <p>During the first year of the implementation of the EU-Jordan ENP Action Plan, a regular dialogue between the EC and Jordan took place through 9-Sub-committees which were considered as an efficient tool of dialogue for more direct EU assistance and ensure that priorities of both sides be synchronised.¹⁰⁹</p> <p>The evaluation of the Action Plan notes that the areas of policy dialogue included promoting (a) equal treatment of women, (b) fundamental rights and core labour standards, and (c) employment and social policy.</p> <p>The evaluation of the EU-Jordan Action Plan confirms its effectiveness as an institutional mechanism for channeling policy dialogue with a wide range of stake holders.</p> <p>There is evidence of meaningful and conclusive policy dialogue where the timeframe, priority levels, key indicators of performance are agreed upon by the EC and national stakeholders.</p> |
| MOROCCO | <p>Since 2005, dialogue between the government and the EC (and more generally the donors) and has been constantly on the rise. This increase is backed to a large extent by a shift towards aid modalities other than the classical project approach, namely the budget support. Dialogue is conducted at every stage, which makes the financing agreement of a programme totally 'owned' by the government. In particular, it is worth noting that the conditionalities matrix is defined in strict consultation with the government.</p> <p>However, concerning vocational training, dialogue with the government appears more limited. This might be justified to a certain extent by a more complex context compared to the situation in other ministries. Actually, it was noted that these dialogue related limits could prevent donors from supporting directly the ministry of vocational training, in favor of an indirect support through other ministries.</p> <p>From the ECD point of view dialogue with national partners appears to be good in the area of private sector development but issues relating to the "social dimension" of industrialisation and education at all levels do not appear to reach conclusive results. In fact, that maintain they have tried to dialogue with the Government on the issue of launching a larger programme in line with the philosophy of "decent industrialisation". These discussions were not fruitful; there is a view from the EU Delegation that the government pursues a policy that does not integrate industrial development and social development.</p> |
| JAMAICA | <p>ESI issues are little addressed as part of the policy dialogue, whereas justice, crime prevention and social cohesion are the predominant dialogue topics. As explained elsewhere, in the view of the government and as expressed in the MTF, macroeconomic stability combined with improvement of the education system and better security are considered the precondition for addressing the employment and labour market challenges faced by Jamaica.</p> |
| UKRAINE | <p>Dialogue with the Government on ESI issues takes place primarily related to (labour) migration and mechanisms for social dialogue. The content of dialogue has gradually changed. There appears to be a good national ownership to the dialogue.</p> |
| | <p>According to the survey, policy dialogue exists also in the framework of programme implementation. In ACP, it is mainly done in the framework of budget support programmes. In Eastern Europe and Central Asia there are also examples (Support to the development of mid-term strategy for</p> |

¹⁰⁹ Evaluation of the Action Plan in 2008 (Nabulsi)

improving the system of social benefits in Ukraine). In Asia, among others, in interventions implemented by the ILO with EC funding (in Pakistan via the basic education & vocational training, in Vietnam via the Labour market programme).

2.2.2 EXTENT TO WHICH THE DIALOGUE WITH THE EC AT COUNTRY LEVEL CONTRIBUTES DEFINING A LOCALLY OWNED AND REALISTIC EMPLOYMENT AND SOCIAL INCLUSION AGENDA IN THE LABOUR MARKET, WITH CLEAR PRIORITIES AS WELL AS LINKAGES TO POVERTY REDUCTION AND OTHER EC OVERARCHING DEVELOPMENT OBJECTIVES

&

2.2.3 PERCEPTION OF KEY STAKEHOLDERS AT COUNTRY LEVEL ON POLITICAL DIALOGUE USEFULNESS AND ON ITS TRANSLATION INTO EC STRATEGIC PROGRAMMING

The **35% of EUD respondents** consider that in countries in which an ESI related policy dialogue exists, it contributes defining a locally owned and realistic employment and social inclusion agenda in the labour market. This positive contribution is observed in each of the regions, with the exception of ACP, in which the number of countries in which there is no particular impact on the country's relevant agenda is higher.

26% consider that EC policy dialogue with the countries does not contribute to the definition of a locally owned and realistic agenda. It is also worth noticing that 13% of the respondents do not know whether or not policy dialogue has an impact (positive or negative) on the country's relevant agenda.

TABLE 25: CONTRIBUTION OF EC ESI POLICY DIALOGUE TO THE DEFINITION OF A LOCALLY OWNED EMPLOYMENT AND SOCIAL INCLUSION AGENDA BY REGION

| | ACP | Asia | Eastern Europe & Central Asia | Mediterranean | Latin America |
|------------|-----|------|----------------------------------|---------------|------------------|
| Yes | 5 | 4 | 2 | 2 | 3 |
| No | 8 | | 2 | 1 | 1 |
| Don't Know | 6 | 1 | | 2 | 2 |
| N/A | 1 | 1 | 1 | 2 | 2 |

Source: *Worldwide Survey to EU Delegations*

National counterparts' perception (coming from Ministries & Public Institutions) is much more positive, as in cases in which a policy dialogue on ESI issues exists, a **78,5%** of them consider that it contributes defining a locally owned employment and social inclusion agenda in the labour market with clear priorities.

As mentioned under JC 2.1, in countries in which ESI related issues are part of policy dialogue, it is translated, in some cases, into programmes aiming at defining important ESI related agendas. Policy dialogue and the subsequent EC cooperation strategy have promoted, or at least contribute to, ESI national policy agendas. Some examples are:

Vietnam:

- formulation, revision and implementation of the Labour Code which provides the basic standards for employment
 - EC projects contribute to review policy and legal framework on labour, especially relating to labour market. Based on that, Vietnam has supplemented and amended the labour institution. For example: the inclusion of unemployment insurance and voluntary insurance in

the Labour Code; experimental 'Know about Business' (KAB) program is included in the curriculum of the vocational training centers; completion of the labour market information and employment service system; especially the effectiveness of the employment exchange is significantly improved.

- Similarly, EC contribution to the multi-donor Ninth Poverty Reduction Support Operation (led by the World Bank) enabled EC to influence the latest revision of the Labour Code (in 2010) which is a key law for Labour relations, especially labour dispute and strikes resolving and social protection in Vietnam
- EC support on trade integration under the Multilateral Trade Policy Assistance Programme (MUTRAP) project, intensified after Vietnam's accession to WTO (early 2007), should have positive effect on employment as it will reassure investors (particularly FDI) about the governments' commitments to economic reforms
- enhancing competitiveness in the employment-intensive tourism sector

Jordan:

- to the Jordan service modernisation programme
- to the Jordanian's National Agenda related to E-TVET

Jamaica:

- to the Socio-Economic Policy Framework (national mechanism for translating national development goals into action) in relation to private sector development and income opportunities for poor

South Africa:

- Support to the National Qualifications Framework (created as a quality assurance framework for education, training and skills development).

2.3 EC PROJECTS AIMED AT PROMOTING EMPLOYMENT AND SOCIAL INCLUSION IN THE LABOUR MARKET ARE FRAMED IN A COHERENT INSTITUTIONAL DEVELOPMENT STRATEGY AND RESPOND TO A GENUINE AND EFFECTIVE DEMAND FROM BENEFICIARY STRUCTURES

2.3.1 EVIDENCE THAT INSTITUTIONAL ANALYSIS IS USED AS A TOOL TO ASSESS PARTNER ORGANIZATIONS' NEEDS IN TERMS OF INSTITUTIONAL DEVELOPMENT AND CAPACITY TO IMPLEMENT AND ABSORB THE ASSISTANCE PROVIDED

According to 60% of EUD officials, partner organizations' needs in terms of institutional development and capacity to implement and absorb the assistance provided were assessed during the identification phase. The % of national counterparts that consider that their organizations' needs were assessed is 56%, closed to that of EUD officials. By region, the situation is as follows:

TABLE 26: EC ASSESSMENT OF PARTNER INSTITUTIONS' INSTITUTIONAL DEVELOPMENT, BY REGION

| | ACP | Asia | Eastern Europe & Central Asia | Mediterranean | Latin America |
|------------|-----|------|-------------------------------|---------------|---------------|
| Yes | 14 | 3 | 4 | 4 | 6 |
| No | 3 | 1 | 1 | 1 | 1 |
| Don't Know | 3 | 2 | 1 | 1 | 2 |
| N/A | 1 | | 1 | 1 | |

Source: *Worldwide Survey to EU Delegations*

2.3.2. EC INVOLVES ALL RELEVANT MINISTRIES NAMELY MINISTRY OF LABOUR, M. OF EDUCATION, MINISTRY OF ECONOMY/INDUSTRY AND MINISTRY OF FINANCE, IN THE PROGRAMMING AND IMPLEMENTATION PROCESS IN A BALANCE WAY, THUS PROMOTING SECTORAL AND SYSTEMIC APPROACH.

FIGURE 37 : MINISTRIES' INVOLVEMENT IN EC PROGRAMMING, GLOBALLY AND BY REGION

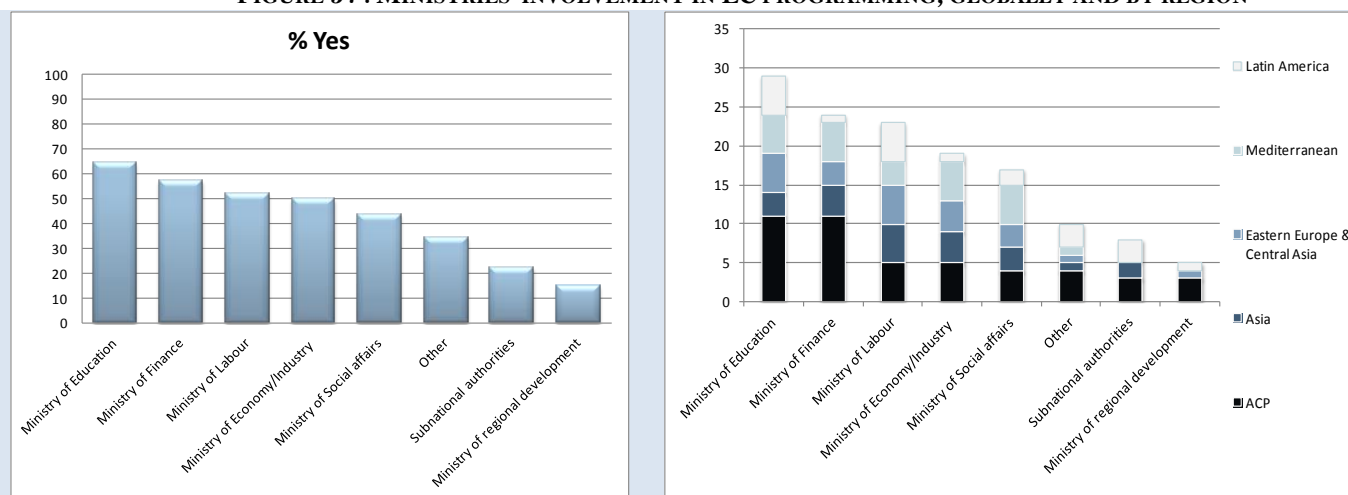
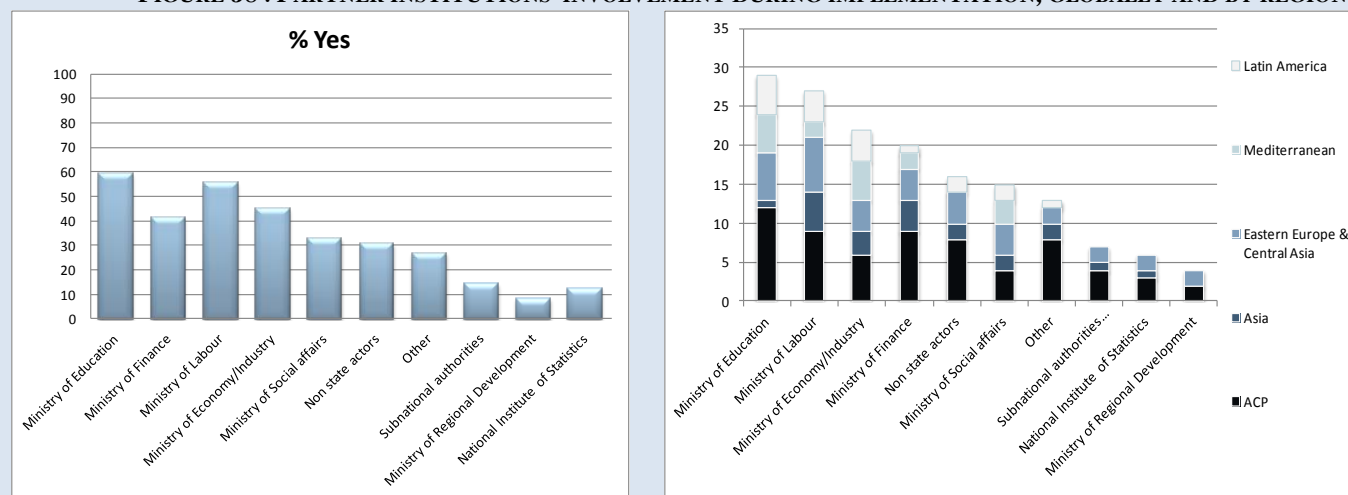


FIGURE 38 : PARTNER INSTITUTIONS' INVOLVEMENT DURING IMPLEMENTATION, GLOBALLY AND BY REGION



Source: Worldwide Survey to EU Delegations

National counterparts were consulted by the EC for the elaboration of its programming exercise as follows:

TABLE 27: CONSULTATION OF NATIONAL COUNTERPARTS BY PROGRAMMING PERIOD

| | Yes | No | Don't Know | N/A |
|---|-----|----|------------|-----|
| for projects/programmes related to the period prior to 2002 | 3 | 2 | 3 | 3 |
| for projects/programmes related to the period 2002-2006 | 8 | 3 | 2 | 1 |
| for projects/programmes related to the period 2007-2013 | 11 | 1 | 2 | 1 |

Source: Survey to National counterparts (from Ministries & Public Institutions) in the 20 selected countries

Moreover, in Vietnam, EC interventions have supported the inter-sectoral collaboration between Ministry of Labour, Invalid and Social Affairs, Ministry of Planning and Investment, Ministry of Finance, Ministry of Education and Training, Ministry of Culture, sport and tourism, Vietnam General Confederation of Labour, Vietnam Chamber of Commerce and Industry, etc.

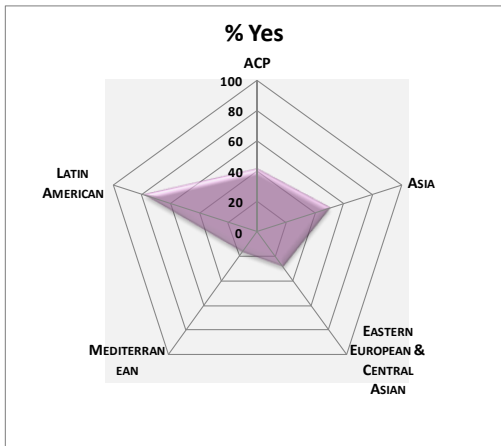
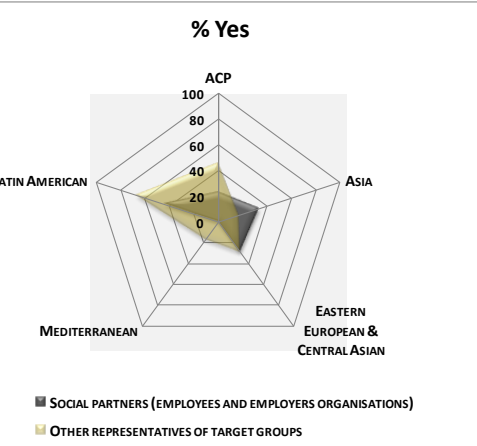
In Jordan, during the programming and implementation of over a dozen EC interventions, a wide range of national counterpart agencies were involved. These directly include the Rehabilitation and Welfare Society, Ministries of Labour, Industry and Trade, Finance, Public Sector Development and Municipal Affairs.

Sources of information :

- National development strategies
- Documents generated from EU political dialogue with a given country and/or region
- EC global and thematic policy related documents
- Regional and national cooperation agreements
- RSP and CSP
- Inventory of EC projects
- M&E reports
- Interviews
- Other external studies and reports
- Field visits
- Questionnaires

Methods :

- Document analysis
- Case studies
- Cross country analysis
- Analysis of the Inventory
- Focus groups
- Analysis of interviews
- Questionnaire analysis

| | |
|---|---|
| EQ 3 | To what extent have EC programming approach, implementation procedures and timing of disbursements of funds affected the capacity of the programmes to achieve the expected results? |
| | DAC Evaluation criteria : Efficiency, Effectiveness and Sustainability |
| | |
| | Judgment criteria |
| | 3.1. KEY STAKEHOLDERS ARE INCLUDED IN THE MAIN PROJECT CYCLE PHASES OF ESI RELATED INTERVENTIONS |
| | Indicators |
| <p>3.1.1 THE PROGRAMMING AND DESIGN PHASES ARE CARRIED OUT WITH THE INVOLVEMENT OF SOCIAL PARTNERS, REPRESENTATIVES OF TARGET GROUPS AND OTHER RELEVANT STAKEHOLDERS SUCH AS ILO AND/OR OTHER DONORS</p> <p>NON STATE ACTORS</p> <p>In 43% of the cases, Non-state actors are consulted in the programming process when dealing with ESI related issues. When this consultation takes place, it is done in 55% of the cases with “Other representatives of target groups” and in 45% of the cases with “Social partners”.</p> <p>If we consider the situation by region, it appears that in ACP in 28% of the cases, Non-state actors are not consulted. In the Mediterranean, it is worth noticing that the absence of consultation with Non-state actors seems to be predominant.</p> <p>The field mission has allowed completing the survey results for the Mediterranean with Jordan. As observed by the evaluation of the EU-Jordan Action Plan, numerous Non-State Actors were involved in the consultations. The General Federation of Trade Unions, the Jordanian Chamber of Industries, the Jordan Enterprise Development Corporation and the Amman Chamber of Industry confirmed their participation in such multi-party consultations.</p> <div style="display: flex; justify-content: space-around;"> <div data-bbox="992 694 1491 778"> <p>FIGURE 39 : CONSULTATION OF NON STATE ACTORS DURING EC PROGRAMMING, BY REGION AND %</p>  </div> <div data-bbox="1554 694 2029 810"> <p>FIGURE 40 : CONSULTATION OF SOCIAL PARTNERS AND OTHER REPRESENTATIVES OF TARGET GROUPS DURING EC PROGRAMMING, BY REGION AND %</p>  </div> </div> <p><i>Source: Worldwide Survey to EU Delegations</i></p> | |

Social partners are less present in consultation processes in all regions, with the exception of Eastern Europe & Central Asia, in which there is equilibrium with Other representatives of target groups. In South Africa, whilst the EU Delegation does not have direct contact with the workers' or employers' organizations, labour market and social needs are coordinate through the main Governmental interlocutors. The weak consultation with social partners is also confirmed by EC HQs officials covering the five different regions.

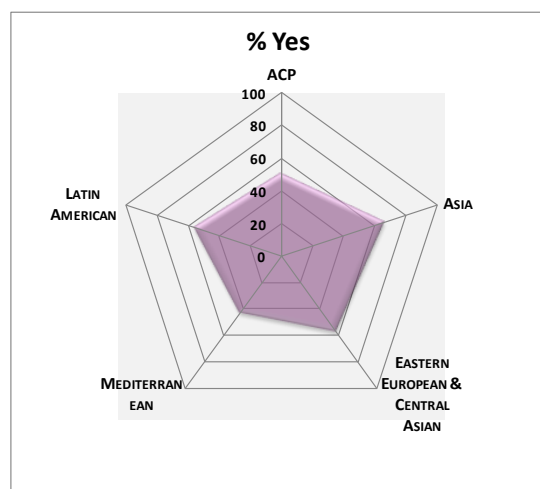
In Ukraine, NSAs appear to play a quite limited role in the EC response strategy and are little consulted, except for the trade unions and employers which are partners of several EC initiatives. In Vietnam, there is a fairly well established practice of consulting the NSAs (NGOs, academics, Civil Society members) and Social partners (e.g. the Vietnam General Confederation of Labour, Vietnam Chamber of Commerce and Industry (as the employer), and the Vietnam Cooperatives Alliance, etc.) in the programming process on ESI related interventions.

EU MEMBER STATES

EU MS are consulted in 52% of the cases. It should be noted that this % may be higher as 15% of EUD officials do not know if such consultation takes place.

If we observe the situation by region, both ACP and Mediterranean regions present interesting points: in ACP EU MS are not consulted in 22,7% of the cases, while in Mediterranean this amounts to 42,7%.

FIGURE 41 : CONSULTATION OF EU MEMBER STATES DURING EC PROGRAMMING, BY REGION AND %



Source: Worldwide Survey to EU Delegations

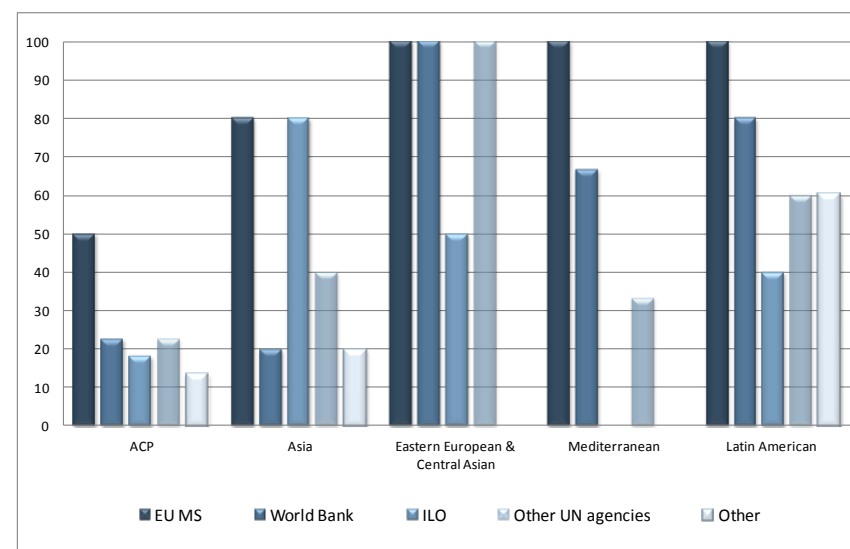
OTHER NON EUROPEAN DONORS

When other donors are consulted, the World Bank, followed by Other UN agencies, are the two major donors consulted in the programming processes for ESI related sectors.

They are followed by the ILO. The exception is Asia, in which ILO appears in the top of the list. If we consider also EU

Member States, they are in all regions (in Asia, together with the ILO) the most consulted during programming for ESI related sectors. The ILO Decent Work Country programmes influence on EC programming is explicitly mentioned only in a few cases

FIGURE 42 : DONORS CONSULTED (INCLUDING EU MS) DURING EC PROGRAMMING WHEN CONSULTATION TAKES PLACE, BY REGION AND %



Source: Worldwide Survey to EU Delegations

(in Eastern Europe and Central Asia, Latin America and Mediterranean) and when it does it is as a very recent development. In most of the cases, when ILO is referred-to, it is done mainly in the framework of EC funding interventions.

3.1.2 IN THE PROGRAMMING AND IMPLEMENTATION PHASES OF ESI PROGRAMMES, THE EC INVOLVES ALL RELEVANT MINISTRIES, NAMELY MINISTRY OF LABOUR, MINISTRY OF EDUCATION, MINISTRY OF FINANCE AND MINISTRY OF ECONOMY/INDUSTRY, IN A BALANCE WAY PROMOTING SECTORAL AND SYSTEMIC APPROACH

See JC 2.3 Indicator 2.3.2

3.2 THE CAPACITY OF EC (HQ AND DELEGATION) TO UNDERTAKE TECHNICAL DISCUSSIONS WITH COUNTERPARTS ON SPECIFIC THEMES PROVIDES QUALITY INPUTS IN THE DIALOGUE WITH PARTNER COUNTRIES

3.2.1 DELEGATIONS WHERE ESI PROGRAMMES ARE IMPLEMENTED THAT HAVE TECHNICAL STAFF IN ESI RELATED FIELDS AND THAT CARRY OUT DIALOGUE WITH THE BENEFICIARY AND OTHER DONORS ON THE RELEVANT SUBJECTS DURING THE PROGRAMMING AND IMPLEMENTATION PROCESSES

See also EQ 2 for the linkage between policy dialogue and strategy and programming definition.

82% of EUD do not have a specialist in ESI related issues among its technical staff. This lack of specialist in ESI related issues is confirmed by the field visits. When they do, the expertise is as follows:

TABLE 28: ESI RELATED AREAS COVERED BY EUD STAFF IN TERMS OF TECHNICAL CAPACITIES

| | EUD |
|---|-----|
| Labour demand side: Economic restructuring reforms | 3 |
| Labour demand side: Market competition | 1 |
| Labour demand side: Private sector → SMEs development | 4 |
| Labour demand side: Private sector → Investment promotion | 1 |
| Labour supply side: Technical and vocational training | 4 |
| Labour market governance: Core labour standards (includes promotion of Social inclusion into the labour market) | 3 |
| Labour market governance: institutional capacities of key relevant institutions | 5 |
| Labour market governance: normative framework | 1 |
| Other | 2 |

Source: *Worldwide Survey to EU Delegations*

3.2.2 PERCEPTION OF KEY STAKEHOLDERS ON EC STAFF KNOW-HOW ON THE SUBJECTS

41% of EC officials in EUD consider that there are obstacles that prevent the EC from having a more important and suitable role in ESI related areas. The lack of in-house capacity (Delegation staff) is considered as one of the obstacles by 40% of EC officials in EUD.

33% of National counterparts from Ministries and Public institutions, and 28,5% of Social partners and other Non state actors consider that there

are obstacles that prevent the EC from having a more important and suitable role in ESI related areas. Among these, “Lack of in-house technical capacity (Delegation staff)” is an obstacle for 20% of National counterparts from Ministries and Public institutions and for 50% of Social partners and other Non-state actors.

3.2.3 EVIDENCE OF EXISTENCE OF SEMINARS, EXCHANGE MEETINGS AND OTHER BETWEEN HQ AND EUD

In 40% of the cases there is coordination between EUD and EC Headquarters relevant DG's for ESI-related issues. When this coordination takes place, it is done in 80% of the cases with Relex Family DGs and in 57% of the cases with other DGs.

COORDINATION BY REGION

TABLE 29: COORDINATION BETWEEN EUD AND EC HQ, BY REGION

| | ACP | Asia | Eastern Europe & Central Asia | Mediterranean | Latin America |
|------------|-----|------|-------------------------------|---------------|---------------|
| Yes | 6 | 2 | 4 | 4 | 6 |
| No | 11 | 2 | 2 | 2 | 2 |
| Don't Know | 5 | 2 | 1 | 2 | 1 |

Source: *Worldwide Survey to EU Delegations, updated with field missions findings*

TABLE 30: COORDINATION BETWEEN EUD AND EC HQ, BY DGs AND BY REGION

| | ACP | Asia | Eastern Europe & Central Asia | Mediterranean | Latin America |
|--|-----|------|-------------------------------|---------------|---------------|
| Relex Family DGs | 5 | 2 | 3 | 3 | 4 |
| Other (DG Employment, DG Enterprise, etc.) | 2 | 2 | 4 | 1 | 3 |

Source: *Worldwide Survey to EU Delegations*

In Jordan, although the depth and frequency of coordination between the EC HQ and the EUD could not be ascertained, there was evidence of such collaboration (e.g. for SAAP II). In Jamaica, as indicated by the banana and sugar initiatives, there is a close coordination between the EC Headquarters and the EU Delegation on trade policy matters. On other matters, there appears to be less interaction. EUD in Ukraine, when needed, draws on the relevant expertise at the EC HQ.

TYPE OF COORDINATION

When coordination takes place, it is done in 90% of the cases via Exchange of Information, in 62% via Technical support/advice and in 19% via Meetings.

3.3 A CLOSE COORDINATION AND DIALOGUE EXISTS WITHIN THE RELEX FAMILY AND BETWEEN RELEX FAMILY AND OTHER RELEVANT DGs, IN PARTICULAR DURING THE PROGRAMMING AND DESIGN PHASE OF THE INTERVENTIONS

3.3.1 EVIDENCE OF EXISTENCE OF TECHNICAL MEETINGS OR OTHER FORMS OF COORDINATION WITHIN RELEX FAMILY DGs ON THE ESI AND TVET ISSUES

| | |
|--|---|
| | <p>See JC 3.2, Indicator 3.2.3.</p> <p>Furthermore, according to EC HQ officials and as shown in other issues, DGs' internal coordination at HQs' level also varies according to the regional cooperation framework. For ENP, such internal consultation exists. For Latin America, it cannot be stated that such coordination exists. DG Employment helps in sensibilising Labour Ministries in the region, and it is implicated to some extent in the two main regional programmes that deal with employment issues in the region (EUROsociAL and URB-AL) but this does not results in a structured consultation. For ACP, DG Employment is associated to programming cycles, at CSP and Mid-term reviews level, but not at project identification level. DG Employment is <i>chef de file</i> for relations with the ILO.</p> <p>3.3.2 EVIDENCE OF EXISTENCE OF TECHNICAL MEETINGS OR OTHER FORMS OF COORDINATION BETWEEN RELEVANT DGs AT HEADQUARTERS (RELEX FAMILY DGs AND OTHER, SUCH AS EMPLOYMENT, EDUCATION AND ENTERPRISES)</p> <p>&</p> <p>3.3.3 EVIDENCE OF EFFECTIVE TRANSFER OF EXPERIENCE AND BEST PRACTICES AMONG THE DIFFERENT DGs</p> <p>According to EC HQ officials, in-house coordination has increased, even if it is mainly done via exchange of information. DG Employment is associated in the programming cycles; it helps in sensibilising Labour Ministries. Moreover, DG Employment is the <i>chef de file</i> for EC-ILO relationship.</p> <p>DG enterprise intervenes in preparatory actions. The European Parliament requests the ISQG when the EU wants to export to developing countries. DG EuropeAid helps in business developing services, advocacy, etc. Here EU interest is very important, but also local SMEs interest.</p> <p>3.3.4 EVIDENCE OF EFFECTIVE TRANSFER OF KNOW-HOW AND TECHNICAL INPUTS FROM HQ TO EU DELEGATIONS IN PARTNER COUNTRIES</p> <p>See JC 3.2, Indicator 3.2.3.</p> <p>As mentioned before, 41% of EC officials in EUD consider that there are obstacles that prevent the EC from having a more important and suitable role in ESI related areas. Among the obstacles, "lack of guidance from EC HQ" has been selected by 22,7% of EC officials, and "Insufficient guidance from EC HQ" by 13,6%.</p> <p>On the other hand, coordination mainly exists at CSP and Midterm review levels, but not at project identification level. EUD consult ISQG but sometimes not on time.</p> |
| | <p>3.4 EC INTERVENTIONS (PROJECTS, PROGRAMMES AND BUDGET SUPPORT OPERATIONS' MANAGEMENT) ALLOW ACHIEVING RESULTS</p> <p>3.4.1 BENEFICIARY STRUCTURES AND EU DELEGATIONS PERCEPTIONS ON AID MODALITY'S ROLE TO ACHIEVE EXPECTED RESULTS</p> <p>From the inventory if ESI-related interventions in the 20 selected countries, we observe that:</p> <ul style="list-style-type: none"> ▪ Around 2.293 M€ have been channelled through budget support (both general and sectoral) ▪ 1,179 M€ have been channelled through project or programme approach. <p>However, it is important to note that if we refer to the narrow definition of ESI:</p> <ul style="list-style-type: none"> ▪ The total amount disbursed through budget support falls to 406 M€, which is slightly less than 1/5 of the broad original amount. |

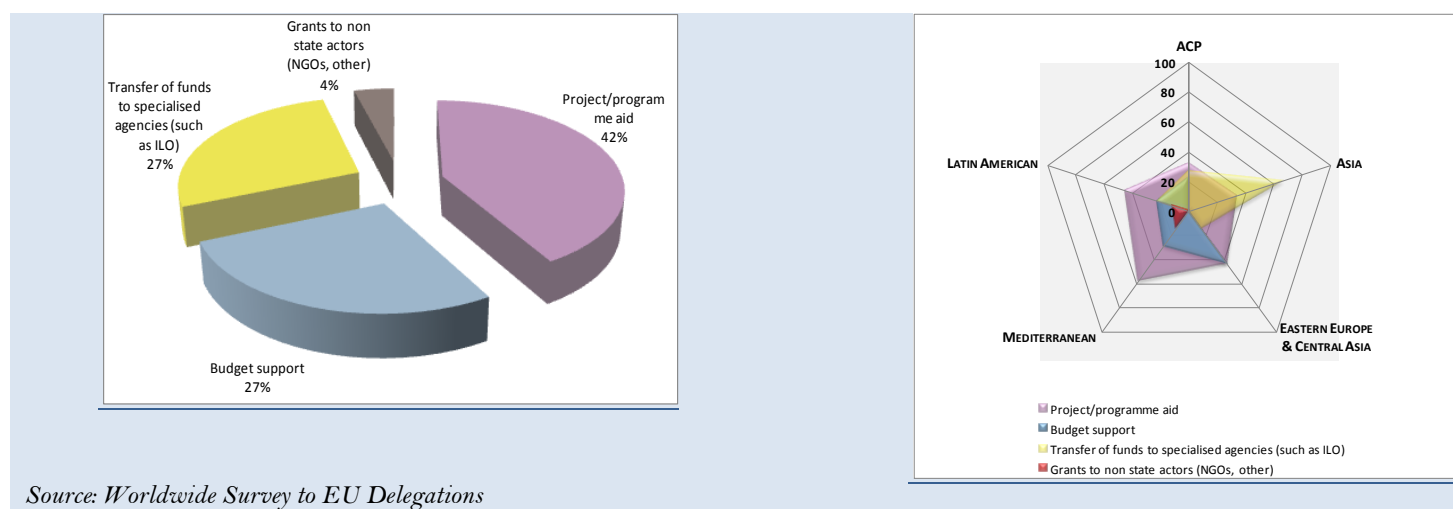
This shows that budget support to ESI has been strongly related to the financing of poverty reduction interventions (1,328 M€), and to a minor extent to structural reforms (553 M€), private sector development (208 M€), vocational training programmes in relation to policy & systems (174 M€), and rural development (29 M€).

- The total amount channelled through project or programme approach is 1,059 M€.

Considering this statistical information on effective commitments by aid modality, it is interesting to observe that in spite of the weight of Budget support in ESI-related cooperation, the preferred aid modality by EUD officials is globally Project/programme aid.

In all regions, except in Asia, Project/programme aid is selected by EUD officials as the more effective aid modality to achieve results in ESI related issues. Only in Eastern Europe & Central Asia it has the same weight as Budget support. Budget support, and Transfer of funds to specialized agencies (such as ILO), receive, overall, the same score: both are selected by 27% of EUD officials as the most effective's aid modality to achieve results. It should be mentioned that this average hides a rather interesting point: in Asia, Transfer of funds to specialized agencies (such as ILO) is the selected aid modality of 66,6% of EC officials, followed by Project/programme aid.

FIGURE 43 : EUD'S PERCEPTION ON THE EFFECTIVENESS OF AID MODALITY'S ROLE TO ACHIEVE RESULTS IN ESI RELATED ISSUES

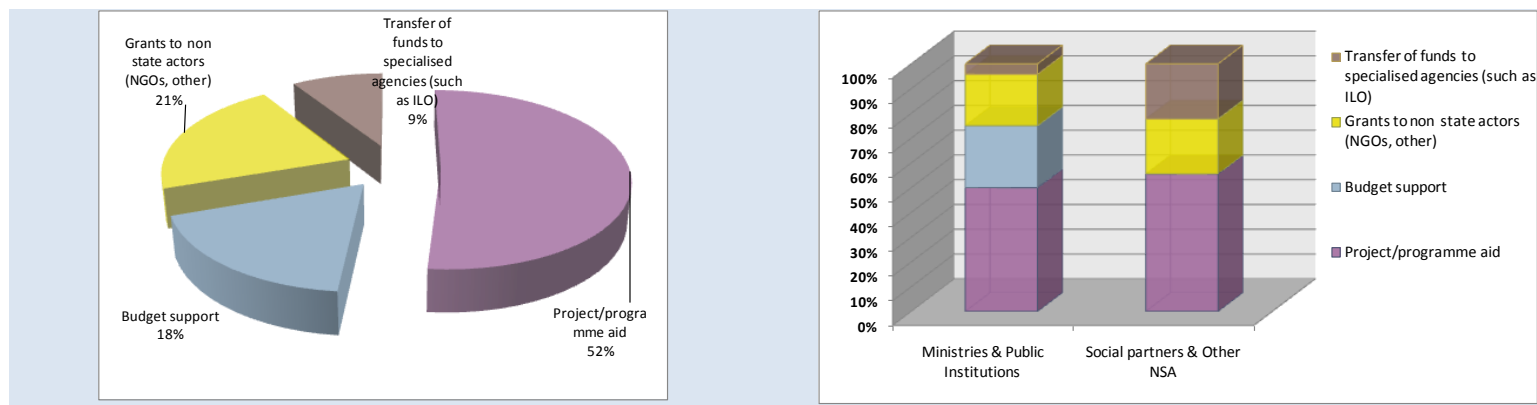


It is worth noticing that Grants to non state actors (NGOs, other) are only selected in two regions, Mediterranean and Latin America, and only by one EUD official in each of the regions.

It is interesting to observe that while EUD staff seems to prefer project/programme approach, EC HQ officials consulted at DG Relex and DG EuropeAid globally preferred budget support as, according to them, it promotes ownership and also dialogue on policies, sets benchmarks and defines objectives.

If we look at the national counterparts' perception, Project/programme aid is also selected as the more effective to achieve results in ESI related issues. Budget support is also the second best choice. The difference between EUD officials and National counterparts' perception is among the inclination of EUD officials towards Transfer of Funds to specialized agencies and the inclination of National counterparts towards Grants to NSA. It is worth remarking that the later is not only preferred by 28,5% of Social partners and other NSA but also by 31% of Ministries & Public Institutions' officials.

FIGURE 44 : NATIONAL COUNTERPARTS' PERCEPTION ON THE EFFECTIVENESS OF AID MODALITY'S ROLE TO ACHIEVE RESULTS IN ESI RELATED ISSUES



Source: Survey to National counterparts (from Ministries and Public Institutions & from Social partners and other Non state actors) in the 20 selected countries

The field phase shows that: In Jordan, the preferred aid modality by EUD officials is budget support as, on the one hand it fosters ownership and sustainability, and on the other hand this modality serves as an effective tool of influencing government policy. The same applies for EUD officials in Morocco, Jamaica and Vietnam. In Ukraine, budget support is also considered as a positive aid modality, but mainly in terms of its administrative advantages (currently, there are around 200 ongoing contracts in Ukraine, mostly executed via project approach, thus rendering its management time-consuming for the Delegation).

3.4.2 DELEGATIONS HAVING INTRODUCED PARIS DECLARATION AND EUROPEAN CONSENSUS PRINCIPLES ON AID MANAGEMENT FOR MANAGEMENT OF PROGRAMMES IN ESI RELATED AREAS

See JC 3.1, Indicator 3.1.1.

In 85% of the countries coordination exists among donors; and in 11,5% of them there is no coordination.

When coordination exists, it takes place in 43% of the cases in ESI related areas. In 32% of the cases, there is a leading donor responsible for coordination in a given ESI sector.

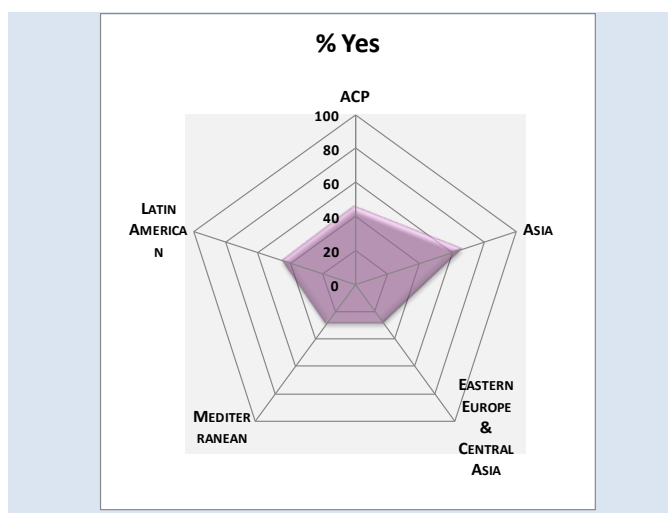
TABLE 31: DONOR COORDINATION MECHANISMS

| | In % of the cases |
|---|-------------------|
| Exchange of information | 88% |
| Meetings between representatives of Member States and the EU Delegation | 69% |
| Meetings between other donors and the EU Delegation | 83% |
| Joint studies, analyses and evaluations | 28,5% |
| Joint programmes | 28,5% |

Source: *Worldwide Survey to EU Delegations*

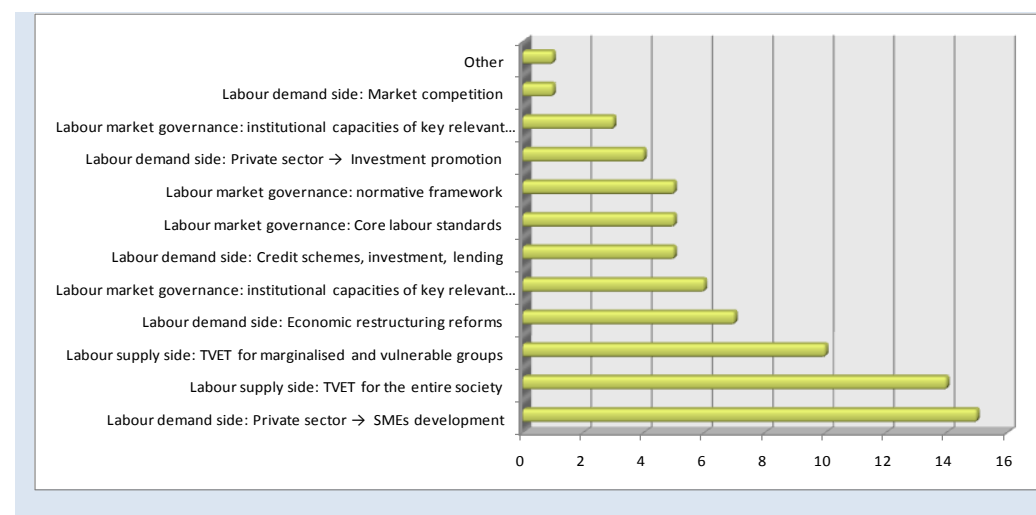
In 42% of the cases, EC programming, identification and implementation processes are coordinated with other (EU) donors based on specific know-how and added value on a specific sector. In 28% of the cases this type of coordination does not take place. By region, the situation is as follows:

FIGURE 45 : COORDINATION BETWEEN EC AND OTHER (EU) DONORS BASED ON SPECIFIC KNOW-HOW AND CONSEQUENT ADDED VALUE



When the coordination with other (EU) donors based on specific know-how and added value takes place, the sectoral coverage is as follows:

FIGURE 46 : ESI RELATED AREAS COVERED WHEN COORDINATION BETWEEN EC AND OTHER (EU) DONORS BASED ON SPECIFIC KNOW-HOW AND CONSEQUENT ADDED VALUE EXISTS



Source: *Worldwide Survey to EU Delegations*

3.4.3 EVIDENCE OF USE OF MONITORING AND EVALUATION REPORTS AND OTHER MECHANISMS FOR INTERMEDIATE PERFORMANCE ASSESSMENT (SUCH AS FOR BS PROGRAMMES) DURING PROJECT CYCLE MANAGEMENT

ROMs appear to be a useful and appreciated management tool that is used for making necessary adjustments to the log frame and implementation arrangements.

See also JC 3.4, Indicator 3.4.4.

3.4.4 INDICATION ON PROGRAMME EFFICIENCY FROM THE ANALYSIS OF ROM REPORTS

National counterparts that responded to the survey were directly or indirectly involved in 22 interventions. From these, only 14 interventions have been monitored. The analysis that follows relates to these 14 interventions.

As displayed in the tables below, the number of interventions analyzed, as well as the number of ROMs available in the CRIS system, were limited. The analysis of the ROMs cannot thus be considered as exhaustive and general, as its findings may not apply to all the sample of interventions taken into consideration by the evaluation. The comments outlined are based on common patterns encountered in the qualitative explanations of the efficiency criteria in the ROM available, and, when statistically relevant, on common trends and values.

Another limit of the analysis is represented by the confusion encountered in the ROMs analyzed. A vast majority of documents reported an unfocused assessment of the five criteria. We found that the evaluation of efficiency was often mixed with that of other criteria, or actually entirely considered under the criteria of effectiveness or relevance.

| | N° |
|--|------|
| N° of projects with a monitoring report | 14 |
| N° of monitoring reports | 33 |
| N° of monitoring reports per project (out of those projects counting on monitoring reports) | 2.35 |

The analysis of the efficiency criteria is based on the ROMs scoring methodology: a (4 points) = very good; b (3 points) = good; c (2 points) = minor problems and d (1 point) = major problems. The baseline parameter for the scoring scale, 2.5 points, has been defined as 'implementation according to plan'. Thus, a project with a score of 2.5 is fully on track and expected to deliver the benefits and impact planned.

TABLE 32: EC ESI RELATED INTERVENTIONS EFFICIENCY RATING BY SECTOR

| | N° of projects with a monitoring report | N° of monitoring reports | Efficiency rating |
|------------|---|--------------------------|-------------------|
| DWS | 5 | 11 | 3,13 |
| SA | 0 | 0 | |
| SI | 1 | 1 | 2 |
| SIG | 0 | 0 | |
| PR | 1 | 3 | 3,67 |
| LG | 0 | 0 | |
| LG CLS | 0 | 0 | |
| LG SD | 0 | 0 | |

| | | | |
|------------|----------|-----------|-------------|
| LG IB | 3 | 7 | 3,33 |
| ELD | 5 | 13 | 2,78 |
| SR | 1 | 2 | 3 |
| PS | 3 | 9 | 2,63 |
| RD | 0 | 0 | |
| MF | 1 | 2 | 3 |
| VTs | 4 | 9 | 2,75 |
| TP-TVET | 1 | 1 | 3 |
| TM-TVET | 0 | 0 | 2,5 |
| ST | 2 | 6 | 3 |
| LS | 1 | 2 | |

Source: Own elaboration based on ROM reports

Main findings in terms of DESIGN are as follows:

2. Flexibility of project design seems to be a key factor for improving interventions' efficiency, as displayed by the project ROMs analyzed for Morocco, Ukraine and Bangladesh. Flexibility enabled further adjustments based on such elements which could not be foreseen during the phase of project design: changing conditions and actual implementation counterparts' capacity.
 - Logical frameworks, activity work plans and related efficiency indicators often seem to be too focused on EC criteria, overlooking implementing agents' characteristics and issues, as displayed by the ROMs analyzed for Morocco, Egypt, South Africa and Bangladesh. Given their relevance for an efficient implementation, logical frameworks need to take into greater account their specificities, adapting indicators on their capacity and on their context of action.

The two sub-Saharan countries analyzed, Uganda and South Africa, seem to count on very weak logical frameworks, which led also to the definition of inadequate or incoherent efficiency indicators.

Main findings in terms of NATIONAL COUNTERPARTS are as follows:

- Generally, greater efficiency seemed to result when the implementing agent was the direct representative of target beneficiaries (i.e. industries and workers' associations), due to a more direct system of accountability. When the implementation counterpart is not so directly linked to the target population (for instance, in case of a governmental agency or a ministerial department like in the case of Jamaica) it is deemed of great importance to accurately identify a liaison officer fully responsible of the implementation process, defining clearly his/her responsibilities and tasks. In Ukraine for instance; political changes and other issues in defining the liaison officer led to delays in implementing the programme.

Main findings in terms of INTERVENTION PROCEDURES are as follows:

3. An element which, in all analyzed ROMs also appears to improve the pace of implementation is the clarification of working procedures at all levels, especially in what concerns submission and processing of financing proposals.
4. Further digging in this element, it seems that all the interventions entailing a submission of proposals through the calls for proposals, present several critical issues. First of all, procedures are often so lengthy and cumbersome that they seem inadequate to cater the needs and the dynamics of private sector. Particularly, the needs of SMEs are not compatible with long and complicated application processes, as stated in the

Jamaica's and South Africa's ROMs.

In the cases analyzed, the call for proposals mechanism displayed the need to be coupled with capacity support to target population. In South Africa, those areas which received technical assistance, displayed higher compliance and were proportionally more successful in receiving funding. On the contrary, lack of capacity seems to hamper the compliance of procurement requirements and administrative procedures, especially in these least developed areas of illiterate population. Some ROMs, like the Jamaica and the Niger ones, recommended enforcing PMUs so to fasten processes and the assessment of proposals. On the access side, enhanced visibility of funding opportunities and of "success stories" seems to facilitate an effective submission of proposals.

Main findings in terms of IMPLEMENTATION are as follows:

5. Implementation timeframes. Almost all the interventions analyzed proved that their implementation was delayed due to a number of reasons: lengthy procedures, cumbersome setup of the PMU, difficulties in defining implementing counterparts, negotiation of a common set of rules etc. Extension requests have been often presented to fully complete the projects. Due to their peculiar characteristics, projects focusing on private sector development, particularly those involving SMEs seem to need longer implementation timeframes, at least of 5 years.

Those programmes realized in two phases, like the "Programme d'appui aux associations professionnelles" in Morocco and the "Programme d'appui à la formation professionnelle continue" in Niger; proved to be more efficient, and to have an improving score overtime because they could test and improve implementation mechanisms over the life of the project.

Main findings by MACRO-SECTOR are as follows:

- The analysis of DWS interventions in Morocco, Bangladesh, South Africa and Jordan, led to the impression that logical frameworks and indicators in this sector are generally too broad. Since these kinds of interventions often count on diverse components (umbrella projects) of financial nature, it is believed that they should rely on more technical parameters of assessment, so to keep track of the efficient implementation of each one of its components.
- As ELD interventions mainly deal with the private sector, they were said in South Africa, Jamaica to need a better risk assessment and risk management strategy, to be attached to the logical framework. This could facilitate a better assessment of efficiency for this sector, based on the definition of potential threats to the success of the programme, mitigation measures and a fully developed risk management strategy.
- In the case of VTS interventions in Russia, Uganda and Morocco, and especially in what concerns TP-TVET, the implementation process is by nature quite long and diverse, as it counts on a number of different components, both in terms of inputs and outputs. Efficiency appeared hence to be ensured by more detailed implementation plans and longer, accurate follow-up process of activities monitoring.

Main findings on BUDGET SUPPORT are as follows:

- In all cases analyzed (Niger, Egypt), traditional efficiency assessments seemed to be inadequate for interventions catered through general budget support. Funds are transferred to the state budget and -since the activities are designed, managed and implemented by governmental counterparts- efficiency indicators are just based on the compliance of conditionalities. Although conditionalities are fulfilled, they represent only a step in the efficient achievement of the project's goals and they are hence said to be too general to properly assess an efficient use of resources. There is no mechanism to know exactly the amount spent on the components of the project: if data on the use of resources are available, they are generally not systematized in a consistent reporting system.

- In what concerns sector budget support analyzed in South Africa, it is also rather difficult to measure the efficient use of resources, as the local system of sectoral indicators and definitions greatly differs from the one used by the EC. Great political efforts and continuous dialogue with counterparts seem to be a *condition sine-qua-non* for overcoming this issue, as well as others typically related to budget support interventions.

3.4.5. RATE OF DISBURSEMENT AND OF CONTRACTED AMOUNTS ACROSS ESI SECTORS AND PERCEPTION OF BENEFICIARIES, DELEGATIONS AND IMPLEMENTING AGENCIES ON THEIR INFLUENCE ON RESULTS.

TABLE 33 : COUNTRY INTERVENTIONS, MACRO-SECTORS

| Macro-sector | Rate of contracted amounts | Rate of disbursement |
|--------------|----------------------------|----------------------|
| DWS | 87.47% | 83.23% |
| ELD | 80.62% | 86.15% |
| VTs | 69.91% | 68.73% |
| Total | 83.09% | 82.99% |

TABLE 34 : REGIONAL INTERVENTIONS, MACRO-SECTORS

| Macro-sector | Rate of contracted amounts | Rate of disbursement |
|--------------|----------------------------|----------------------|
| DWS | 82.69% | 40.00% |
| ELD | 91.75% | 77.07% |
| VTs | 82.19% | 93.74% |
| Total | 89.51% | 69.02% |

Source: Own elaboration based on the Inventory of EC ESI related interventions

In terms of country interventions, the global rate of contracted amounts, which is the ratio between the total contracted amounts and the committed amounts, is 83.09%. The rate of disbursement, which is the ratio between total paid amounts and total contracted, amounts to 82.99%. Overall, it can be stated that the disbursement rate has been rather positive and, basically, it does not differ from the rate of contracted amounts (being the difference merely 0.10%).

At macro-sectoral level, the highest rate of contracted amounts is recorded for interventions falling under the DWS area, 87.47%, followed respectively by the ELD, 80.62%, and VTs projects, 69.91%. In terms of rate of disbursement though, the highest value is recorded for ELD interventions, with 86.15%. It follows the DWS sector, with 83.23% and the VTs sector with 68.73%. DWS and VTs interventions disbursed amounts have been rather lower than the contracted ones, with a fall between the two rates of respectively of 4% and 2%. On the contrary, the rate of disbursement for ELD interventions has been relatively higher than the contracted one

Concerning regional interventions, the global rate of contracted amounts is 89.51% while the rate of disbursement is 69.02%. Compared to country interventions, it can be stated that while the rate of contracted amounts is relatively higher, the disbursement rate is significantly lower than the one at country level and, moreover, it is considerably smaller than the rate of contracted amounts, being the difference of 20%.

At macro-sectoral level, the highest rate of contracted amounts is recorded for interventions falling under the ELD area, 91.75%, followed respectively by the DWS, 82.69%, and VTs projects, 82.19%. In terms of rate of disbursement though, the highest value is recorded for VTs interventions, with 93.74%. It follows the ELD sector, with 77.07% and the DWS sector with 40%. The comparison between the two rates shows that for DWS and ELD interventions disbursed amounts have been rather lower than the contracted ones, with a fall between the two rates of respectively of 43% and 15%. On the contrary, the rate of disbursement for VTs interventions has been relatively higher than the contracted one (+ 12%).

TABLE 35 : COUNTRY INTERVENTIONS, MICRO-SECTORS

| Macro-sector | Micro-sector | Rate of contracted amounts | Rate of disbursement |
|--------------|--------------|----------------------------|----------------------|
| DWS | PR | 94.79% | 88.19% |
| | SA | 59.44% | 62.82% |
| | SI | 90.81% | 49.15% |
| | SIG | 83.45% | 70.02% |
| | LG CLS | 69.41% | 36.57% |
| | LG IB | 99.01% | 80.03% |
| | LG SD | 100.00% | 71.22% |
| ELD | PS | 72.29% | 87.17% |
| | SR | 93.42% | 98.16% |
| | RD | 76.75% | 71.18% |
| | RD-BAN | 72.72% | 68.85% |
| | MF | 98.17% | 70.18% |
| VTS | TP | 57.73% | 63.34% |
| | TM | 93.33% | 72.59% |
| | ST | 83.06% | 75.15% |
| | LS | 98.36% | 81.58% |

TABLE 36 : REGIONAL INTERVENTIONS, MICRO-SECTORS

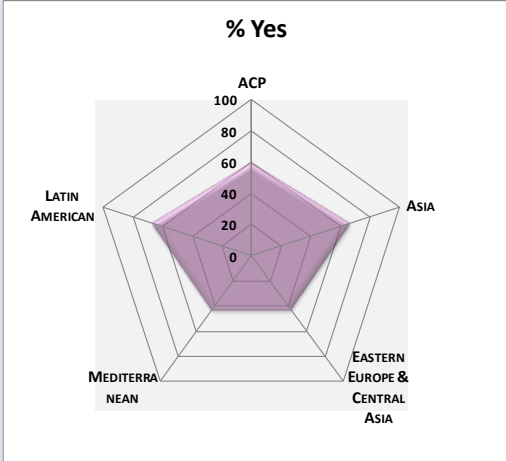
| Macro-sector | Micro-sector | Rate of contracted amounts | Rate of disbursement |
|--------------|--------------|----------------------------|----------------------|
| DWS | SIG | 95.93% | 39.85% |
| | SI | 40.80% | 54.90% |
| | LG CLS | 97.94% | 28.07% |
| | SA | 42.84% | 70.13% |
| | LG SD | 100.00% | 100.00% |
| ELD | SR | 90.38% | 64.98% |
| | PS | 92.53% | 93.55% |
| | RD | 97.44% | 94.52% |
| VTS | MF | 100.00% | 81.28% |
| | TP | 80.19% | 92.88% |
| | ST | 100.00% | 99.92% |

Source: Own elaboration based on the Inventory of EC ESI related interventions

Table 35 shows the two rates at micro-sectoral level for country interventions. In terms of rate of contracted amounts, the highest values are recorded by the social dialogue interventions (DWS), 100%, the labour supply measures, (VTS), 98.36%, and the microfinance/microcredit interventions (ELD), 98.17%. The highest rate of disbursement is recorded by structural reforms' interventions (ELD) with a value of 98.16%. In the other two macrosectors, it follows the poverty reduction sector (DWS), 88.19%, and the labour supply and measures sector (VTS), 81.58%. The comparison between the two rates shows that the most significant negative difference is registered for social inclusion interventions, for which there has been a fall in the rate of disbursement of almost 42%. On the other hand, for private sector interventions the rate of disbursement has grown by almost 15% compared to the rate of contracted amounts.

Concerning regional interventions, in terms of rate of contracted amounts, the highest values are recorded by the social dialogue interventions (DWS), 100%, the sectoral training interventions, (VTS), 100%, and the microfinance/microcredit interventions (ELD), 100%. The highest rate of disbursement is recorded by social dialogue interventions (DWS) with a value of 100%. In the other two macro-sectors, it follows the sectoral training interventions, (VTS), 99.92 % and the rural development sector (ELD), 94.52%. The comparison between the two rates shows that the most significant negative difference is registered for interventions in the field of labour governance/core labour standards, for which there has been a fall in the rate of disbursement of almost 70%. On the other hand, for social assistance interventions the rate of disbursement has grown by more than 27% compared to the rate of contracted amounts.

| | | | |
|--|--|--|--|
| | <p>Among national counterparts coming from Ministries and Public institutions, only 30% consider that there are obstacles which prevent the EC from having a more important and suitable role in ESI related areas. From this share, Inadequate and/or rigid EC procedures (multiannual programming exercises, etc.) and Inadequate EC funding instruments were among the three more mentioned. Nevertheless, it represents a low share. The same applies to EUD officials, from those considering that there are obstacles (41% of them); only 14% of them consider that Inadequate and/or rigid EC procedures (multiannual programming exercises, etc.) are an obstacle.</p> | | |
| | <table> <tr> <td data-bbox="271 368 1189 702"> <p>Sources of information :</p> <ul style="list-style-type: none"> ▪ Project Identification documents ▪ CSP and PIN ▪ Project Inventory ▪ M&E reports ▪ Interviews and focus groups ▪ Field visits ▪ Questionnaire </td><td data-bbox="1189 368 2056 702"> <p>Methods of analysis :</p> <ul style="list-style-type: none"> ▪ Document analysis ▪ Qualitative analysis of Interviews results cross countries and cross type of stakeholders ▪ Case studies ▪ Analysis of ROM reports ▪ Analysis of the Inventory ▪ Questionnaire analysis </td></tr> </table> | <p>Sources of information :</p> <ul style="list-style-type: none"> ▪ Project Identification documents ▪ CSP and PIN ▪ Project Inventory ▪ M&E reports ▪ Interviews and focus groups ▪ Field visits ▪ Questionnaire | <p>Methods of analysis :</p> <ul style="list-style-type: none"> ▪ Document analysis ▪ Qualitative analysis of Interviews results cross countries and cross type of stakeholders ▪ Case studies ▪ Analysis of ROM reports ▪ Analysis of the Inventory ▪ Questionnaire analysis |
| <p>Sources of information :</p> <ul style="list-style-type: none"> ▪ Project Identification documents ▪ CSP and PIN ▪ Project Inventory ▪ M&E reports ▪ Interviews and focus groups ▪ Field visits ▪ Questionnaire | <p>Methods of analysis :</p> <ul style="list-style-type: none"> ▪ Document analysis ▪ Qualitative analysis of Interviews results cross countries and cross type of stakeholders ▪ Case studies ▪ Analysis of ROM reports ▪ Analysis of the Inventory ▪ Questionnaire analysis | | |

| EQ 4 | To what extent and how has the Commission ensured coordination and complementarity with other donors and ensured coherence with other EC policies and activities? Was there a added value in EC support, compared to that of other donors? | | | | | | | | | | | | |
|---|---|--------|-------|-----|-----|------|-----|-------------------------------|-----|---------------|-----|----------------|-----|
| | EC specific issues: EC added value, 3Cs | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | Judgment criteria | | | | | | | | | | | | |
| | 4.1 EC RESPONSE STRATEGIES IN THE AREA OF EMPLOYMENT AND SOCIAL INCLUSION IN THE LABOUR MARKET ARE EMBEDDED IN SECTOR APPROACH DECIDED IN THE FRAMEWORK OF COUNTRY HARMONIZATION INITIATIVE | | | | | | | | | | | | |
| | Preliminary indicators | | | | | | | | | | | | |
| <p data-bbox="331 598 1975 654">4.1.1 EXISTENCE OF COORDINATION AND HARMONIZATION INITIATIVE IN THE COUNTRY IN THE ESI RELATED AREAS AND ECs' ROLE IN ITS PROMOTION IN THE RELEVANT AREAS</p> <div data-bbox="349 691 934 750"> <p>FIGURE 4.7 : COORDINATION AND HARMONIZATION INITIATIVE IN BENEFICIARY COUNTRIES, BY REGION</p>  <table border="1"> <caption>Data for Figure 4.7: Coordination and Harmonization Initiative in Beneficiary Countries, by Region</caption> <thead> <tr> <th>Region</th> <th>% Yes</th> </tr> </thead> <tbody> <tr> <td>ACP</td> <td>~85</td> </tr> <tr> <td>Asia</td> <td>~65</td> </tr> <tr> <td>Eastern Europe & Central Asia</td> <td>~45</td> </tr> <tr> <td>Mediterranean</td> <td>~35</td> </tr> <tr> <td>Latin American</td> <td>~30</td> </tr> </tbody> </table> </div> <p data-bbox="969 699 2083 762">In 58% of the countries, a coordination and harmonization initiative, defined by the Government, exists.</p> <p data-bbox="969 770 2083 874">This is validated by the field phase: institutional bodies in charge of donor coordination exist in the visited countries. In two of the cases in which such initiatives exist (Jordan & Vietnam), EC contribution has been important:</p> <ol data-bbox="969 882 2083 1220" style="list-style-type: none"> In Jordan, following an initiative launched by the Delegation and EU Member States Embassies in 1999, donor coordination was improved with the creation in 2000 of the informal Donor & Lenders Consultation Group (DLCG) for which the UNDP provided the secretariat and the EU provided the first six months rotating presidency. The DLCG launched in 2000 laid emphasis on establishing an "EU road map for donor harmonization and alignment" through monthly EU coordination meeting and maintained a donor matrix for 2006. In Vietnam, the EC assisted with the elaboration of the Hanoi Core Statement which is proof of Vietnam being a leading country in the implementation of the Paris Declaration of 2005.¹¹⁰ <p data-bbox="969 1233 2083 1264">Nevertheless, despite the existence of these initiatives, this does not always lead to accurate</p> | | Region | % Yes | ACP | ~85 | Asia | ~65 | Eastern Europe & Central Asia | ~45 | Mediterranean | ~35 | Latin American | ~30 |
| Region | % Yes | | | | | | | | | | | | |
| ACP | ~85 | | | | | | | | | | | | |
| Asia | ~65 | | | | | | | | | | | | |
| Eastern Europe & Central Asia | ~45 | | | | | | | | | | | | |
| Mediterranean | ~35 | | | | | | | | | | | | |
| Latin American | ~30 | | | | | | | | | | | | |

¹¹⁰ Country Strategy Evaluation of EC support to Vietnam, DRN, 2009

donor harmonisation initiatives.

Source: Worldwide Survey to EU Delegations

4.1.2 EC SUPPORT TO THE NATIONAL STRATEGIES IN ESI AREAS HELPS THE DEFINITION OF NATIONALLY OWNED STRATEGIES ENDORSED BY ALL RELEVANT ACTORS, INCLUDING SOCIAL PARTNERS.

See JC 2.2 - Indicator 2.2.2.

4.1.3 EXISTENCE AND DEGREE OF FUNCTIONING OF COORDINATION MECHANISMS ON EMPLOYMENT AND SOCIAL INCLUSION IN THE LABOUR MARKET ISSUES BETWEEN THE EC AND OTHER SPECIALIZED INTERNATIONAL AGENCIES, SUCH AS THE ILO

See JC 3.1 - Indicator 3.1.1.

At HQs level, the ILO is more and more consulted, as confirmed not only by EC HQ official but also by the ILO representative in Brussels. But EC-ILO cooperation in the field is more complicated, as implied also under JC 3.1 - Indicator 3.1.1. Several EC HQ officials pointed out that ILO contribution is mainly in kind.

The field missions show that EC coordination with other donors (other than EU MS) occurs also in half of the cases (as hypothesized also by the Survey): Vietnam and to a lesser extent Morocco and Ukraine.

8. In the case of Vietnam, by leaning on the ILO for the implementation of the EC project on labour market, a better alignment has been achieved with the DWCP and with the One UN (14 Agencies) in Vietnam. EC's contribution to the policy dialogue on industrial relations and social protection through the PRSO, which is championed by the World Bank as a donor harmonization device, is also noteworthy.
9. State authority responsible for donor coordination in Ukraine is the Ministry of Economy. The Department for international cooperation of the Ministry registers all international projects operating in Ukraine, collects information and monitors their implementation. However the projects funded by the EU are coordinated by the Department for cooperation with EU. This results in absence of comprehensive vision of all donor activities in Ukraine and leads to inconsistency and mismatch of different projects. There are also several task forces created in different policy sectors to coordinate relevant donors' initiatives with the agenda of the state authorities.

While the government has taken little interest in facilitating coordination among the donors and, according to the interviewed development partners, occasionally solicit funding for the same project from several sources, the donors themselves maintain a reasonable level of coordination and information-sharing, including the EC through technical working groups and informal channels of information-sharing.

Therefore donors try to coordinate their activities in different sectors by themselves. Such coordination is in place within the bilateral donors of the EU countries. In some sectors it also involves other donors, namely USAID, CIDA and World Bank. However in the labour market sector unless comparatively small number of donors projects and initiatives there is clear lack of coordination between them.

4.2 DONOR COORDINATION MECHANISMS RESPONDING TO EC AND INTERNATIONAL COMMITMENTS ON AID EFFECTIVENESS, SUCH AS THE GUIDELINES FOR STRENGTHENING OPERATIONAL COORDINATION BETWEEN THE EC AND THE MEMBER STATES IN THE FIELD OF EXTERNAL ASSISTANCE, AND THE MORE RECENT PARIS DECLARATION, OR THE EUROPEAN CONSENSUS, ARE IN PLACE AT DIFFERENT LEVELS

4.2.1 EVIDENCE OF SHARING OF INFORMATION AND POLICY ANALYSIS, OF JOINT EVALUATIONS AND PROGRAMMING MISSIONS ON EMPLOYMENT AND SOCIAL INCLUSION IN THE LABOUR MARKET ISSUES AMONG EC AND OTHER DONORS AT THE LEVEL OF PARTNER COUNTRIES

&

4.2.2 EXISTENCE OF ESI PROGRAMMES JOINTLY FINANCED BY EC AND OTHER DONORS

See JC 3.4 - Indicator 3.4.2

Moreover, the field phase validated the survey results. EU (EC & MS) coordination takes place in half of the cases. It is done mainly via meetings for exchange of information, or thematic groups.

Despite the existence of institutional bodies in charge of donor coordination, this does not always lead to accurate donor harmonisation initiatives. As a result, some countries *benefit* from harmonisation initiatives directly managed by the donors. This is the case of Morocco, Ukraine and Jamaica, in which coordination is structured around working groups, in which EC participates on an *ad hoc* basis, and South Africa, in which technical groups focus on trilateral co-operation, HIV and AIDS, governance, regional co-operation, and employment creation and skills development. The objectives of the latter group, coordinated by DFID, are to improve the effectiveness of donor support to employment generation and skills development activities in South Africa. The focal areas of the working groups are to be kept flexible and progress reviewed every six months. Initially the group is concentrating upon the following areas: policy; directly employment creating areas; skills and capacity; and access to finance. The Membership of the group is open to EU member states and other donors. The Government and other partners (including the Unions, private sector reps, NGOs, and local government) are to be invited to attend the meetings of the group when considered appropriate.

In the case of Vietnam, the EC played a leading role in monthly consultations among EU MS which has ensured the complementarity among anticipated interventions by EU MS during the programming process with the help of the chart on EU Donor Mapping Vietnam 2010¹¹¹.

Joint programmes exist also in 3 of the countries.

South Africa:

- Trade and Development and Cooperation Agreement (ratified in 2004 by all parties is an “all embracing” document in that it covers, among others, development, politics, economics, trade, and the environment) as a result of the EC & EU MS joint multi-annual indicative programme
- Finland in the Innovation for Poverty Alleviation (*Finland provided technical backstopping support that was not available in the EUD*)
- Incorporation of the lessons learned relating to empowerment and employment generation for marginalized communities within a Danida funded programme into the EU funded Water for Growth and Development programme

Vietnam:

- Luxembourg, Spain, The Netherlands and the EC collaborate in the Tourism capacity building project. The National Tourism Advisory Board will coordinate the policy dialogue with the government and tourism stakeholders.

¹¹¹ The chart on EU Donor Mapping provides a clear agreed division of labour among EC and ten EU MS in eleven sectors of activity during 2007-2012 including social and economic infrastructure.

| | |
|--|--|
| | <p>Jordan:</p> <ul style="list-style-type: none"> ▪ <u>Germany and EC</u> collaboration in the Poverty Alleviation through Local Development programme (PALD) ¹¹². From 2000 to 2006, a pilot project was implemented in 3 poor municipalities in the country, first by GTZ and then through EC-Germany coordinated support (designated as PAMD). Inspired by the results of the limited experience of the three "poverty pockets", the PAMD was widened to a larger EC-supported PALD programme stretching over 18 poor municipalities. ▪ <u>The Netherlands</u> finances an EC programme follow-up of the Social empowerment and human rights programme. ▪ <u>Italy and Germany</u> finance two small programmes that are a follow-up of the PALD model through effective coordination and dialogue.¹¹³. <p>4.2.3 EXTENT TO WHICH THE EC PROGRAMMING PROCESS IS COORDINATED WITH OTHER (EU) DONORS AND BASED ON SPECIFIC KNOW-HOW AND ADDED VALUE, ACCORDING THE EC CODE OF CONDUCT GUIDELINES</p> <p>See JC 3.4 - Indicator 3.4.2</p> <p>Moreover, it is important to highlight the South African experience. Ten EU Member States (Belgium, Denmark, France, Germany, Ireland, the Netherlands, Sweden, the UK, Austria and Finland) participated in the 2007-2011 CSP process. As such, the CSP represents a joint response strategy that the EC and the EU Member States which from 2006 developed into a joint multi-annual indicative programme (MIP). The Country Strategy Paper represents the EC's contribution to the MIP.</p> <p>4.3 THE COMMISSION HAS ENSURED THE OVERALL COHERENCE BETWEEN ITS EMPLOYMENT, SOCIAL INCLUSION IN THE LABOUR MARKET AND TVET INTERVENTIONS WITH OTHER EU POLICIES</p> <p>4.3.1 ESI AND TVET RELEVANT NORMATIVE DOCUMENTS MAKE SPECIFIC REFERENCE TO IMPLICATIONS OF OTHER EU POLICIES ON ESI RELATED ISSUES AND PROBLEMS AT COUNTRY LEVEL</p> <p>In ESI relevant normative documents, specific references have been found mainly in relation to the linkage between Core Labour Standards or employment in general and policies such as trade or immigration:</p> <ul style="list-style-type: none"> ▪ the Commission <i>Communication "Promoting core labour standards and improving social governance in the context of globalization"</i> (COM(2001)416). <ul style="list-style-type: none"> ○ The Union proposes promoting core labour standards via the Generalised System of Preferences (GSP). The GSP facilitates access to Community markets for developing countries which effectively apply the core labour standards and grants them additional trade preferences. Its base should be extended to the four core labour standards identified in the ILO Declaration of 1998, hence leading to a temporary withdrawal of GSP benefits in the event of serious and systematic violation of one of the core labour standards. |
|--|--|

¹¹² It was nevertheless not possible to gauge the exact effectiveness of such systematic coordination as the above assessment was presented at the debriefing with the EC Delegation.

¹¹³ EG EVAL II / Eureval & To Excel: Desk report, op.cit, P.64

- The Union will place more emphasis on the promotion of core labour standards in its overall development policy. In line with the approach applied in the framework of the Cotonou Agreement, specific rules devoted to social development and the promotion of core labour standards will therefore be included in future trade and cooperation agreements.
- the Commission *Communication Promoting decent work for all The EU contribution to the implementation of the decent work agenda in the world* (COM(2006) 249) proposes to integrate decent work into national and regional strategies to promote development and reduce poverty and the gradual inclusion of the decent work objective in budget support measures. It considers Trade as a factor in sustainable development. It also considers Promoting international and multilateral governance
 - complementarity and consistency of their policies and the interdependence of economic growth, investment, trade and decent work
 - Better management of economic migration
- The EC Working paper on *Promoting Employment through EU Development Cooperation* identifies policies conducive to employment:
 - At regional level: Trade (EPAs, Aid for Trade) and Mobility and migration
 - At European level:
 - Promoting employment through development policy
 - Post-conflict reconstruction and youth employment
 - Creating jobs through infrastructure
 - Agriculture, rural development and environment
 - Policy coherence for development
 - Coordination and joint programming with Member States

In global development policy normative documents, the linkage between ESI related areas, mainly employment, and trade and to a lesser extent migration, is also present. This is the case for: The European Community's Development Policy, COM(2000) 212, "The social dimension of globalisation - the EU's policy contribution on extending the benefits to all" COM(2004) 383, Policy Coherence for Development - Accelerating progress towards attaining the Millennium Development Goals, COM(2005) 134, The EU - a global partner for development. Speeding up progress towards the Millennium Development Goals COM(2008) 177, Supporting developing countries in coping with the crisis [COM(2009) 160 final A twelve-point EU action plan in support of the Millennium Development Goals (COM (2010)159).

On EUD officials' perception on EU Policy coherence, the survey shows the following results:

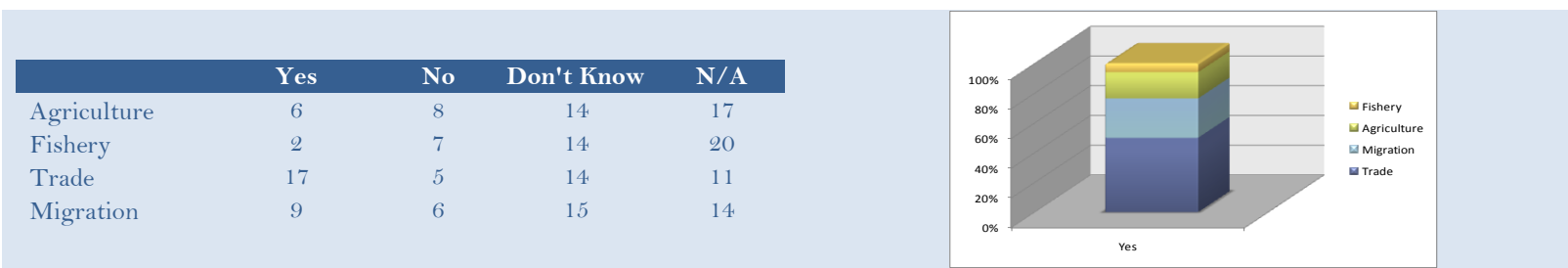
Overall, 32% of EUD officials don't know whether EC policy on ESI related sectors is coherent with other EU policies. 19% declare that this type of coherence exists and 14,5% that it does not exist.

If the four examples of EU policies are considered, we observe that ESI related policy is coherent with Trade policy in 35% of the cases. Trade-related assistance related guidelines consider labour market reform, macroeconomic framework and competitiveness development as some of the necessary areas that need to be addressed.

Trade is followed by Migration policy, coherent in 18% of the cases, and Agriculture, in 12% of the cases. Fisheries in % of the cases, but this would

partially explained by the fact that not all the countries that responded to the survey receive any Fishery related support because of the geography.

TABLE 37: EC ESI RELATED INTERVENTIONS' COHERENCE WITH EU POLICIES



Source: *Worldwide Survey to EU Delegations*

This share of EUD officials' perception, and the linkage between ESI, mainly employment, and Trade and migration in normative documents, is somehow confirmed by the EU 2009 Report on Policy Coherence for Development (PCD). The reports analyses policy coherence in EC cooperation programming and reporting mechanisms and among the twelve policy areas identified in the 2005 COM on PCD, trade (and climate change and environment), agriculture and migration are among the most considered areas for policy coherence.

The field phase provides a similar finding: EU policies coherence would be pursued in 1/3 of the cases. When coherence exists, it is both:

- via the institutional cooperation framework (Cotonou Agreement for Jamaica and Association Agreements for ENP countries)
- via specific EC cooperation interventions:
 - Jamaica: Banana support programme & Sugar protocol compensation activities
 - Jordan: Support to export-oriented SMEs via the Industrial Modernization Programme & the Euro Jordanian Action for Development of Enterprise. As a result, Jordanian industrial products have gained entry into EU markets free of tariffs and quotas and a critical mass of export-oriented SMEs have been nurtured
 - Morocco: Programme d'Appui à l'Accord d'Association.

According to the survey, coherence mechanisms are: “Knowledge Input and Assessment (Impact assessment, Dialogue Forums, etc.)” in 55% of the cases, “Explicit Policy Statements” in 35% of the cases and “Administrative / Institutional structures in charge of coherence-check” in 25% of the cases.

4.3.2 EVIDENCE OF SPECIFIC MEASURES INTRODUCED IN ESI PROGRAMMES TO AVOID CONFLICTING EFFECTS OF EC DEVELOPMENT POLICY AND OTHER POLICIES SUCH AS AGRICULTURE, FISHERY, ENVIRONMENT, TRADE, MIGRATION THAT COULD AFFECT ESI RELATED OBJECTIVES AND RESULTS IN PARTNER COUNTRIES

No evidence found in the following available financing agreements:

4.3.3 PERCEPTION OF LOCAL STAKEHOLDERS OF EXISTENCE OF CONFLICTING OBJECTIVES BETWEEN EC POLICIES OPERATING AT PARTNER COUNTRY LEVEL

Local stakeholders consulted during the field phase did not mention any negative perception on EU policy coherence. On the contrary, as mentioned under Indicator 3.3.1 above, there are positive examples of actions and interventions pursuing policy coherence.

| Country | Title | Country | Title |
|---------|---|--------------|---|
| Jamaica | accompanying measures 2006 for sugar protocol countries (sector policy support programme (spsp) - jamaica) | Morocco | appui au développement de la formation professionnelle dans les secteurs du tourisme, du textile et des nouvelles |
| | accompanying measures 2007 for sugar protocol countries - | | appui à la création d'emploi (mar/b7-4100/ib/99/0130) |
| | accompanying measures 2008 for sugar protocol countries - jamaica - sector budget support component | | appui à l'amélioration de la situation de l'emploi de la femme rurale et gestion durable de l'argenterie dans le sud- |
| | EUROPEAN UNION BANANA SUPPORT PROGRAMME (EUBSP)-SFA 2007 | | appui à l'indh - initiative nationale de développement humain |
| | Jamaica - EU BSP - SFA 2006 | | Appui au Développement Humain et à l'Intégration Sociale (MAR/B7-4100/IB/99/0152) |
| | poverty reduction programme | | appui institutionnel à la circulation de personnes |
| | poverty reduction programme ii | | développement rural et participatif dans le moyen atlas central - khenifra |
| | private sector development programme competitive jamaica™ | | programme d'appui aux investissements et aux exportations |
| | Special Framework of Assistance (SFA) 2008 | | Programme d'ajustement structurel du secteur de l'eau |
| | industrial modernisation programme/ejada | | programme d'appui aux associations professionnelles ii |
| Jordan | INSTITUTIONAL STRENGTHENING OF THE MINISTRY OF LABOUR OF THE HASHEMITE KINGDOM OF JORDAN. SAAR | South Africa | programme d'appui aux entreprises |
| | Izdihar - Social Empowerment and Human Rights | | BLNS- Economic Integration Support Programme - Phase 1 (SACU) |
| | Jordanian Labour Empowerment through Labour Rights | | Innovation for Poverty Alleviation (SBS to DST) |
| | Education and Capacity Building | | Local Economic Development Support in Kwa-Zulu Natal Province |
| | services modernisation programme (smp) | | Private Sector Support Programme - Risk Capital Facility (RCF) - phase 1 |
| | Strengthening the Capacity in Management, Leadership and Planning of the Ministry of Labour of Jordan | | Private Sector Support Programme - Risk Capital Facility (RCF) - phase 2 |
| | Structural Adjustment Facility III - SAF III | | programme to support pro-poor policy development in south africa (psppd) |
| | Support of the JWU Shelter to provide: protection; legal, social and psychological counselling; and rehabilitative vocational | | sector wide enterprise, employment and equity programme - sweep phase 2 |
| | support to enterprise and export development | | Sustainable Rural Development in the Eastern Cape (SURUDEC) |
| | support to poverty reduction through local development - jordan | | TABEISA II: Technical and business education initiative in South Africa - Phase II |
| Vietnam | Empowerment of Workers and Trade Unions in Vietnam | | |
| | poverty reduction support credit 6 | | |
| | support to vietnam's poverty reduction and growth strategy under prsc 4 | | |
| | support to vietnam's poverty reduction and growth strategy under prsc 5 | | |
| | support to vietnam's poverty reduction and growth strategy under prsc-3 | | |
| | vppsp - vietnam private sector support programme | | |

4.4 EC ADDED VALUE

4.4.1 NATIONAL COUNTERPARTS, EU MEMBER STATES AND OTHER NON-EU DONORS OPERATING IN THE FIELD RECOGNIZE THE EC ADDED VALUE IN A GIVEN ESI RELATED AREA AND OPERATE CONSEQUENTLY

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4.4.2 THE VOLUME AND QUALITY, IN TERMS OF AREAS COVERED AND DIALOGUE PROMOTED, OF THE EC COOPERATION IN THE FIELD OF ESI REPRESENTS A SPECIFIC ADDED VALUE OF THE EC AT COUNTRY LEVEL FOR THE PARTNER COUNTRY GOVERNMENT AND THE OTHER DONORS

57% of EUD officials consider that the EC has an added value when working in ESI related sectors. 30% do not know if the EC has an added value and 13% considers that the EC does not have an added value when working in ESI related sectors.

For those that recognize an added value, economic, social and political added value are recognized in 74, 70 and 67% of the cases.

A added value is also recognized by 59% of National counterparts (by 66% of Ministries and Public institutions officials' and by 43% of Social partners and other NSA). EC added value is mainly recognized in the economic sphere, as it was the case for EUD officials. It is closely followed by the political added value. EC added value in relation to social rights is on the contrary less recognized by National counterparts.

If we observe the perceptions of the different types of National counterparts, we find that both social and political added value are given the same weight by Ministries & Public institutions and by Social partners and other NSA. The main difference among them is the weight given to economic added value (mainly recognized by government officials) and to territorial added value (mainly recognized by NSA).

Furthermore, EC added value was recognized in all visited countries by national counterparts and other donors. Nevertheless, the exact nature was not clearly specified in all cases. When the national counterparts were able to further develop on this issue, the nature of EC added value was :

- The possibility to achieve the approximation process with specific ESI interventions (Ukraine)
- The impact of EC interventions in the policy agenda, as in Jordan:
 - The support through PALD to 18 poor municipalities helped Jordan in moving forward with its reform agenda (particularly in education

FIGURE 48 : EUD'S PERCEPTION ON EC ADDED VALUE, BY N° OF EUD

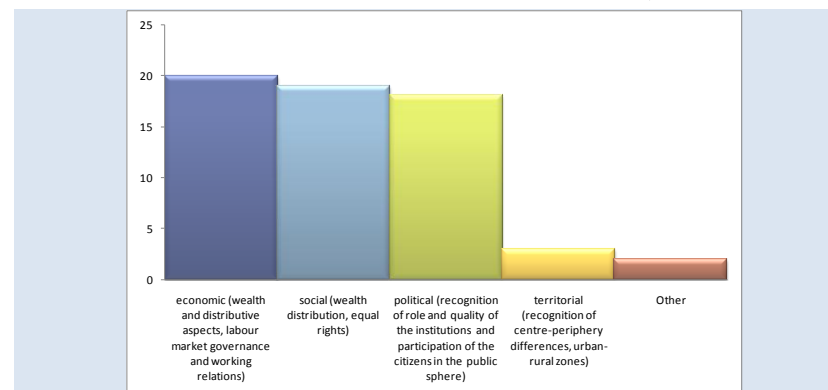
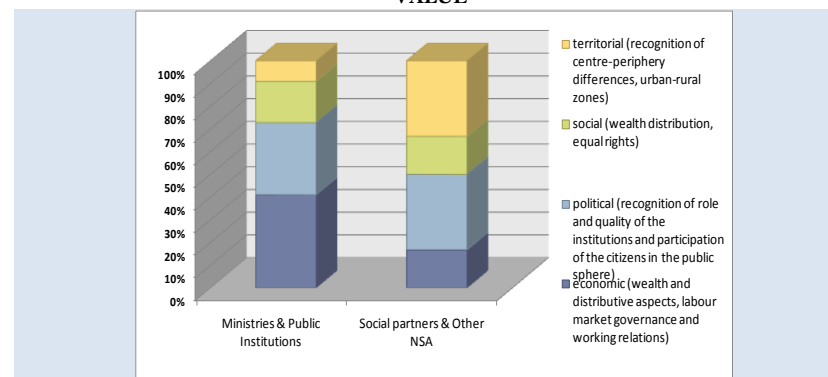


FIGURE 49 : NATIONAL COUNTERPART'S PERCEPTION ON EC ADDED VALUE



Source: Survey to National counterparts (from Ministries and Public Institutions & from Social partners and other Non state actors) in the 20 selected countries

and private sector development)

- The support to JEDCO for the Service Moderation Programme (SMP) as a follow-up to EC support to EJADA was considered as unique due to the importance of the services sector in the Jordanian economy.
 - The approach followed in SMP support was innovative as this support enabled SMEs in the service sector to develop their business methodologies for penetrating new markets.
- In South Africa, the EU's added value should be viewed in the context of the Post Paris Declaration. The fact that eleven Member States collaborated in the development of the 2007 -2013 CSP, and the establishment of the sectoral fora, allow for coherence in dialogue with the government and division of competences.

According to EUD officials, EC added value is recognized by the Government and other donors in 56% of the countries. In 20% of the countries, EC added value is not recognized.

According to National counterparts, EC added value is recognized by the Government and other donors in 58% of the cases. This % is also confirmed by the fact that 55% of the Ministries & Public institutions officials that responded to the survey consider that EC added value is recognized by their governments.

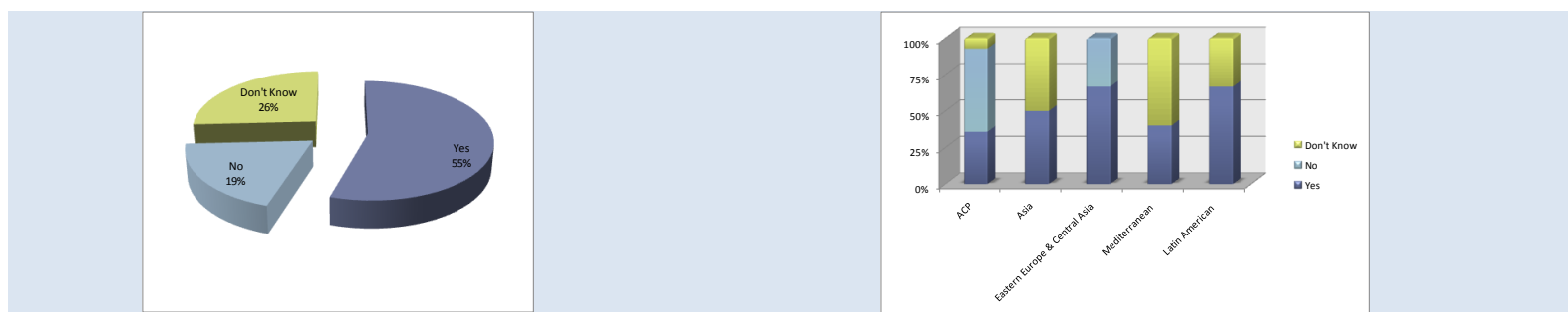
4.4.3 THE PERCEIVED DEGREE OF EC POLICY DIALOGUES' ADDED VALUE AT COUNTRY LEVEL

See also EQ 2, JC 2.2, I.2.2.2 on EC policy dialogue contribution to the definition of countries' ESI-related national policies.

According to the survey results, when a dialogue on ESI exists (and this is the case in 83% of the countries that replied to the survey to EUD), it is considered as a added value in 55% of the cases. For 26% of EUD officials it was not possible to determine whether policy dialogue represents an EC added value or not.

When analyzing the regional frameworks, Eastern Europe & Central Asia and Latin America are the regions in which this % is above the average. It is also worth noting that ACP and Eastern Europe & Central Asia are the two regions in which according to 57 and 33% respectively of EUD officials (in these regions) policy dialogue does not represent any added value.

FIGURE 50 : EUD'S PERCEPTION ON POLICY DIALOGUE AS AN EC ADDED VALUE, BY REGION



Source: *Worldwide Survey to EU Delegations*

64% of national counterparts (coming from Ministries & Public Institutions) consider EC policy dialogue as a added value. 28,5% of them were not able to assess whether policy dialogue represents an EC added value or not. There are also differences among regions. For 75% of Mediterranean national counterparts, policy dialogue represents an EC added value. For 67% of Eastern Europe and Central Asia

Sources of verification :

- Country owned alignment and harmonization initiatives
- EC global and thematic policy related documents
- International commitments
- minutes of coordination meetings
- RSP and CSP
- Project documents
- Field visits
- Interviews
- Analysis
- Questionnaire

Methods :

- Document analysis
- Qualitative analysis of interviews with EC officials, national stakeholders and other donors at country level
- Case studies
- Focus groups
- Questionnaire analysis

| | | |
|------|--|-------------------|
| EQ 5 | To what extent has EC support interventions been able to promote labour demand stimulating or enabling economic growth and job creation, and contribute to the increase of employment in a sustainable way? | |
| | Evaluation criteria : Effectiveness, Impact and Sustainability | |
| | | |
| | | Judgment criteria |
| | 5.1 EC PROGRAMMES PROMOTING ECONOMIC GROWTH AND STRUCTURAL REFORMS ADDRESS LABOUR DEMAND AND EMPLOYMENT CREATION ISSUES AND ENVISAGE MONITORING KEY INDICATORS ON LABOUR MARKET | |
| | | Indicators |
| | <p>5.1.1 PROGRAMMING DOCUMENTS OF EC INTERVENTIONS OPERATING ON THE LABOUR DEMAND SIDE INCLUDE AN ANALYSIS OF THE LABOUR MARKET AND RELATIONS WITH ECONOMIC GROWTH AND STRUCTURAL REFORMS AND EVENTUAL IMPLICATIONS OF CHANGES.</p> <p><i>SYNTHESIS: The answer to this indicator is based on the: i) analysis of the interventions in the countries selected as case studies; ii) analysis of 14 additional selected interventions in 9 countries.</i></p> <p><i>CASE STUDIES ANALYSIS</i></p> <p><i>Overall, it can be stated that a real analysis of the labour market is not included in the financing agreements of the selected programmes. However, in most of the cases there is a general overview of the economic situation/macroeconomic changes with reference (direct/or indirect) to the implications on the labour market. For instance, in Jamaica the FA of the project ‘Accompanying measures 2006 for sugar protocol countries’ provides a short summary of the consequences of the common market organization for sugar’s reform. In Morocco, for the project ‘Appui à l’amélioration de la situation de l’emploi de la femme rurale et gestion durable de l’arganeraie dans le sud-ouest du Maroc (projet arganier , the FA provides an analysis of the characteristics of the sector where women’s revenues are strictly related to the arganery activities. In Jordan, the FA of the ‘Industrial modernization programme- ejada’ provides an interesting analysis of Jordan’s economic reforms, in particular of the need to modernize the major industry and service sectors and to improve the productivity, competitiveness and export potential of the Jordanian economy in order to coop with stronger competition from neighboring and world markets the Jordanian economy.</i></p> <p><i>ANALYSIS OF 14 SELECTED INTERVENTIONS IN 9 COUNTRIES</i></p> <p><i>The analysis of financing agreements, CSPs, and related project documents, such as ROM reports and evaluation reports, shows that these documents do not include systematically a detailed study of the labour market. Nevertheless, in most of the cases there is a general overview of the economic situation/macroeconomic changes with reference (direct/or indirect) to the implications on the labour market. This is the case for example of the project ‘Apoio à inserção internacional das PMEs brasileiras’ in Brasil, for which the FA provides an interesting overview of the economic liberalization process launched in the 1990’s. For the EU – China enterprise reform project, the FA addresses rising unemployment, which seems directly affected by the reform process. In particular, an analysis of the WTO accession is provided according to which, while expected to have a positive influence in the medium- and long-term, both on the competitiveness of the Chinese economy and on the overall employment situation, it will add some pressure in the short-term, particularly on some</i></p> | |

segments of the labour market. The FA of the Egyptian Spinning and Weaving Sector Support Programme stresses how in all policy activities, the key driver of reform is the need to ensure that economic reform is coupled with social concerns, so as to ensure that the rights and interests of public sector employees are safeguarded and that the development of the private sector is conducive to a high level of employment creation.

CASE STUDIES ANALYSIS

Jamaica :

- Accompanying measures 2006 for sugar protocol countries: analysis mentioned in the summary (pag. 16):

‘The reform of the common market organization for sugar will lead to significant losses in foreign exchange earning for Sugar Protocol beneficiaries. As a consequence, Sugar Protocol beneficiaries face broad socio-economic challenges. In Jamaica, the reform of the EU sugar regime will require the sugar industry to restructure its production around the most efficient elements of industry when the price cuts are fully implemented. The implications are that as sugar production is widely distributed in the rural areas of Jamaica, there may be a significant impact upon rural employment and society, which in turn may lead to an increase in poverty and social distress unless a programme of accompanying measures can be put in place’.

- Private sector development programme ‘competitive Jamaica’: analysis mentioned in the summary (pag. 15):

‘Since about a decade, major strides have been made in enhancing the business environment and laying the grounds for an economic development where the private sector is the engine of growth, resulting in economic liberalization, privatization of public enterprises, setting up of a favorable regulatory framework and advancing towards an effective regional integration. Major studies have also been done on the weakness and strengths needs. However, the private sector is now facing tremendous challenges from the liberalization of the economy and globalization, while the inflow of FDIs has weakened and traditional export sectors have been faltering.’

Jordan :

- Industrial modernization programme- ejada: analysis mentioned in the section ‘context and characteristics of the sector’:

Jordan’s economy will be facing new challenges: the AA with the EU and the forthcoming accession to the WTO are steps towards a full trade liberalization and the globalization of the Jordanian economy. There is a pressing need to modernize the major industry and service sectors and to improve the productivity, competitiveness and export potential of the Jordanian economy in order to coop with stronger competition from neighboring and world markets....’

- Structural Adjustment Facility III - SAF III: a minor reference mentioned in the summary (pag.15)

‘..GDP growth of 5.5-6% is required to reduce Jordan’s unemployment rate...’

Morocco :

- Appui à l'amélioration de la situation de l'emploi de la femme rurale et gestion durable de l'arganeraie dans le sud-ouest du Maroc (projet arganier) : analysis mentioned in the section “context and characteristics of the sector”:

‘l’arganeraie est un écosystème dont la population locale tire de nombreux avantages, mais qui se trouve dans une phase de régression, et

dont l'exploitation traditionnelle par les femmes berbères procure des revenus substantiels aux familles au travers de l'extraction et la commercialisation d'huiles.....La zone arganière renferme une ressource naturelle renouvelable sous-exploitée par les populations locales et dont la valeur ajoutée par le travail est le plus souvent exportée hors de la région....'

- Programme d'appui aux entreprises : the analysis included in the section "context and justification of the project" does not provide any reference to the labour market

South Africa :

- Sector wide enterprise, employment and equity programme - sweep phase 2: there is no analysis

ANALYSIS OF SELECTED INTERVENTIONS IN 9 COUNTRIES

➤ Brazil, Apoio à inserção internacional das pmes brasileiras

An analysis of the labour market and the economic development is provided in the financing agreement:

'Desde finais dos anos 80, face ao progressivo esgotamento do modelo de desenvolvimento auto-centrado até então seguido, o Brasil iniciou um processo de liberalização econômica e abertura comercial que tem prosseguido até hoje, com maior intensidade e persistência a partir de meados da década de 90. Devido a várias condicionantes estruturais da economia brasileira, os resultados desse processo são ainda relativamente modestos em termos de dinamização do comércio externo: apesar de um efetivo aumento do grau de abertura da economia brasileira, traduzido pela evolução da relação comércio externo/PIB de 21,5% em 1984 para 29,4% em 2002, o peso do Brasil no comércio mundial decresceu no mesmo período de 1,27% para apenas 0,89%, denotando um comportamento menos dinâmico que a média mundial.¹¹⁴

Confrontado com estes resultados relativamente modestos, o Governo atual propõe, no seu PPA - Plano Plurianual de Desenvolvimento (2004-2007), uma estratégia agressiva de promoção da inserção competitiva do país na economia mundial. Esta estratégia inclui componentes importantes de diversificação das exportações brasileiras, visando reduzir a sua forte concentração em relativamente poucas empresas, poucos produtos e poucos mercados, promovendo a exploração de novos e mais dinâmicos nichos de mercado e o aumento do valor agregado dos produtos exportados.'.

'O PAIPME é pertinente e coerente com as prioridades do governo em relação ao desenvolvimento do comércio exterior do Brasil e à internacionalização das pequenas e médias empresas (PMEs). O seu objetivo, contribuir para a inserção competitiva das PMEs brasileiras no meio internacional, ajusta-se à Política de Desenvolvimento Produtivo (PDP) de 2008. O projeto está na linha da Estratégia de País da União Europeia (UE) para o Brasil, 2002-2006, da qual nasceu; além disso, o PAIPME responde também a aspectos específicos da estratégia de cooperação 2007-2013 para o fortalecimento do diálogo setorial entre os dois atores (UE e Brasil)...'

¹¹⁴ Fonte: *World Development Indicators Database*

➤ **China, EU - China enterprise reform project**

An analysis of the labour market and the economic development is provided in the CSP .

Background of the EU-China Enterprise Reform Project at the time of project identification and formulation in late 1999/ early 2000, was the Government policy of reforming state-owned enterprises (SOEs), and encouraging non-state-owned enterprises and vitalising the SME sector through the relaxation of controls (the “Two Decisions”). It was argued that this policy would result in unacceptably high social cost of enterprise reform, which potentially could slow down the reform process. Transformed SOEs would neither provide the social services (as prior to the reform) nor would the SOE-SMEs or new SMEs create sufficient jobs to absorb the manpower of the former SOEs.

This issue was identified as the key problem for the project to address and translated into the focus on SME contribution to provincial GDP and employment. Four key problems underlying the insufficient growth of SMEs were identified:

- limited access to credit (working and investment capital)
- limited access to information on “market opportunities or the demands of non-domestic customers”
- limited access to information on new and appropriate technology
- limited access of the use of modern management tools

Here below some relevant text extracted from the CSP:

‘...Unemployment, particularly in urban areas and inadequate social protection are threatening the social cohesion. The pursuit of sustainable development, including protection of the environment and control of illegal migration are issues of considerable Chinese an international concern.

China is pursuing its move from a highly centralised economy to that of a market economy through a number of reforms in the economic, social and legal fields. Prime Minister ZhuRongji stressed during the National People’s Congress (NPC) of March 2000 that:

“Development is the absolute principle and the key to solving the problems we are facing. Only by sustaining rapid economic growth on the basis of better performance can we mitigate the operating problems facing enterprises, lighten unemployment pressure, make structural adjustments possible and deepen reforms. This is also essential in order to increase state revenue, prevent financial risks and maintain social stability.”

.. addressing rising unemployment, which now seems directly affected by the reform process. WTO accession will be an important factor in this respect. While expected to have a positive influence in the medium- and long-term, both on the competitiveness of the Chinese economy and on the overall employment situation, it will add some pressure in the shortterm, particularly on some segments of the labour market,....’

➤ **Dominican Republic, Programme d'appui aux petites entreprises**

An analysis of the labour market and the economic development is provided in the financing agreement according to which: ‘la republique dominicaine fait aujourd’hui partie du groupe de paus connaissant une forte corissance. Les reformes macro-economiques entreprises ces dernieres annees ont permis notamment une reduction de la dette exterieure,(...)

Trois secteurs de concentration, le tourisme, la construction et les telecommunications, peu integres au reste de l’economie, contribuent, en effet, a 60% de la croissance du apys mais en distribuent assez peu les benefices notamment en termes d’emploi. Les secteurs traditionnels de

l'agriculture et de l'industrie domestique souffrent d'un manque de compétitivité. Le présent programme a été élaboré à partir notamment des études préparatoires menées de manière participative par le programme DIAGNOS, qui ont permis de poser un diagnostic précis du secteur privé. Le programme vise à appuyer le développement des petites entreprises à fort potentiel de croissance susceptibles d'apporter la meilleure contribution aux objectifs sociaux et économiques de création d'emploi, de distribution des bénéfices de la croissance et de modernisation de la base productive du secteur privé domestique. (FA)

➤ **Egypt, Financial Investment and Sector Co-operation (SDF)-Social Component**

An analysis of the labour market and the economic development backs the intervention objectives. As reported in several project documents (FA, Rom, Final Evaluation), Since the year 1991 the Egyptian government started the implementation of comprehensive economic reforms and structural adjustment programs, especially in the areas of financial liberalization, trade, investment etc....., Although important reforms have been implemented, problems of high unemployment exacerbated by the population growth remain.

The financial sector is divided between banks which target the small enterprises and a number of NGOs targeting the micro enterprises. The status of micro finance institutions or non bank financial institutions is not specific at this stage in Egypt. The growth of MSEs in Egypt accelerated in recent years with the introduction of the USAID supported program for Micro Finance Institutions (MFIs) as well as a number of other donor supported programs; Commercial banks increased financing of the sector, (Cairo Bank, Misr bank, National Bank for Development (NBD), Bank of Alexandria, etc.) together with SFD managed programs. However meeting the remaining large unmet demand will require the mobilization of commercial capital which cannot be satisfied by government and donor funding alone but will require the integration of microfinance into the formal financial sector.

SFD was created in 1991 as a social safety net mechanism aiming at mitigating the negative social impact of the Economic Reform and Structural Adjustment Programme (ERSAP). Since then, the SFD has developed into an organization mobilizing national and international resources to invest in social development with special attention to job creation through Micro and Small Enterprise (MSE) development and the enhancement of the quality of life of low-income groups.

➤ **Egypt, Financial Investment and Sector Co-operation –Rural Component:**

An analysis of the labour market and the economic development backs the intervention objectives. As reported in several project documents (FA, Rom, Final Evaluation), The liberalisation of Egypt's economy in the late „80 put the agriculture & agro-industry as critical sectors in the privatisation process. The agricultural policy reform programme established important improvements in production on basic food crops even if the recent international recession is endangering most of the positive results obtained, i.e. in limiting the wheat, sugar,...

The FISC-R project was implemented when, in the last few years, Egypt registered a number of important budget deficits. In this period the central Government deficit was respectively: 8.3 % of GDP in 2006, and 8.1% in 2007. In spite of expected improvement efforts towards reduction the budget deficit and fiscal consolidation is going on. The main target of FISC-R was to provide credit including the disadvantaged groups in the rural areas through commercial banks.

➤ Egypt, Spinning and Weaving Sector Support Programme

An analysis of the labour market and the economic development is provided in the FA, according to which Egypt's textile sector is a comprehensive one, starting with cotton growing (half a million households) moving to trade (local and export) of cotton lint and up to spinning, weaving, finishing until final transformation in apparels and garments for local consumption and export. Altogether, up to two million jobs are involved directly or indirectly. (...) In the last decade, a deep crisis has been experienced by the whole sector showing in a marked decline of planted areas, production and yields, and also of domestic consumption of cotton. Exports of cotton lint have even stagnated in the last years.

Against this background, the public sector spinning and weaving industry is facing serious difficulties today and is finding itself in a critical situation calling for decisive action to be taken by the Government. Given the complementarity and mutual dependence between the public and private sectors in Egypt, it is widely accepted that the situation in the public sector is also directly affecting the competitiveness of the private sector as a whole.

Therefore, the Government of Egypt has embarked on a far reaching plan aiming at restructuring its public sector companies, while including, where appropriate, divesting the State from its still dominant presence in textile industrial transformations and at liberalising all textile-related economic transactions. These two main reform moves would be complemented with carefully targeted social measures, allowing for a smooth transition towards an efficiently-run and competitive textile sector.

This official policy of the GoE is enshrined in a document presented on January 2003 to the European Union by the Ministry of Public Enterprise (Reform of the Egyptian Spinning and Weaving and Textile Industry) and confirmed by a number of steps, taken in the indicated direction by the Cotton and Textile Industries Holding Company (HC). In parallel, the Egyptian Government is working to define an industrial policy aimed at developing the private sector and upgrading its competitiveness.

Furthermore, the Government of Egypt has officially adopted a specific strategy for the cotton sector, with the collaboration of GTZ. In all such policy activities, the key driver of reform is the need to ensure that economic reform is coupled with social concerns, so as to ensure that the rights and interests of public sector employees are safeguarded and that the development of the private sector is conducive to a high level of employment creation. (FA)

➤ El Salvador, Fortalecimiento de la Competitividad de la MYPE en El Salvador (FOMYPE).

An analysis of the labour market and the economic development is provided in the FA, according to which 'el Proyecto se basa en la propia agenda de desarrollo de El Salvador, ya que:

- Se dirige hacia un sector considerado como prioritario por el Gobierno de la República, como es el desarrollo de las MYPES (Micro y Pequeñas Empresas);
- Se contribuirá al cumplimiento de la Política Nacional para la Micro y Pequeña Empresa, conducida y coordinada por CONAMYPE, que establece que es necesario mejorar la competitividad de las MYPES y su capacidad para integrarse en los mercados, mediante la ejecución de acciones destinadas a mejorar el emprendimiento, la formación de sus recursos humanos, el desarrollo de la calidad, el acceso a servicios financieros, la asistencia técnica especializada y servicios de apoyo a la comercialización, entre otros;
- Se propone actuar conjuntamente y coordinadamente con otros Proyectos, cooperantes e instituciones de apoyo y promoción de las

MYPES.

Por último, es relevante indicar que El Salvador, sede de la Secretaría del SICA, está firmemente comprometido con una mayor liberalización comercial en la región de América Central a fin de reducir costes, incrementar la competitividad y fomentar las exportaciones. La apertura comercial y los Tratados Comerciales, especialmente las posibilidades que ofrecerá la integración centroamericana, un acuerdo de Cooperación Económica y de libre comercio con la Unión Europea, que potencie el *partnership* de los países de la región con Europa, y un tratado de libre comercio con los E.E.U.U, suponen exigencias cada vez mayores de productividad y sobre todo, de mejorar la oferta exportable. En este sentido, los diferentes componentes de este Programa financiado por la UE están destinados a reforzar los vínculos económicos entre las empresas de El Salvador y de la UE, así como los intercambios entre El Salvador y el resto de países de América Central, en línea con uno de los objetivos fundamentales del CSP para el sector productivo mencionado más arriba.

➤ **Niger, Programme d'appui a la securite alimentaire par la petite irrigation (asapi)**

An analysis of the labour market and the economic development is not provided in the FA or the project documents. However, as reported in the ROM 'la composante 'microfinance' est bien intégrée dans la stratégie nationale de développement de l'irrigation et de collecte des eaux de ruissellement. Elle est pertinente et sa stratégie opérationnelle de mise en oeuvre, simplifiée et reformulée dans l'avenant n°1 du 22/12/04, a porté ses fruits. Cette nouvelle stratégie concentre désormais ses activités sur 19 terroirs d'interventions prioritaires et réorganise les actions autour de deux axes principaux, axe I: la structuration des terroirs et axe II: la sécurisation des productions agricoles. ASAPI est l'exemple par excellence d'une adaptation réussie'.

➤ **Russia, E-skills for SMEs**

An analysis of the labour market and the economic development is provided in the CSP 2002-2006. The intervention falls within the general scope of making Russian economy more attractive and competitive.

'After a decade of virtually uninterrupted economic decline, gross domestic product (GDP) grew by 3.5 % in 1999 and 8.3 % in 2000 and industrial output increased by 8.1 and 9.2 % respectively. The resumption of growth was primarily attributable to import substitution effects after the devaluation of August 1998, and to the sharp increase in Russia's oil, gas and commodity exports prices. But sound fiscal and monetary policies, a steady economic policy direction and political stability are likely to have also contributed to this positive trend. In a less favourable environment, the GDP growth rate is expected to be maintained, even if at a lower level, with an official target of 5.5% for 2001 and 4% for 2002. (...)Russia still faces formidable hurdles in the process of transition of its economy and society, in spite of considerable progress made since 1991 towards the establishment of a democratic political system and a market economy governed by the rule of law. (...)Recent stability and economic growth could be threatened in the longer term by inadequate economic policies preventing the required massive investment efforts. Much remains to be done in Russia in respect of key reforms to improve the business and investment climate. These include seeing through a serious reform of the judiciary; an attractive regime for investment in the energy sector; modern rules on corporate governance; transparent bankruptcy procedures, further reform of the tax system, the banking sector, and the pension and social system' (CSP, 2002-2006).

➤ **Tanzania, Tanzania Annual Action Plan 2007 Accompanying Measures for Sugar**

An analysis of the economic development is provided in the Annual Action Plan 2007, according to which the prevalence of income poverty in Tanzania is high. Despite high growth rates over the last ten years, average GDP per capita remains very low, around \$US300, which is half the average of Sub-Saharan Africa. Poverty is high especially in rural areas where 87 percent of the poor population live, and is highest among households who depend on agriculture. Tanzania will be affected by the reform of the European Sugar market. The Government of Tanzania has produced a National Strategy on how to adjust to the new EU sugar market regime. In response, the European Commission (EC) has drafted a strategy for the period 2006-2013 and a multi-annual implementation programme for the period 2007-2010 on how to support the national plan for adjusting to the new price regime. At present, sugar production is profitable on the national market. Sugar production is equally profitable at regional and world market levels at current prices but with variation between factories. Average production costs as well as transport costs are important areas of sugar production management in order to maintain financial sustainability.

➤ **Tanzania, Trade Support and Agriculture Programme (TSAP)**

An analysis of the labour market and the economic development is provided in the Identification Fiche.

Direct drivers of Tanzania's recent growth acceleration were (a) efficiency gains due to economic reforms, (b) aid financed increases in government spending, and (c) area expansion in the agriculture sector. There is some concern about the sustainability of Tanzania's economic growth, as the impact of these factors is bound to decline in the medium term. (WORLD BANK, 2006). Increased productivity, saving and investment by the private sector are therefore required to complement the Government's efforts to accelerate economic growth in the long run. The primary agriculture contributes more than 45 percent of GDP, approximately 60% of export earning, and 82 percent of the population derive their livelihoods from agriculture. Between 2000 and 2004, growth in the agriculture sector has accelerated to an average of 5.1 percent annually whereas the NSGRP targets 10% growth in the sector. The growth of this sector is central to Tanzania's overall growth performance and its success in reducing poverty. Given Tanzania's agricultural potential, there is significant scope for reducing poverty by measures that would foster growth in agriculture and thus the incomes of farmers. Trade plays a special role in providing opportunities for growth. Apart from minerals, the majority of Tanzania's export commodities are agricultural commodities, including fish, coffee, cotton, tobacco and spices (traditional commodities) as well as horticulture and floriculture (non-traditional).¹¹⁵ There are long term downward trends in world markets for which Tanzania is a price taker, but a strategy of producing high quality and high value products, target speciality and high standard markets can mitigate general price trends. Skills and capacities are required for further diversification of a limited set of exported commodities. Especially smallholder farmers face a particular challenge to participate in accessing more lucrative markets segments or diversify production.

Producers face several challenges, including:

(1) Product quality and production costs challenge competitiveness

At small holder level, both quality and costs are highly affected by non- availability of high quality planting material and efficient extension services¹¹⁶. Improvements in this area are the mandate of various research institutions. Some of these are stakeholders

¹¹⁵ See GOT (2005) for comprehensive overview and discussion

¹¹⁶ See for instance GOT (2007c)

| | |
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| | <p>managed, for example in the area of coffee and tea, and foreseen for sugar and perhaps cotton¹¹⁷. Research for other commodities and products are delivered by government institutions. The accountability of research to stakeholders through management by board of directors, as opposed to civil service management structures, has proven to be successful. Financial resources are currently not sufficient for stakeholder managed research institutions to meet the respective demand for planting materials and extension. There might be possibilities for research in other commodities to become stakeholder managed in future. ¹¹⁸</p> <p>(2) Limited access to high quality, speciality, niche, and other remunerative markets of both traditional (aquaculture, coffee, tea, cotton, spices) and non-traditional commodities (horticulture, floriculture) on international markets as well to innovative markets such as organic or fair trade.</p> <p>Large scale commercial 'pioneers' have better access to better information and more lucrative markets as compared to small holder farmers. Small holder farmers face problems of economies of scale, limited commercial and technical skills, and access to market intelligence. Priority areas include access to market information on specific trade standards including both official and retailer imposed (e.g. EUREPGAP, HACCP). These services are not sufficiently delivered by Government,¹¹⁹ and require complementary services by specialised service providers.</p> <p>(3) Limited participation in policy formulation and trade negotiation.</p> <p>Both private and public sector players are lacking high level professional skills and competences as well as financial capacities to engage in meaningful policy dialogue in trade related negotiations. This has made the private sector needs not to be sufficiently addressed. Existing support measures are not sufficient to address the needs.</p> <p>➤ Tunisia, FAS III</p> <p>An analysis of the the economic development is provided in the FA. However, the intervention does not directly involve labour market components being its first target the competitiveness of the private sector and the restructuring of public sector.</p> <p>'La Tunisie, à la veille de s'engager dans son Xe Plan (Indicatif) de Développement, se trouve face à plusieurs défis d'envergure qui, sans réponse appropriée en temps utile, pourraient compromettre à l'avenir la bonne performance économique enregistrée depuis le VIIe Plan, ainsi que les progrès sociaux qu'elle a permis. Le cadre macro-économique du Xe Plan ambitionne donc de faire passer le taux de croissance réelle moyen de 5,3% (IXe Plan) à 5,7% , sachant qu'il est passé de 4,6% à 5,3% entre les VIIIe et IXe Plans. L'atteinte de cet objectif suppose que le taux d'investissement soit accru, que son efficience soit renforcée, et donc (par implication) que la part du privé y soit augmentée à 60% du total¹²⁰. Or, par rapport à ces objectifs, il faut constater que l'environnement des affaires, dont dépend le dynamisme et la capacité</p> |
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¹¹⁷ See Appendix 4 for further explanation on stakeholder managed research

¹¹⁸ see Appendix 6 for further explanation

¹¹⁹ See GOT (2007a), (2007b), (2007c)

d'investissement du secteur privé, souffre encore d'un système d'incitants déficient. La complexité des catégories créées pour rendre une entreprise éligible à certains avantages incitatifs (34 types d'entreprises) et les discriminations existantes en défaveur des activités « on-shore » se traduisent par des distorsions préjudiciables à l'efficacité générale'(FA).

➤ Tunisia, PMI

An analysis of the labour market and the economic development is provided in the FA and the related project documents.

'L'Accord d'Association entre l'Union Européenne et la Tunisie prévoit un démantèlement tarifaire progressif à échéance 2008. Des zones de libre échange ont été créées avec le Maroc, l'Egypte, la Jordanie, les pays de la Ligue Arabe, avec une échéance 2005 dans la plupart des cas. L'accord « Multifibres » arrive à échéance, ce qui permet aux produits textiles d'extrême orient d'augmenter leur pression sur les marchés mondiaux-alors que le textile représente une part importante des exportations tunisiennes. Ces facteurs internationaux obligent le secteur productif tunisien à améliorer son efficacité et sa compétitivité. De plus, la Tunisie doit créer des emplois nouveaux pour éviter l'aggravation du taux de chômage. En regard, le tissu industriel est dominé par les PME, la prise de conscience de la nécessité de la qualité, du marketing, et des technologies de la communication est récente, la productivité est encore insuffisante, les équipements sont souvent anciens, et les PME ont du mal à obtenir des financements. C'est pourquoi le Gouvernement Tunisien a lancé en 1995 le Programme National de Mise à Niveau (PMN). Le Programme de Modernisation Industrielle (PMI) s'inscrit dans le cadre du PMN. Il continue également deux autres actions financées par la Communauté Européenne: Le programme triennal de promotion de la qualité et le programme de développement du secteur privé « Euro-Tunisie Entreprise ».'

➤ Tunisia, PAC I

An analysis of the the economic development is provided in the FA. However, the intervention does not directly involve labour market components being its first target the competitiveness of the private sector and the restructuring of public sector.

'La Tunisie, dont le système bancaire est fermement régulé par la BCT et peu ouvert sur l'extérieur, a été très peu affectée par la crise financière de l'automne 2008. Il n'en est pas de même pour ce qui est de la crise économique mondiale qui s'installe. (...)

Cependant, sur l'année 2008 l'impact de ces facteurs négatifs reste relativement limité, comme le révèlent les résultats chiffrés de l'année (source: MDCI) qui montrent:

- Une croissance du PIB de 4,6% alors qu'elle était initialement prévue à 5,1%,
- Une forte croissance des Investissements Etrangers Directs, qui sont passés de 2157 M Dinars en 2007 à 3325 M Dinars en 2008 (on admettra cependant que la performance de 2008 dans ce domaine est exceptionnelle)
- Un solde des échanges extérieurs stable, la baisse des exportations au quatrième trimestre ayant un impact limité sur les comptes de

¹²⁰ L'objectif qui était de la faire passer à 56,0% sous le IX^e Plan n'a pas été atteint, le « bond » à effectuer étant donc cette fois de 53,2% (fin du IX^e Plan) à 59,8% (fin du X^e Plan).

l'année

- Une poursuite de la croissance des revenus du tourisme (+ 4,5% en 2008)
- Une nette augmentation du secteur des services (+ 13,5%)
- Une légère baisse de la production agricole.

De même, les principaux indicateurs économiques pour 2008 tels qu'ils nous ont été communiqués par le MDCI sont plutôt satisfaisants dans l'ensemble, surtout compte tenu du contexte mondial; ils montrent:

- Un déficit budgétaire (hors dons et privatisations) inférieur aux prévisions: 1,2 % du PIB contre 2,8 % attendu, dû essentiellement à un bon comportement des recettes fiscales et non fiscales
- Des investissements (FBCF) supérieurs aux prévisions: 25,3 % du PIB contre 23,7 attendus
- Un taux d'endettement extérieur supérieur aux prévisions: 47,5 % du PIB au lieu de 43,7 % attendu
- Des réserves de change équivalentes en moyenne à 139 jours d'importations
- Une inflation nettement en hausse à 5 %, contre 2,8 % prévus.

La Bourse de Tunis a remarquablement bien résisté à la crise jusqu'à présent. (...)

Les prévisions économiques pour 2009 sont difficiles à établir du fait des incertitudes qui pèsent sur la conjoncture mondiale. Les estimations du taux de croissance du PIB varient sensiblement selon les sources. Le MDCI table sur une croissance assez soutenue, comprise entre 4 et 4,5%. Il fonde ses espoirs sur:

- une sensible augmentation de la demande intérieure, résultat de la politique de soutien de la consommation et des investissements mise en œuvre par le gouvernement
- une hausse de la production agricole (environ 12% du PIB) du fait de conditions climatiques favorables
- une baisse du coût des importations, des hydrocarbures notamment, venant compenser partiellement une baisse attendue des exportations de l'ordre de 20%.

Les prévisions du MDCI et du Ministère des Finances pour 2009 font apparaître les indicateurs principaux suivants:

- | | |
|--------------------------------|---------------|
| - Croissance du PIB: | 4,5 % |
| - Investissement: | 26,0 % du PIB |
| - Taux d'épargne nationale: | 22,2 % " |
| - Solde des échanges courants: | - 2,7 % " |
| - Déficit budgétaire | 3,0 % " |
| - Inflation | 3,5 % " |

5.1.2 EXTENT TO WHICH THE ABOVE TYPE OF IDENTIFIED PROGRAMMES INCLUDES SPECIFIC OBJECTIVES AND MEASURES RELATED TO LABOUR MARKET DEMAND AND PROMOTION OF EMPLOYMENT CREATION.

SYNTHESIS: *The answer to this indicator is based on the: i) analysis of case studies; ii) analysis of 16 additional selected interventions in 9 countries*

CASE STUDIES ANALYSIS

Overall, it can be stated that in most cases the identified programmes address among their overall or specific objectives as well as measures issues relating to labour market demand and/or employment creation. Specifically, most of the projects target job creation via promotion of the private sector and, in particular, SME's support. For instance, the project 'Sector wide enterprise, employment and equity programme - sweep phase 2' aims to maximize the impact of the Integrated Manufacturing Strategy to accelerate the growth and equity and employment of the South African economy. The Vietnam private sector support programme' global objective is poverty alleviation and job creation via promotion of the private sector, in particular of Vietnamese small and medium enterprises and its integration into the international economy. The 'Industrial modernization programme-ejada' in Jordan envisages the introduction of financial support schemes for SMEs, and for start-ups, which should eventually promote employment creation.

ANALYSIS OF 16 ADDITIONAL SELECTED INTERVENTIONS IN 9 COUNTRIES

The analysis of financing agreements, CSPs, and related project documents, such as ROM reports and evaluation reports, shows that in most cases these projects address labour market demand and promotion of employment creation among their objectives and/or measures. For instance, the main purpose of the project 'BRAC – Challenging the Frontiers of Poverty Reduction' is that improved livelihood practices of the poor, particularly the ultra poor, are established as a replicable model and debated by development partners at the national level. A 'Special Investment Programme' (SIP) and the 'Employment and Enterprise Development Training (EEDT)', are among the key outputs and activities. In particular, the activities of the programme will have the following expected results in terms of labour market demand and employment creation: i) By the end of the programme the specially targeted ultra poor will be aware of development issues and confident to access BRAC and other services. ii) The ultra poor will be capable of undertaking selected Income Generating Activities.

The main goal of the Egyptian project 'Financial Investment and Sector Co-operation (SDF)-Social Component' is poverty reduction and socio-economic development through employment creation and income generation for low-income groups, with a special attention to women. Instead, other projects target only indirectly labour market. This is the case, for example, of the project

In Niger 'appui a la securite alimentaire par la petite irrigation (asapi)', where Employment creation is not the main goal. However, by targeting food security, the project aims to make sustainable agricultural activities and their revenues.

CASE STUDIES ANALYSIS**Jamaica:**

- Accompanying measures 2006 for sugar protocol countries: no specific goal or measure.
However, economic diversification in sugar-dependent areas is one of the expected results, which relates to a certain extent to labour market demand and employment creation.
- Private sector development programme 'competitive Jamaica': no specific goal or measure.

Jordan :

- Industrial modernization programme-ejada: the introduction of financial support schemes for SMEs, and for start-ups, which should eventually promote employment creation.

- Structural Adjustment Facility III - SAF III: no specific goal or measure.

Morocco :

- Appui à l'amélioration de la situation de l'emploi de la femme rurale et gestion durable de l'arganeraie dans le sud-ouest du Maroc (projet arganier) : no specific goal or measure.
- Programme d'appui aux entreprises : in the area of 'SME modernization', the programme aims to reinforce the Moroccan consultancy and its participation to process of modernization of the economy

South Africa :

- Sector wide enterprise, employment and equity programme - sweep phase 2: the purpose of the SWEEP programme is to maximize the impact of the Integrated Manufacturing Strategy to accelerate the growth and equity and employment of the South African economy.

Vietnam :

- Vppsp - Vietnam private sector support programme: the global objective is poverty alleviation and job creation via promotion of the private sector, in particular of Vietnamese small and medium enterprises and its integration into the international economy.

ANALYSIS OF 16 SELECTED INTERVENTIONS IN 9 COUNTRIES:

• **Bangladesh, Proshika: towards a poverty free society:**

The vision of Proshika, as is the Project Purpose (PP), is to enable one and a half million households to graduate permanently from poverty level of existence (TK48,000 P.A.) by the year 2004. Proshika is an NGO and claims to be one of the largest in Bangladesh. The core activity of the organisation is the foundation of primary groups each consisting of 30 people.

These groups actively participate in good governance, woman's rights, education, health etc. The large micro-credit component plays an important part in the overall activity of the organisation. Proshika also operates a number of income generating activities including poultry, dairy and silk farms, fisheries, fabric production and dying, and one of the countries largest Internet providers.(FA).

• **Bangladesh, BRAC – Challenging the Frontiers of Poverty Reduction:**

The programme's **overall objective** is poverty reduction through replication of established livelihood models by development partners. The project's **purpose** is that improved livelihood practices of the poor, particularly the ultra poor, are established as a replicable model and debated by development partners at the national level.

The **outputs** and **activities** cover four main components: a Special Investment Programme (SIP), Employment and Enterprise Development Training (EEDT), Social Development and Advocacy, and Essential Health Care (EHC). Several of the outputs involve collaboration with, or attempts to, influence poor people's access to Government services, and there is a specific advocacy output seeking to raise awareness of poverty

reduction initiatives for the ultra poor. The **target beneficiaries** will number approximately 6 million households. The majority of resources will go to 1.3 million ultra poor women, of whom 70,000 households in the poorest regions of the country will receive an intensive package of assistance. The programme builds on BRAC's experience in some of these areas, where impact assessment suggests they have had some limited success in reaching the ultra poor. The most innovative component of the project, the Special Investment Programme targeted at 70,000 ultra poor households, will be subject to a two year pilot.

The activities of the programme will have the following expected **results in terms of labour market demand and employment creation**:

- By the end of the programme the specially targeted ultra poor will be aware of development issues and confident to access BRAC and other services.
- The ultra poor will be capable of undertaking selected Income Generating Activities.
- The specially targeted ultra poor will have had access to appropriate productive assets, subsistence allowance, free basic health services and the provision of selected health products ensured at subsidy or cost price. (FA)

➤ **Brazil, Apoio à inserção internacional das pmes brasileiras**

Os objetivos do projeto respondem às necessidades dos beneficiários: pequenas e médias empresas, organizações e entidades intermédias que as apoiam para promover a exportação, e departamentos governamentais relevantes em matéria de políticas públicas para a internacionalização das PMEs. Os objetivos continuam sendo prioritários para todas as partes envolvidas. O quadro lógico (QL), de boa qualidade, reflete claramente a lógica do projeto. A intervenção contempla ações a três níveis: nível Macro (do ambiente institucional e regulatório), Meso (das instituições que promovem a exportação e apoiam as PMEs) e Micro (das próprias PMEs). Esta estruturação facilita o alcance dos objetivos programáticos. Cada um dos 3 resultados responde de uma forma concreta à necessidade de fomentar e consolidar uma cultura de exportação entre as PMEs brasileiras.(ROM)

➤ **China, EU - China enterprise reform project**

The FA outlines the project concept under the section (objectives) whereby its “specific purpose” is defined as “an increased and sustainable contribution of the SME sector to provincial GDP and employment”. Two results are specified, being

- Two provincial SME Promotion & Development Centres providing support to SMEs via a network of municipal SME Advice & Information Service Centres
- Two provincial Credit Guarantee Funds (PCGFs) providing re-guarantees to municipal Counter Guarantee Funds (MCGFs) to support the provision of loan finance to SMEs.(FA)

➤ **Dominican Republic, Programme d'appui aux petites entreprises**

The program contributes to improving the business environment and the strengthening of small industrial and commercial companies totaling

more than 25.000 units the country and generating about 300,000 jobs. In addition, the program can be considered as part of the overall national response to the entry into force of the free trade agreement DR-CAFTA, which could have negative consequences for the sector. (FA, ROM)

➤ **Egypt, Financial Investment and Sector Co-operation (SDF)-Social Component**

The project main goal is poverty reduction and socio-economic development through employment creation and income generation for low-income groups, with a special attention to women.

SFD was created in 1991 as a social safety net mechanism aiming at mitigating the negative social impact of the Economic Reform and Structural Adjustment Programme (ERSAP).

Since then, the SFD has developed into an organization mobilizing national and international resources to invest in social development with special attention to job creation through Micro and Small Enterprise (MSE) development and the enhancement of the quality of life of low-income groups.

To fulfil its mission, SFD aims at creating employment opportunities for new graduates, unemployed youth, and low-income groups through the encouragement of small enterprises both newly established and already existing. The SFD has a number of programs (instruments) through which strategic objectives are achieved; they are:

- 1- Small Enterprise Development Organization (SEDO)
- 2- Micro Credit Sector (MFS)
- 3- Development and Non Financial Services Group (DNFSG)
- 4- International Cooperation Group (ICG)
- 5- Planning and Monitoring Group (PMG)

➤ **Egypt, Financial Investment and Sector Co-operation –Rural Component:**

The overall objective is to increase income and create job opportunities in rural areas Purpose: Rural businesses have sustained access to the FISC – Rural credit scheme The main target of FISC-R was to provide credit including the disadvantaged groups in the rural areas through commercial banks.

FISC-R has two Components:

Component I: A credit line to finance private activities in the following areas: (i) post-harvest activities (ii) agricultural input supply (iii) marketing.

Component II: Activities focused on improving the access of the credit facilities to the target-groups and on institutional strengthening of banks and intermediaries (co-operatives, NGOs)

Expected Results: (i)Facilitated access to credit of the target groups including the small and medium farms ;(ii) increased awareness, and

consequently use, of the credit line by the target groups; (iii) extension of the client base to other agricultural/rural sub-sector areas not covered by ASDP.

➤ **Egypt, Spinning and Weaving Sector Support Programme**

The overall objectives of the programme are: Increase resource allocation and sectoral efficiency in the economy; Strengthen international competitiveness of the textile industry; Upgrade labour skills and employability, in particular in the textiles sector, to ensure sustainable economic growth and raise the standards of living of the concerned population;

The specific objective of the programme is to create a modern, market driven, competitive spinning, weaving sector, capable of generating jobs and employment opportunities

Among the relevant expected result, there are the following:

- Social climate is improved, clearly distinguishing social obligations from the Government and social and employment opportunities by the sector
- Redundant workers are upgraded and reemployed productively;

➤ **El Salvador, Fortalecimiento de la Competitividad de la MYPE en El Salvador (FOMYPE).**

Employment creation and/or labour market related goals are not explicitly mentioned in the document projects. As reported in the text here below, the main aim of the project is to increase private sector competitiveness.

El objetivo general es de contribuir al desarrollo de la Competitividad de las MIPYMES salvadoreñas y coadyuvar con ello al desarrollo socio-económico del país. Los objetivos específicos son de facilitar el acceso de las MYPEs de El Salvador a una gama más amplia de Servicios de Desarrollo Empresarial, como instrumento clave para la mejora de la competitividad.

➤ **Niger, Programme d'appui a la sécurité alimentaire par la petite irrigation (asapi)**

Employment creation is not the target of this intervention. However, by targeting food security, the project aims to make sustainable agricultural activities and their revenues. As reported in the FA ' L'objectif global du programme ASAPI est de contribuer a l'amelioration des conditions de vie en renforçant la securite alimentaire de la population nigerienne. L'objectif specifique est de rendre les populations des regions de Madaoua et de Zinder moins vulnérables aux crises alimentaires et d'augmenter de facon durable les revenus agricoles des beneficiaires'.

➤ **Russia, E-skills for SMEs**

Employment creation is not the target of this intervention.

The Overall Objective (OO) of the project is "to foster economic growth, efficiency and competitiveness of the Russian economy through expanding ICT [Information, Communication and Technology] based business in companies ". The project is part of the Co-operation Action

Programme (AP) 2002 in the Baltic Sea Region for the Russian Federation and fully in line with it. The AP states “E-skills is one of the priorities on the Northern e-Dimension Action Plan (NeDAP), which is an initiative launched by the Council of Baltic Sea States. The project aims at enhancing the Russian SMEs competitiveness and facilitating their business cooperation with EU SMEs, by bridging the ICT gap between Russian and EU SMEs.

The Project Purposes (PPs) are: to promote ICT based business operations in SMEs through benchmarking; awareness raising and building local consultancy capacity in the field of ICT based business; to enhance performance and efficiency of SMEs through improved e-skills and competences of their staff; to capitalize cross-sectoral best practices of ICT potential in SMEs and disseminate them to other companies and stakeholders.(ROM)

➤ **Tanzania, Tanzania Annual Action Plan 2007 Accompanying Measures for Sugar**

The overall project objective is sustainable poverty reduction through sugar production in Tanzania. The specific objective is efficiency and net income of smallholder sugar farmers sustainably increased by 2010 by improving support services and enhancing the environmental sustainability of sugar production. In particular, the project will address the inefficiencies in the small holder production process and expects to achieve results in the areas of outgrower infrastructure and farming development, environmental management and project management. The planned result areas include:

- the rehabilitation of farm access roads at outgrower level,
- outgrower institutional development,
- improved environmental management, and
- efficient project management.

➤ **Tanzania, Trade Support and Agriculture Programme (TSAP)**

The overall objective is to contribute to sustainable poverty reduction efforts through enhanced participation of smallholders in trade, at domestic, regional and international levels.

The specific objective of the programme is to address key supply side constraints and improve competitiveness of smallholder's (including women's) products.

The programme is expected to achieve the following results: 1) Competitiveness is raised for key commodities through improved services by stakeholder managed research institutions; 2) Market access of small holder farmers through technical and commercial skills and competencies is improved; 3).Broadened participation in trade policy formulation, encompassing state and non-state actors

➤ **Tunisia, FAS III**

This intervention does not include specific objectives related to the labour market and employment creation.

L'objectif général du Programme est de renforcer le degré de compétitivité générale de l'économie tunisienne, dans le contexte de son intégration évolutive dans les marchés mondiaux. Cet objectif est d'ailleurs inséparable de celui qui est poursuivi par le Xe Plan, à savoir une participation fortement accrue du secteur privé à l'investissement national et à une croissance réelle supérieure soutenue, croissance à laquelle la Productivité Totale des Facteurs doit à l'avenir contribuer de manière plus importante (44% au lieu de 36% pendant la période 1997-2001).

Les objectifs spécifiques assignés au programme pour sous-tendre l'atteinte de l'objectif général formulé ci-dessus sont les suivants :

- A. Renforcer la stabilité du cadre macro-économique
- B. Améliorer l'environnement de l'entreprise privée (
- C. fournir aux entreprises et à l'économie dans son ensemble des services d'intermédiation financière plus performants à travers toute une panoplie d'actions visant (i) à assainir et moderniser le secteur des assurances, afin de lui permettre de jouer son rôle de complément des banques dans la gestion des risques systémiques et dans le financement de l'économie' (FA)

➤ Tunisia, PMI

Employment creation is not mentioned as one of the main goals. However, by supporting the creation of new firms, the intervention will ultimately favour job creation.

'Soutenir l'action du gouvernement tunisien dans le cadre de l'AA en facilitant l'insertion de la Tunisie dans la zone de libre échange Euro Méditerranéenne, considérée sous l'angle de la mise à niveau et de la reconversion industrielles.

- ◆ Apporter à l'industrie tunisienne et à son environnement des nouveaux outils de compétitivité et d'innovation par le soutien à la création et au développement d'entreprises innovantes, la mise à niveau des services à l'industrie, le soutien aux structures d'appui et autres structures de liaison existantes et le renforcement des liaisons Recherche/Industrie.
- ◆ Mettre à disposition de l'industrie tunisienne l'infrastructure, les standards, la réglementation, l'organisation et les procédures lui permettant d'atteindre un niveau de qualité compatible avec l'ouverture des frontières au sein de la zone de libre échange Euro Méditerranéenne.
- ◆ Mettre en place l'infrastructure, les standards, l'organisation et les procédures permettant la pleine participation de la Tunisie aux flux d'échange internationaux en matière de propriété industrielle et organiser le réseau national du registre de Commerce.

Faciliter l'accès des PME à des sources variées de financement à des conditions adéquates et assurer la réussite d'un nouveau mécanisme de garantie des financements.' (FA)

➤ Tunisia, PAC I

Labour market components and/or employment creation are not mentioned as one of the main goals.

L'objectif principal est d'améliorer la compétitivité de l'économie tunisienne et sa capacité de promouvoir l'investissement privé national et étranger et ce à travers l'amélioration des services rendus par l'administration et la restructuration et la dynamisation du secteur publique.

Les objectifs speciques sont :

- a) Amélioration des performances de l'administration, via le développement de l'administration électronique et la gestion de la qualité dans les administrations ;
- b) Restructuration et dynamisation du secteur public, via la libéralisation des filières agro-alimentaires, la restructuration/privatisation d'entreprises publiques et les développements des partenariats publics/privés (PPP)

5.1.3 NATIONAL DEVELOPMENT PLANS AND NATIONAL POVERTY REDUCTION STRATEGIES SUPPORTED BY EC THROUGH STRUCTURAL ADJUSTMENT AND POVERTY REDUCTION PROGRAMMES INCLUDE PARTNERS' COUNTRY CONCERN FOR LABOUR MARKET AND CONSEQUENTLY SPECIFIC ACTIONS AND INDICATORS OF PERFORMANCE RELATED TO JOB CREATION AND INCREASE OF EMPLOYMENT.

SYNTHESIS: *The answer to this indicator is based on the: analysis of all National Development Plans and National Poverty Reduction Strategies for 16 countries.*

Overall, it can be stated that National Development Plans and National Poverty Reduction Strategies consider most of the times job creation as one of the key challenges. In most cases, job creation is strictly linked to the need to improve economic development and competitiveness. Specific actions are usually linked to development of private sector initiatives, to the diversification of economic activities, and to the investment in new technologies. For instance, in Bangladesh the GoB five-year plan (1997-2001) outlines a vision of growth with equity and social justice, with the overarching goal of poverty alleviation. This includes an emphasis on rural growth, access of the poor to resources, in particular to credit, infrastructure and institutions/services. In its Country Economic Memorandum, it is through the lens of job creation and labor market efficiency that Dominican Republic government seeks a better understanding of the role of sector policies in promoting economic development and welfare improvements. Employment outcomes reflect effective labor demand, that is, actual employer demand for workers from among a given pool of supplied labor. In particular, in terms of labor-related policies, the government aims to improve alignment of labor demand and supply by fostering partnerships between private sector and educational institutions. In the plan 2002-2006, the formulation and development of Jamaica's economic and social policies and programmes are guided by the vision for "an efficient, globally competitive and growing economy, creating jobs for a vibrant healthy and educated population, caring for its environment in a just, secure and equitable society". It is recognized that for this vision to be attained, medium term imperatives must focus on the re-ignition and acceleration of economic growth as a basis for employment creation and improvement in living standards. In Morocco, the 2002-2006 development plan specifically targets the economic development as one of the priority areas. More specifically, it envisages measures to promote economic growth and job creation, to diversify economic growth sources, to improve business climate combined with reforms of the legal framework through labour market flexibility, investor protection, etc.. In South Africa, job creation and social development are among the key objectives. In particular, the strategy identifies priority sectors with high potential for growth and employment, including agriculture, tourism, information and communication technologies, and cultural industries. In Vietnam, the "Socio-Economic Development Strategy 2001-2010" (SEDS) specifically aims to have appropriate policies for facilitating capacity of all people and economic sectors, especially the private sector - a potential resource of the nation - to make contributions to job creation, pushing up and raising socio-economic effectiveness. Moreover, it is envisaged that the state investment budget is prioritized and more non-state investment is mobilized for job creation. It aims to continue the labor structural shift towards the direction of lowering the share of labors in agriculture, forestry and fisheries and raising share of labors in industries, construction, and particularly in services. In Uganda, the PRSP specifically aims to implement the national youth employment policy and plan and implement other laws and guidelines on labour productivity and employment. Moreover, it is stated that deliberate effort will be made as affirmative action to target the employment of persons with disability and women in

line with the disability Act and policy, the gender policy and national action plan on women and UN conventions on the rights of persons with disability and women.

A different case is Ukraine. Ukraine's main strategic objectives are the development of Ukraine's human and natural resources, a reduction in poverty, an increase in economic competitiveness, and Ukraine's integration into the EU. However, job creation and employment are not among the key areas of intervention.

Bangladesh:

The GoB five-year plan (1997-2001) outlines a vision of growth with equity and social justice, with the overarching goal of poverty alleviation. This includes an emphasis on rural growth, access of the poor to resources, in particular to credit, infrastructure and institutions/services.

The micro-finance industry in Bangladesh has grown extraordinarily over the last two decades. Following the post-independence focus on relief, rehabilitation and community development during the 1970s, NGOs adopted a target group, or community-based approach in their work. This was well suited to micro-credit and small-scale micro-finance initiatives that continued into the 1980s. From the early 1990s, the country experienced a massive expansion of micro-finance activities. Membership of credit groups increased dramatically, and the demand for these services reflected the relevance of micro-finance to the needs of the country's large population of poor people, mostly women. By the mid 1990s, micro-finance activities were being conducted by a rapidly growing number of NGOs that offered a range of financial products catering to the diverse needs of its customers. The PKSf (literally: Rural Employment Support Foundation) was established by the government of Bangladesh in May 1990 as an apex micro-credit and capacity building organization. It does not directly lend money to poor people, but reaches these target groups through Partner Organizations. It also supports institutional development. PKSf favours no particular model, but encourages innovations and different approaches based on experience. It acts as an advocate for policies and regulations relevant to the micro-credit sector. PKSf is a non-profit entity and is registered under the Companies Act. Its legal structure gives it the flexibility and authority to run programmes as an independent organisation. PKSf's programmes, implemented through its 218 partner microfinance institutions (MFI) reach almost all parts of the country. As of June 2006, PKSf has disbursed USD 434.20 million to its partner organizations. Using this as revolving funds, MFIs have disbursed USD 3,314.00 million to 6.8 million poor people - about one third of the total micro-credit borrowers in Bangladesh - while maintaining a recovery rate of more than 98 per cent. More than 90 percent of borrowers are women. The organisation's flagship programmes focus on rural micro-credit (RMC), urban micro-credit (UMC), micro-enterprise lending (MEL), an ultra-poor programme (UP) and seasonal loans. It also has special projects dealing with participatory livestock development (PLDP II), micro-finance for technical support (MFTS) and micro-finance for marginal and small farmers (MFMSFP).

Dominican Republic:

Country Economic Memorandum. It is through the lens of job creation and labor market efficiency that we seek a better understanding of the role of sector policies in promoting economic development and welfare improvements in the Dominican Republic. Employment outcomes reflect effective labor demand, that is, actual employer demand for workers from among a given pool of supplied labor. The analysis in Chapter 4 identifies a long-term employment shift from agriculture and industry to services (primarily commerce, government and tourism), which was accompanied by rapid growth of informal employment, where own account workers have below average education and perform lower level

occupations. Despite increasing labor demand since 1996, real wages remained level and in fact declined after 2001. Although educational attainment is increasing, labor demand continues to be concentrated in relatively low skills. Positive returns to education imply effective wage signaling in the labor market despite minimum wage and other regulations. The competitive FTZ and tourism sectors tend to pay less than most other sectors, explained in part by the large proportion of women employed therein. Dominican labor as a whole is competitive relative to the Caribbean and Central American countries, both in terms of price and in terms of investors' perceptions of availability, productivity and a flexible regulatory environment.

Labor competitiveness also relates to the quality and magnitude of labor supply. Job growth kept pace with labor force growth, generating a fairly steady rate of open unemployment. The rising educational attainment of women led to an increase in female participation and a rise in female returns to education. Nevertheless, the data provide evidence of some degree of education-occupation mismatch, for both men and women. Additional skills mismatch is evidenced by the large number of discouraged workers – namely those available but not actively searching for work – and the long time it takes new entrants to find employment. The resulting high rate of broad unemployment, which averaged 15 percent in the last decade, effectively limits overall economic growth by denying a large segment of the working age population the opportunity to generate output.

In terms of labor-related policies, the following priority recommended policies are spelled out:

- raise educational quality through curriculum reform to strengthen general problem solving, teamwork, technical and language skills;
- improve access to secondary education by addressing inequities (e.g., conditional cash transfer or educational credit programs);
- improve alignment of labor demand and supply by fostering partnerships between private sector and educational institutions;
- resolve the overlap of the cesantía and social security regulation

Egypt:

Egypt's long-term plan (1997-2017) defines the broad strategic orientation for the country which is further operationalised in successive five-year socio-economic development plans that define the objectives and means of the Egyptian government's national policies. During the period covered by the evaluation two such plans have been implemented:

- The fourth socio-economic development plan 1997-2001, and
- The fifth socio-economic development plan 2002-2007.

These medium-term development plans are seen as steps towards the achievement of a long term vision to 2022 of the social and economic development of Egypt, whose objectives are:

- Conservation of natural resources and direction of urban growth towards desert land
- Steady reduction of current population growth rate
- Achievement of high and sustainable GDP growth
- Gradual removal of balance of payments deficit

- Alleviation of poverty and attenuation of income disparities
- Development of human capital and attainment of full employment
- Improvement of social services.

Five year development plans present a scenario of macroeconomic and sectoral growth, define the fiscal and monetary policies that shall be implemented to create the conditions for a solid and sustainable economic growth, identify the respective roles of the government and of the private sector in the achievement of the plan targets and provide quantified guidelines for the development of public investments at sector and regional levels.

Furthermore the fifth socio-economic development plan 2002-2007 identified five pivots of development, each of which being characterised by a limited number of key objectives, detailed objectives and performance indicators, as well as associated policies and tools.

Pivot 1 is the development of human resources, whose key objectives are (i) increased income and standard of living; (ii) improved quality of life; (iii) improved quality of education; (iv) development of abilities, production capacities and training; (v) preservation of cultural identity.

Pivot 2, Development of management and institutional structures and adjustment mechanisms, encompasses the following key objectives: (i) encouraging participation and democracy principles; (ii) continuous follow-up of the political system to changes in democratic practices and participation and openness to global developments; (iii) improving methods and tools of participatory planning; (iv) developing bases and tools of accounting, supervision and transparency; (v) modernising the administrative system; (vi) reforming the legislative base.

Pivot 3 concerns the development of production, economic and natural resources. Related key objectives are (i) developing the natural resources base; (ii) restructuring service activities; (iii) developing competitiveness of domestic production; (iv) securing basic food needs; (v) expanding and developing infrastructure; (vi) restructuring domestic industry.

Pivot 4 aims at building and developing the national base for science and technology with key objectives being (i) knowledge development; (ii) providing financial resources for R&D; (iii) encouraging scientific research and innovation; (iv) developing R&D institutional framework.

Pivot 5 focuses on the strengthening of interactions with the regional environment and global system.

Its main objectives are : (i) maximising the benefits arising from globalisation while avoiding negative impacts; (ii) maximising benefits resulting from partnerships with developed countries; (iii) maximising development benefits through Arab, African and Islamic cooperation.

El Salvador:

A few major policy documents set the basis for the national development policy and programmes of the Government of El Salvador over the evaluation period. The “Plan de Gobierno 1999-2004” of the Nueva Alianza government is the first such plan. It is based on six “alliances”:

- Consolidation of economic stability;
- Alliance for work;
- Alliance for solidarity;
- Alliance for security;
- Alliance for the future; and

- Effective and Participative Government.

The government supplemented these policy guidelines in November 2000 with a proposal for territorial action in five regions relating to the “Plan de Nación” process launched in 1997. Actions were structured in the following “components”:

- Connectivity (infrastructure);
- Environment (natural resources, water);
- Economic production (production base)
- Urbanisation;
- Municipal associations (mancomunidad); and
- Population (quality of life).

Additionally, the government presented a “Plan de Recuperación” in March 2001 for the period 2001-2005, aimed at recovery from the two earthquakes which had just hit the country. The objective was also to re-launch sustainable development of the economy in the medium term, and reduce the country’s vulnerability to natural disasters in the long term. This plan was designed to fit in well with the two above-mentioned plans. Activities consisted of the following:

- repair of damage to the education and health sectors, re-establishment of social
- networks;
- reconstruction of housing, reactivation of productive capacity and infrastructure;
- reduction of vulnerability to natural disasters and rational use of natural resources; of the local economies;
- reduction of migration to the interior and abroad.

In 2004 the newly elected Government issued its “País Seguro: Plan de Gobierno 2004- 2009”. It includes a commitment to fulfilment of the Millennium Development Goals, and poverty reduction in particular. The Plan consisted of 10 “presidential programmes”, relating to:

1. Information Society;
2. Plan de Nación: decentralised development;
3. Quality of life through recreation and entertainment;
4. Efficient State structures;
5. Growth through new production opportunities;
6. Youth;
7. Security (*‘Mano Super Dura’*);
8. Opportunities for household women;
9. Economic transformation of the agricultural and fishery sectors; *and*
10. Sport.

The social plan “Oportunidades” was launched in this context, with the objective of strengthening social cohesion, particularly in rural areas. It consists of five large programmes:

- FOSALUD (health)
- Conéctate (information society)
- Jóvenes (youth)
- Microcrédito (micro-finance)
- Red Solidaria (safety net, poverty reduction).

The last-mentioned, Red Solidaria, is the first programme in the country focused specifically on poverty reduction, based on a geographical dimension and integrated local development. The 2007-2013 CSP mentions this programme is considered a first step towards a more integrated poverty reduction strategy.

Jamaica:

- 2002-2006: The formulation and development of Jamaica's economic and social policies and programmes, are guided by the vision for "an efficient, globally competitive and growing economy, creating jobs for a vibrant healthy and educated population, caring for its environment in a just, secure and equitable society". It is recognized that for this vision to be attained, medium term imperatives must focus on the re-ignition and acceleration of economic growth as a basis for employment creation and improvement in living standards. Improvements in competitiveness and productivity as well as increased production are expected to play a major part in achieving this objective. The Medium Term Strategy therefore calls for a macroeconomic programme, involving vigorous fiscal improvements, a gradual and credible reduction in interest rates in line with inflation and a stable and efficient financial system equipped to facilitate both medium and long term economic growth. Business development as a sustainable engine for economic growth is a first priority for the country..
- 2008-2013: Labour market is not among the priority sector policies, which are education, security, justice, sugar.

Jordan:

- Jordan Vision 2020 envisages among its objectives impacting on job creation, improved international competitiveness of Jordan's economy, enhanced trade liberalization, modernization of the business environment, and development of skilled human resources. In particular, the five year socio-economic development plan calls for increased rural development, youth and social productivity initiatives.
- 2007-2013: In November 2005, Jordan has developed a comprehensive strategy of modernization and delivered, a "National Agenda" of reforms, which develops a set of priorities and action plans in the political, social and economic fields. The chief objective of the National Agenda is "to improve the quality of life of Jordanians through the creation of income-generating opportunities, the improvement of standards of living and the guarantee of social welfare". The Agenda was guided by the principle that this objective could be achieved by increasing the quality and effectiveness of the public administration and developing a public service focusing on results. Therefore, it is linked to the Public Sector Reform Strategy adopted in 2004.
- A particular emphasis on addressing the key challenge of job creation, by reforming the vocational training system.

Mali:

In order to implement the National Action Plan for Employment, the Ministry of Employment and Vocational Training has invested around 20 billion CFA francs in activities to promote employment and vocational training, throughout the country. These investments and various forms of activities have made it possible to increase the number of new jobs created. For example, in 2008, the employment services recorded 26,224 new jobs created (permanent and temporary, public and private) and significant efforts have been invested in the areas of social protection and combating vulnerability.

In order to make progress towards the Millennium Development Goals in this area and to achieve the central objective of the fight against hunger and malnutrition, Mali has set about promoting agriculture that is productive, diversified, sustainable and integrated, as well as accelerating the rate of performance of improvements to supply water to agriculture (100,000 hectares, including 60,000 hectares falling within the “Offices du Niger” irrigation scheme). It has also undertaken to open up the regions of production and to integrate the agricultural and agro-food markets, and to facilitate access to agricultural credit, to encourage the provision of equipment to farmers, stockbreeders and fishermen and to strengthen the dynamics of governance and the capacities of the actors and beneficiaries both centrally and decentrally

Morocco :

- 2002-2006: The development plan specifically targets the economic development as one of the priority areas. More specifically, it envisages measures to promote economic growth and job creation, to diversify economic growth sources, to improve business climate combined with reforms of the legal framework through labour market flexibility, investor protection, etc.,
- 2007-2013: General policy which rests on three separate but highly complementary pillars, among which one specifically targets the achievement of stronger and more stable economic growth, which can create jobs in both quantity and quality.

Niger:

PRSP. The new Strategy should make a clean break with some dichotomic approaches so as to find coherent solutions to the following relevant challenges:

- diversifying sources of Economic Growth, especially job-creating sectors
- creating decent jobs for the entire working population, particularly for the youths and women;

Over the past few years, economic growth has not been enough to finance investments to satisfy the essential social needs of the populations, due mainly to the dependence of the economy on the vagaries of the weather, poor performance of an embryonic private sector and many obstacles that hamper the competitiveness of Niger's economy. Job creation will be a major challenge in the quest for growth. The acceleration of sustainable economic growth will be initiated in six (6) areas of action:

- the development of high potential and job-creating growth clusters;
- the promotion of regional development poles;
- consolidation of the macro-economic framework;

- improvement of the overall competitiveness of the economy;
- better integration into regional and world trade;
- promotion of art and culture

Development of high potential and job-creating growth clusters

Today, Niger's economy is based mainly on livestock, agriculture and mining, including uranium. These three sub-sectors account for 40% of GDP and 80% of the country's exports. It is vulnerable to exogenous

shocks (unstable climate and the international market situation), hence the volatility of Niger's economic

growth. New sources of growth are therefore required to implement an effective poverty reduction policy in a

sustainable manner. Niger has great potential in agro-pastoral and natural resources. Its subsoil contains considerable mineral reserves (uranium, petroleum, iron, copper, gold, phosphate, cassiterite, lime stone, gypsum, marble, coal, etc.). it is necessary to develop this potential as soon as possible so as to initiate genuine efforts for strong growth and give a better living conditions to the poor. That is why in 2003 adopted the Rural Development Strategy (SDR) and in 2006 its action plan and MTEF. The SDR, which has three (3) strategic pillars, will be implemented through ten (10) structure programmes and four (4) priority sectoral programmes.

In this light, the ADPRS will rapidly conduct a study and form sectoral working groups for the establishment of an Accelerated Growth Strategy based on the development of the highest growth-oriented clusters which will be considered as part and parcel of the ADPRS. Each cluster group will:

- identify the strengths and weaknesses of the cluster;
- conduct strategic diagnosis and analyze the positioning of the cluster;
- propose a future vision for the cluster;
- outline strategic pillars and priority actions to be developed in the cluster, as well as a monitoring evaluation mechanism.

The priority clusters will be selected on the basis of a number of criteria including: (i) the long-term progress margin (growth potential) ; (ii) the potential and the generated added value; (iii) the competitiveness potential; (iv) the export potential; (v) the potential for creating new jobs, particularly for the poor. Already, four priority clusters appear as sources of growth favourable to the poor: the « Rural Development» cluster (Livestock/ byproducts and Agriculture/related products), the « Handicraft » cluster and the «Tourism» cluster. Another high potential cluster is emerging : the «Mining» cluster.

South Africa :

- Strategic government priorities for SA include: moving to faster job-creating economic growth, investing in human resources and skills development, more effective, integrated and efficient government, rural development and urban renewal, eradicating poverty, expanding access to, and improving the quality of social service provision and fighting crime and corruption. The emphasis of the current and future government programme of action is to ensure greater efficiency in the implementation of policy and the delivery of services.
- Job creation and social development are among the key objectives. In particular, the strategy identifies priority sectors with high potential

for growth and employment, including agriculture, tourism, information and communication technologies, and cultural industries.

- 2007-2013: The government's ultimate long-term objective is to facilitate and support the informal sector so that it can be absorbed into the first economy. For the medium term, there is a growing belief in the "developmental state". This refers to the state's role in leading intervention and investment, with a particular focus on labour-intensive infrastructure development, in order to tackle unemployment and underdevelopment. Between 1996 and 2005, a number of government strategies and programmes have been devised to enhance and consolidate the social and economic transformation of South Africa by tackling poverty and vulnerability and by bridging the gap between the first and second economies.

Tanzania:

PRSP. Recognizing the risk of falling behind on the target of achieving decent employment and youth employment in particular, Tanzania has introduced an employment creation programme, which has four component programmes:

- stimulating and facilitating private investment in the private sector enterprises of all sizes -micro, small, medium and large enterprises;
- public investments in the form of public investment programmes on their own or in partnership with the private sector;
- human resource development in the form of knowledge and skill development; and
- Institutional capacity development that is appropriate for managing a functioning labour market.

The government has improved the business climate by facilitating investment in its economic and social infrastructure. The Employment Creation in Municipal Service Delivery Programme launched in Dar es Salaam in January 2004 aims at building more local capacity to deal with the challenges of employment creation and service delivery for the urban poor. The programme seeks to involve the private sector in municipal service delivery and includes components of strengthening municipal authorities' capacity to establish systems for small enterprise-based service delivery, develop contracting procedures and monitoring and evaluation systems; as well as policy development support, resource mobilization and information sharing and dissemination. It is supported by the International Labour Organisation (ILO).

Tanzania encourages local government authorities (LGAs) to attract investors and employment in their localities by creating an enabling environment for investors. LGAs are encouraged to allocate land for investors, construct service roads and provide basic service for investors to operate smoothly.

To improve the business environment in Tanzania, the Government is implementing the Business Environment Strengthening for Tanzania (BEST) programme to scale up the reduction of administrative hurdles inherent in the taxation and business licensing systems with a view to reducing high costs of starting and doing business. BEST looks at the legal and regulatory framework needed to reduce the cost of doing business and thereby improve the environment for doing business in Tanzania.

The government has started reviewing regulations, focusing on removing obstacles to private sector development. Issues include

- i. harmonization of local government taxation to remove excessive tax burden on private enterprises;
- ii. streamlining work permit procedures;
- iii. review and amendment of licensing legislation to reduce cost of business establishment and continuation - the Business Licensing Reform has been approved by the Government following the consensus of stakeholders;

- iv. review and revision of export-import procedures to reduce time costs and corruption related costs; and
- v. design and implementation of a program for enhancing access to commercial courts by SMEs;
- vi. A Better Regulation Unit (BRU) established as a supportive unit for monitoring implementation of the Business Environment Strengthening in Tanzania (BEST) programme. A draft work plan for the Commercial Dispute Resolution (CDR) component under BEST is being finalised.

Other programmes to facilitate both local and foreign investments, hence job creation, includes:

- The Mini Tiger 2020 Plan with the aim to increasing the rate of economic growth and the per capita income including job opportunities.
- The Government of United Republic of Tanzania has developed a policy of empowerment of Tanzanians to enable them participate in various economic activities. Small and Medium Enterprises (SMEs) are being guaranteed by the Bank of Tanzania (BOT) when they seek loans from financial institutions as part of the programmes to promote entrepreneurship.

A total of 27,244 enterprises were given loans countrywide through National Empowerment Funds for the purpose of reducing unemployment and income poverty.

Also, some employment opportunities have been created in some sectors of the economy including construction, mining, and informal activities by facilitating investment in their economic and social infrastructure.

Tunisia:

Le Plan de developpement IX vise l'adaptation des orientations sectorielles aux impératifs de rationalisation de l'allocation des ressources d'une part, et aux exigences d'accélération de la croissance, d'intensification des créations d'emplois et de promotion des exportations, d'autre part

Le Plan de developpement X vise à gagner le défi de l'emploi

Le Plan de developpement XI vise le renforcement de l'investissement dans le capital humain par le développement des systèmes de l'éducation, de l'enseignement supérieur et de la formation professionnelle.

Uganda:

PRSP. During the NDP period, the size of Uganda's economy must not only increase significantly, but it should do so in such a way that creates adequate gainful jobs that are in tandem with the growing labour force. As already noted in the analytical sections, growth in employment will require stronger socio-economic transformation which should in turn feed into additional growth, gainful employment creation and eventually the prosperity of all citizens. Additional policies for transformation and social protection need to be targeted at the welfare of people who are unable to work or lack basic resources.

Objective 1 - Create an enabling environment for increasing high quality employment.

Strategy 1: Implement the existing policies, regulations, laws and guidelines.

Intervention Description

- i) Implement the national youth employment policy and plan and implement other laws and guidelines on labour productivity and employment. Deliberate effort will be made as affirmative action to target the employment of persons with disability and women in line with the disability Act and policy, the gender policy and national action plan on women and UN conventions on the rights of persons with disability and women.
- ii) Strengthen the Labour Market Information System (LMIS) through increased funding so as to effectively guide both employers and job seekers.
- iii) Establish a minimum wage for decent income, improved productivity and increase in aggregate demand for goods and services.
- iv) Strengthen the industrial Court to arbitrate disputes between workers and employers

Ukraine

- Ukraine's policy agenda is summarized in the Government's Activity Programme for 2000- 2004. Its main strategic objectives are the development of Ukraine's human and natural resources, a reduction in poverty, an increase in economic competitiveness, and Ukraine's integration into the EU. Between 2000 and 2001, the Government pursued these broad objectives rather successfully. The new Government appointed in May 2001 has maintained these priorities, but has added the acceleration of structural change in the economy, creation of an attractive investment climate and supportive legal environment, and ensuring freedom of speech. Job creation and employment are not among the key areas of intervention.
- 2007-2013: the development strategy envisage the consolidation of democracy, protection of human rights and fundamental freedoms, an effective fight against crime and corruption, the public sector reform, the improvement of the investment climate and the provision of social services.

Vietnam

- The "Socio-Economic Development Strategy 2001-2010" (SEDS) aims to bring Vietnam out of underdevelopment; improve people's material, cultural and spiritual life; lay the foundations for a modern-oriented industrialized country by 2020; enhance human resources, scientific and technological, infrastructure, economic, defense, and security potentials; establish the institutions of a socialist-oriented market economy; heighten the status of Vietnam on the international arena. The I-PRSP, in addition to some macroeconomic policies, proposes a series of sectoral policies to support the poor and reduce their vulnerability. In particular, in order to create opportunities for poor families, it highlights the need to: invest in essential infrastructure; increase productivity in agriculture and diversify the rural economy; increase the income of the urban poor; protect the environment; strengthen the ability of the poor, especially women, to access credit and enhance training on how to do business; raise the living standards of ethnic minorities; create conditions for the poor, especially women and children, to better access social, education and health care services.
- In particular, it is envisaged that the most important and decisive thing is to have appropriate policies for facilitating capacity of all people and economic sectors, especially the private sector - a potential resource of the nation - to make contributions to job creation, pushing up and raising socio-economic effectiveness. Moreover, it is envisaged that the state investment budget is prioritized and more non-state investment is mobilized for job creation. Strengthen quality and effective use of labor force. Continue the labor structural shift towards the

direction of lowering the share of labors in agriculture, forestry and fisheries and raising share of labors in industries, construction, and particularly in services. Pay more attention to vocational training and job creation for farmers. Implement effectively labor export programs, increasing share of skillful workers. Strictly implement the compulsory social insurance regime, prepare and implement the voluntary social insurance system and loosing job insurance for labors.

5.1.4 THE EC PROJECTS OPERATING ON LABOUR DEMAND SIDE IN SELECTED COUNTRIES INCLUDE SPECIFIC INDICATORS ADDRESSING EMPLOYMENT CREATION IN THEIR LOG FRAME AND/OR PERFORMANCE MATRIX. THESE INDICATORS REFLECT THE CONCERN OF INCREASING EMPLOYMENT FOR WOMEN AND YOUTH IN PARTICULAR

SYNTHESIS: *The answer to this indicator is based on the analysis of project documents of 36 selected interventions in 14 countries.*

Overall, it can be stated that in most cases the log frame and/or performance matrix of the analyzed intervention do not provide specific indicators addressing employment creation. Nevertheless, there are few positive exceptions. The Vietnam private sector support program includes indicators relating to employment such as i) improvement of economic activity and job creation, ii) improved human resources, iii) SME growth, iv) increased SME demand for and take up of professional business support services. In South Africa, the sector wide enterprise, employment and equity programme - sweep phase 2, the indicators relating to employment are i) unemployment rate reduced, ii) increase in employment as a result of the project activities, iii) increase in the number of jobs in specific sectors and in the whole economy. The Private Sector Support Programme - Risk Capital Facility (RCF) identifies indicators relating to employment such as i) over 7000 jobs created as a result of the investments, ii) number of new HDP managers, owner and technically skilled employees. In Egypt, the performance matrix of the Financial Investment and Sector Co-operation Programme includes a set of relevant indicators as the 'new income generated' and 'new jobs created'.

Brazil:

- Apoio à inserção internacional das pmes brasileiras: no relevant indicators

China

- EU - China enterprise reform project: no relevant indicators

Dominican Republic,

- Programme d'appui aux petites entreprises : no relevant indicators

Egypt:

- Financial Investment and Sector Co-operation -Social Component: new income generated and new jobs created
- Financial Investment and Sector Co-operation –Rural Component: new jobs created
- Spinning and Weaving Sector Support Programme: i)Holding company and affiliates maintain an updated reporting of human resources situation including projections on the number of people deemed to be redeployed and follow up of restructuring measures. Report is shared

with Government and Social Fund for Development; ii) Awareness sessions for employees are organised by the SFD under the labour pool with the participation and collaboration of all relevant stakeholders (in particular trade unions and management; iii) labour pools are created and redundant workers under measures 6 (priority) and 7 are offered the possibility of joining them.

El Salvador:

- Fortalecimiento de la Competitividad de la MYPE en El Salvador (FOMYPE): no relevant indicators

Niger :

- Programme d'appui a la securite alimentaire par la petite irrigation (asapi) : no relevant indicators

Russia :

- E-skills for SMEs: no relevant indicators

Tanzania:

- Tanzania Annual Action Plan 2007 Accompanying Measures for Sugar: no relevant indicators
- Trade Support and Agriculture Programme (TSAP): no relevant indicators (indicators on the supply side)

Tunisia:

- FAS III: no relevant indicators
- PMI: no relevant indicators
- PAC I: no relevant indicators

Jamaica:

- EU BSP - SFA 2006: no relevant indicators
- EUBSP-SFA 2007: employment levels for both banana and plantain farmers and those who have diversified into alternative livelihoods in agricultural and non-agricultural sectors
- EUBSP-SFA 2008: employment levels for traditional banana producers
- Accompanying measures 2006 for sugar protocol countries: no relevant indicators
- Accompanying measures 2007 for sugar protocol countries: no relevant indicators
- Accompanying measures 2008 for sugar protocol countries: 10% of earmarked former displaced employees are in training
- Private sector development programme 'competitive Jamaica': no relevant indicators

Jordan :

- Services modernization programme (smp): decreased unemployment's rate
- Support to enterprise and export development: improvement of social and poverty indicators (not specified)
- Industrial modernization programme-ejada: no relevant indicators
- -Structural Adjustment Facility III - SAF III: no relevant indicators

Morocco :

- Appui à l'amélioration de la situation de l'emploi de la femme rurale et gestion durable de l'arganeraie dans le sud-ouest du Maroc (projet arganier): no relevant indicators
- Développement rural et participatif dans le moyen atlas central – Khenifra: no indicators
- Programme d'appui aux entreprises: no indicators
- Programme d'appui aux investissements et aux exportations: no relevant indicators
- Programme d'ajustement structurel du secteur de l'eau: no relevant indicators

South Africa :

- BLNS- Economic Integration Support Programme - Phase 1 (SACU): no relevant indicators
- Sustainable Rural Development in the Eastern Cape (SURUDEC): no relevant indicators
- Sector wide enterprise, employment and equity programme - sweep phase 2: the indicators relating to employment are: i) unemployment rate reduced, ii) increase in employment as a result of the project activities, iii) increase in the number of jobs in specific sectors and in the whole economy.
- Private Sector Support Programme - Risk Capital Facility (RCF) - phase 1: indicators relating to employment are i) over 7000 jobs created as a result of the investments, ii) number of new HDP managers, owner and technically skilled employees.
- Local Economic Development Support in Kwa-Zulu Natal Province: indicators relating to employment are i) higher employment levels, ii) the share of economically engaged women in the project's measures is at least x%

Vietnam :

- Vppsp - Vietnam private sector support programme: the indicators relating to employment are i) improvement of economic activity and job creation, ii) improved human resources, iii) SME growth, iv) increased SME demand for and take up of professional business support services

5.2 EC PROGRAMMES IN THE AREA OF LABOUR DEMAND AND EMPLOYMENT CREATION HAVE CONTRIBUTED TO INCREASING EMPLOYMENT,

| | IN PARTICULAR FOR YOUTH AND WOMEN |
|--|--|
| | <p data-bbox="331 247 2054 311">5.2.1 EVIDENCE IN SELECTED COUNTRIES OF INCREASED EMPLOYMENT AFTER THE IMPLEMENTATION OF EC PROGRAMMES IN PR, PSD, SR, RD BY GENDER, FOR YOUTH AND OTHER VULNERABLE GROUPS</p> <p data-bbox="331 319 358 351">&</p> <p data-bbox="331 367 2054 430">5.2.2 EVIDENCE OF INCREASED SHARE OF EMPLOYMENT IN THE PRIVATE SECTOR AND IN THE FORMAL ECONOMY IN THE COUNTRIES BENEFITTING FROM EC SUPPORT IN PSD, SR, RD, AND PR.</p> <p data-bbox="331 438 913 470">SYNTHESIS OF FIELD MISSION RESULTS:</p> <p data-bbox="331 478 430 510">Jordan:</p> <p data-bbox="331 518 2054 630">It is abundantly clear that despite a strong and sustained GDP growth of around 6 % per annum fuelled by massive inflows of FDI and expansion in exports, and even the creation of 44,500 jobs each year, the naggingly unchanged unemployment rate of 14 % among the Jordanians remains the biggest challenge.</p> <p data-bbox="331 638 2054 742">The paradox of the existence of unemployment despite growth and job creation is explained by the fact that 63 % of the newly created jobs are filled by foreigners. The reasons for the unchanged unemployment situation of the Jordanians as elaborated in the opening section were three (a) geography, (b) employability skills and (c) expectations if the Jordanian work force.</p> <p data-bbox="331 750 2054 813">Therefore, the contribution of EC interventions on the promotion of labour demand are judged by their influence on the above three factors i.e. by their focus on the causes of unemployment.</p> <p data-bbox="331 821 564 853">I. <u>Geography</u></p> <p data-bbox="331 861 2054 965">The EC has pioneered the decentralised bottom-up approach to employment creation for the poor in 18 selected municipalities ("poverty pockets") through institutional capacity building of the municipal authorities using the sector budget programme PALD. Poor municipalities were empowered to identify, voice and address their needs through their own local development strategy.</p> <p data-bbox="331 973 855 1005">II. <u>Encourage creation of new business</u></p> <p data-bbox="331 1013 2054 1085">Since there is powerful empirical evidence on the strong links between the generation of extra jobs and the creation of new business, the EC programme's effects on private sector (particularly SME) development would be important.¹²¹</p> <p data-bbox="331 1093 2054 1157">A critical mass of export-oriented SMEs have been supported by the EC. In fact, managers of a sample of 8 SMEs supported by EC (through EJADA and JUMP) confirmed that the EC-funded support had been effective in strengthening their enterprise (assuring employment creation</p> |

¹²¹ New business contributed to 30 % of all new jobs created in the OECD countries (World Bank: Enhancing job opportunities: Eastern Europe & the Former Soviet Union (Washington DC, World Bank, 2005)

in a sustainable way, specially due to the business-friendly reforms introduced by the Government with US support). The EC-supported EJADA programme contributed to the creation of Jordanian capacity for generic advisory services to SMEs.¹²²

The NIP for 2005-2006 in its support to the social sector had specific performance indicators on (a) number of job creations in particular in SMEs and (b) number of individuals covered in the high priority zones.¹²³ Similarly the NIP for 2007 to 2013, allocated one-half of EC's planned disbursements for 2006 (\$2.3 M€) to business/private sector development.¹²⁴

The NIP 2011-2013 budget allocated Euros 40 M€ and 23 M€ for trade/enterprise/investment development and human resource development & employment, respectively. The EC support to Jordan Enterprise development Corporation (JEDCO) for the implementation of the Jordan Service Modernization Programme (JSMP) launched in 2008 is expected to strengthen the capacity of Jordanian public sector entities and business association in the field of services & business development and directly assist SMEs with five grant schemes. The EC intervention will generate jobs particularly for women who are concentrated in the services sector.

The EC support to the E-TVET reform 2009-2013 has the following note-worthy performance indicators in the conditionality Matrix for disbursement of funds by the Ministry of Labour (MoL):

- Provision of effective employment services by extending the MoL coverage and by reaching out towards Municipalities as well as relevant community support organization & community based organization.
- Improve effective employment services by launching electronic labour exchange information system and increasing the number of job seekers receiving placements.
- Improve matching of labour supply and demand regarding training and employment by developing a labour market information system (LMIS)
- Participation rate of women in formal sector of labour market increases (from 14.2% to 16% between 2009 to 2013).
- Increase in female employment decreases dependency ratio (from 1 to 4 down to 1 to 3.80).¹²⁵
- Increase (unspecified) in Jordanian to no-Jordanian ratio in the labour force.

III. Motivating the voluntarily unemployed

The Izdihar project supported by the EC addressed the so-called "culture of shame" through social and economic empowerment and community mindset change. Through this project, mixes of male and female beneficiaries from low-income households not only secured employment but also were empowered with full knowledge of their roles and rights in the labour market.

¹²² EG EVAL II / Eureval & To Excel: Draft Final report, Vol.1-Overall assessment, op.cit., PP.20, 22 &23

¹²³ EC: Euro-Med Partnership: Jordan National Indicative Programme 2005-2006, P.15

¹²⁴ EC: ENP Instrument: Strategy Paper & NIP 2007-2010, P.45

¹²⁵ The above to be achieved by disincentives to employ women are reduced by the establishment of Maturity Fund and increase in public/private ration of children in KG enables more economically vulnerable women to join labour force

The role of the informal sector

It is estimated the informal sector provides employment to 190,000 workers representing 41 % of total private employment outside of agriculture and a quarter of total non-agricultural employment and they are overwhelmingly (90 %) males (ETF, op.cit, P.18). There does not seem to be any clear policy framework for support to the informal sector even though there is increasing government and donor interest in supporting SME development.

Jamaica:

Creation of employment is not a key objective of any of the EC support, but certainly some new jobs have been created due to the support both by the benefiting SMEs and contractors developing the infrastructural facilities financed by the poverty reduction programme. Regarding the banana support programme, there is the creation of new income opportunities for farmers as well as plantation and port workers who have lost their jobs following the liberalisation of the global banana market.

The private sector, and agriculture and tourism in particular, are clearly seen as the primary sources for creation of new employment opportunities. Labour intensive public works and the like are not part of the government or EC strategy. Some of the existing SME schemes benefit the informal sector as well, but there are no initiatives exclusively working with the informal sector.

Employment/labour demand is not mentioned as a prime objective of any of the programmes assessed by this evaluation. However, creating new income and thus employment opportunities for selected groups is one of the objectives of both the banana support programme and the private sector development programme.

There are no objectives or project purposes in the CSP/NIP for 2001-2007 and the CSP/NIP 2008-2013 referring to employment or labour market conditions. However, one of the indicators for the recently completed Private Sector Development Programme refers to the employment effect on the supported SMEs.

There is disappointingly little monitoring of the effectiveness of the programmes, including the effect in terms of income and employment. In general, monitoring of the EC support is not well developed. For instance, RADA, the principal executing agency of the huge banana programme, has no routinely established standards or procedures for monitoring the outputs and outcomes of its activities, and the same applies to the organisations that have been implementing the private sector development programme. Perhaps the lack of attention to the issue by the EC Delegation has contributed to this.

Vietnam:

EC programmes are supportive to Vietnam to implement the national target programme on employment. Every year, the labour demand and employment creation is recorded increasing. For example: in the last 5 years, the employment rate grows 2.5% annually. On an average, 1.6 million of new jobs are created every year. The priorities were given to the groups of women, youth, and vulnerability through the favoured credit programmes, and vocational training.

90% of new jobs created are from private sector (mainly from households, small-medium enterprises). There is a trend of decrease of employment rate of the public sector.

EC projects focus on technical assistance, and capacity building, and suggest new approaches for Vietnam officials to develop and implement

labour and employment policies. Therefore the stakeholders very much appreciate EC supports to the field.

The Programme size and aid modality are suitable to Vietnam needs in principles. With this assistance, the country allocated resources to the national target programme on employment are sustainable, efficient.

South Africa:

Unemployment and under- employment continue to be a major problem for the Government. In particular, youth unemployment remains stubbornly high. In many respects South Africa still has difficulties in overcoming the traumas of the Apartheid period. The transformation process has taken longer than many of the ambitious post-1994 policies had envisaged.

As was outlined in the introduction of this country note, there are still significant proportions of the population on the border line of 1\$ per day and youth unemployment remains very high. Although the ECD attempts to put quantitative employment targets for projects (disaggregated by gender), none of the government departments interviewed could say with conviction that the EU had contributed to creating employment.

Morocco:

Unemployment in Morocco has reached a thirty year low. Whilst it is difficult to attribute the fall in unemployment to EC support in quantitative terms, the EU-Morocco Association Agreement and a number of subsequent interventions to underpin the Agreement could be argued to have had a positive influence. This is particularly the case in terms of creating the enabling environment and infrastructure and thus employment opportunities. As a result of the increasingly closer economic ties, the EU is now Morocco's first trading partner and accounts for some sixty per cent of its total trade¹²⁶. In 2007 Morocco's exports in goods to the EU amounted to €7.3 billion and €4.4 billion in services. EU foreign direct investments amount to €1.3 billion.

Projects and programmes in the field of economic and private development, for example Appui au développement de la formation professionnelle, aim to improving technical skills in three of the key sectors of the Moroccan economy. Under the area of private sector support, the reform of support for fiscal reform¹²⁷ contributes to transparency to stimulate private sector growth and at the same time generate income for the public sector. Similarly support to the reform of the management of the transport sector is a further building block that will promote efficiencies in terms of logistics for trade. Support to infrastructure works, such as roads both, create employment during their construction and at the same time improve the accessibility for trade and the development of the private sector.

Another important initiative that will improve the competitiveness of the Moroccan private sector relates to standards and certification on a sectoral basis with particular emphasis upon the EU regulatory environment¹²⁸. This programme should lead to improved market access for Moroccan enterprises and thereby indirectly contribute to employment generation.

A number of projects have supported aspects of rural development, interventions that will ultimately lead to better living conditions and the

¹²⁶ <http://ec.europa.eu/trade/creating-opportunities/bilateral-relations/countries/morocco/>

¹²⁷ Programme d'Appui à la Reforme de la Fiscalité

¹²⁸ *Programme d'Appui à l'Accord d'Association : P3A*

generation of local level employment¹²⁹.

From 2003 to 2006, in the context of EC support to the ministry of social development and solidarity, two key areas were tackled: women's rights and insertion in the labour market of people with disabilities. The support was in the form of technical assistance and it entailed trainings abroad.

SYNTHESIS OF INTERVENTIONS RESULTS:

It is very difficult to know whether the employment effect can be attributed to the EC support or other factors.

The formal sector's share of employment has decreased in most countries, as employment opportunities in the formal sector are diminishing. However, as the fruits of the effort to ease the progress from the informal to the formal sector gradually become visible in the targeted countries, the relative share of formal sector employment is likely to increase. In addition, the macro economic reforms implemented in many countries may have a long-term impact of the formal sector employment opportunities.

Even if there is no analysis on ELD interventions' effects on the labour market, the field phase shows that some interventions most likely have positive effects on the labour market:

Jordan:

10. The EC has pioneered the decentralised bottom-up approach to employment creation for the poor in 18 selected municipalities ("poverty pockets") through institutional capacity building of the municipal authorities using the sector budget programme PALD.
11. A critical mass of export-oriented SMEs has been supported by the EC. In fact, managers of a sample of 8 SMEs supported by EC (through EJADA and JUMP) confirmed that the EC-funded support had been effective in strengthening their enterprise (assuring employment creation in a sustainable way, specially due to the business-friendly reforms introduced by the Government with US support). The EC-supported EJADA programme contributed to the creation of Jordanian capacity for generic advisory services to SMEs.
12. The EC support to Jordan Enterprise development Corporation (JEDCO) for the implementation of the Jordan Service Modernization Programme (JSMP) launched in 2008 is expected to strengthen the capacity of Jordanian public sector entities and business association in the field of services & business development and directly assist SMEs with five grant schemes.
13. The EC support to the E-TVET reform 2009-2013 has ESI related performance indicators in the conditionality Matrix for disbursement of funds by the Ministry of Labour and must therefore have positive effects on the labour market.
14. The Izdihar project supported by the EC addressed the so-called "culture of shame" through social and economic empowerment and community mindset change. Through this project, mixes of male and female beneficiaries from low-income households not only secured employment but also were empowered with full knowledge of their roles and rights in the labour market.

Morocco:

¹²⁹ For example *Développement rural participatif dans le Moyen Atlas Central*

- Programme d'Appui à l'Accord d'Association is expected improve the competitiveness of the Moroccan private sector in relation to standards and certification on a sectoral basis with particular emphasis upon the EU regulatory environment. This programme should lead to improved market access for Moroccan enterprises and thereby indirectly contribute to employment generation.

- Micro-credit programme for rural areas

- Programme Amélioration de la situation des femmes rurales et gestion durable de l'arganeraie

- Développement rural participatif dans le Moyen Atlas Central

Jamaica:

- Creation of employment is not a key objective of any of the EC support, but certainly some new jobs have been created due to the support both by the benefiting SMEs and contractors developing the infrastructural facilities financed by the poverty reduction programme.
- Regarding the banana support programme, there is the creation of new income opportunities for farmers as well as plantation and port workers who have lost their jobs following the liberalisation of the global banana market.

South Africa:

- Masimbambane I and II (water sector) and Water for Growth and Development were designed to, among others, contribute directly to employment generation through the *Working for Water Programme* and indirectly through the development of water supply infrastructure to rural and marginalized communities.
- TABEISA II, technical and business education initiative provided yet another opportunity of integrating marginalized communities into productive employment and at the same time capacitate formally under-privileged training institutions to provide technical and managerial support to this sector.
- Risk Capital Facility aims at providing high-risk equity and quasi-equity funding to SMEs owned and operated by historically disadvantaged individuals. The RCF makes a direct contribution to South Africa's central tool for social transformation: Black Economic Empowerment (BEE) and creating employment opportunities for previously marginalized groups.
- The municipality's Area Based Management and Development (ABMD) programme
- ISIVANDE Women's Fund
- The Local Economic Development Programmes. Projects in Kwa-Zulu Natal, Limpopo and Eastern Cape Provinces have contributed to local economic development and in the Northern Cape support to issues such as land reform will ultimately increase employment opportunities and income generation prospects for marginalized communities.
- Cooperatives Incentive Scheme

Vietnam:

- EU-Vietnam Small-projects facility can generate employment and foster Decent Work in a sustainable way by strengthening the technical, professional and institutional capacities of a diverse range of NGOs and social partners.

- Improving the functioning of the labour market via the [Labour Market Information system support](#) reducing mismatches between the supply and demand of skilled labour and boosting policy making capacity of MOLISA
- EC support to [Vietnam Development Bank](#) has stimulated private bank operations in the SME sector
- Establishment of [One Stop Shop](#) for the registration of new enterprises and increase utilization of Business development services. The final survey of impact of Business Development Services provided through EC support in Da Nang showed that the proportion of SMEs using these services had doubles from one-third in 2005 to two-thirds in 2008 with a majority of SMEs confirming that the use of these services had a positive impact on their business

Ukraine:

- Promotion of labour demand has been an indirect goal of the EC support only. [The Ukraine micro-lending programme](#), which EC has co-funded since 2003, estimates that more than 100,000 jobs have been created as a result of its lending to SMEs. However, there are no sources available to confirm the estimate.

Analysis of the financing agreements of Poverty reduction programmes (refer to Annex 5)

On the contribution of EC poverty reduction interventions in ACP countries, the analysis of the financing agreements of 15 budget support programmes shows a rather weak correlation to issues relating to employment and labour market: 28% of the selected BS programmes include among their objectives and or actions issues relating to E & LM while 73% of them do not provide any reference to these sectors.

Out the seven countries taken into account, three of them provide and/or forecast in their programmes interventions in the field of ESI, namely Jamaica , Mali and South Africa.

- In Jamaica, the Poverty Reduction Programme provides among its ultimate goals, the inclusion of poor groups and associations into the labour market. Moreover, in order to reduce the level and incidence of poverty in communities across Jamaica, the second Poverty Reduction Programme provides at least 15 training programmes and workshops to foster communities' capacity building. This is in line with the national poverty reduction strategic plan, which envisages among its outcomes the promotion of poor's social inclusion.
- In Mali, the 'programme pluriannuel d'appui budgétaire au cadre stratégique de lutte contre la pauvreté 2003-2007' identifies human resources development as one of the priority areas. Specifically, it aims to increase the number of students accessing vocational training programmes. It is worth noting that in the national poverty reduction strategy, employment-training are deemed as priority areas of intervention within the social sector pillar.
- In South Africa, human capital development is considered a targeted area as well. The programme 'Innovation for Poverty Alleviation (SBS to DST)' aims to increase the participation of youth from disadvantaged backgrounds in higher learning and employment in science, engineering and technology careers. Moreover, it aims to increase the numbers of South Africans with tertiary education qualifications in science and engineering, particularly with research degrees.

5.2.3 PERCEPTION BY STAKEHOLDERS IN SELECTED COUNTRIES OF THE CONTRIBUTION OF THE EC TO THESE CHANGES AND ON THE SUSTAINABILITY OF THE CHANGES

SYNTHESIS

According to the analysis of the monitoring reports of the selected interventions, it can be stated that overall EC interventions have contributed to several changes in the labour market of targeted countries. For instance, in Bangladesh, the impact that EC funded project 'Proshika' has had on the poor and underprivileged has been enormous. In El Salvador, the direct impact of the project 'Fortalecimiento de la Competitividad de la MYPE' has been. Companies targeted by the programme have seen profits in terms of increased productivity, sales, competitiveness and management systems and capabilities. Moreover, indirect positive effects have been registered also on the generation of employment. The sustainability of the services is more positive than expected at the end of the project, especially thanks to political support of the government of El Salvador. In Egypt, the Financial Investment and Sector Co-operation project, which aims to support the GoE's efforts to increase income through creation of job opportunities in the rural areas, enabled the SME to invest in activities that could create labour. Unfortunately, there is no tool to monitor the impact of the project on job creation.

These positive effects are also validated by EC national counterparts. According to the results of the survey sent to EC National counterparts, 65 % of the respondents believe that the EC contribute to elaboration of improved labour market policies and programmes. In particular, 75% of them agree on the fact that, through these policies, EC contributes to the enhancement of employment creation conditions. More than 60% of the respondents confirm that EC contribute to make labour market more socially inclusive. More than 70% of them believe that these improvements translate into labour market conditions more socially inclusive.

LABOUR MARKET POLICIES AND PROGRAMMES:

FIGURE 51 : NATIONAL COUNTERPARTS' PERCEPTION ON EC CONTRIBUTION TO THE IMPROVEMENT OF LABOUR MARKET POLICIES AND PROGRAMMES

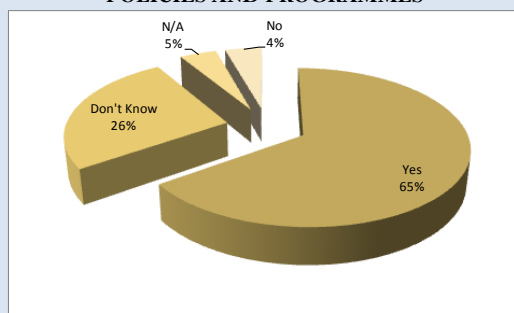
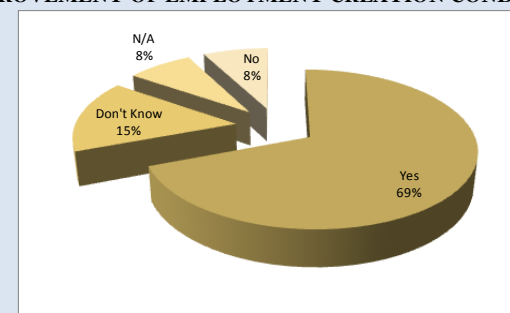


FIGURE 52 : NATIONAL COUNTERPARTS' PERCEPTION ON EC'S CONTRIBUTION TO LABOUR MARKET POLICIES AND PROGRAMMES TO THE IMPROVEMENT OF EMPLOYMENT CREATION CONDITIONS



EMPLOYMENT CREATION:

FIGURE 53 : NATIONAL COUNTERPARTS' PERCEPTION ON EC CONTRIBUTION TO THE IMPROVEMENT OF EMPLOYMENT CONDITIONS

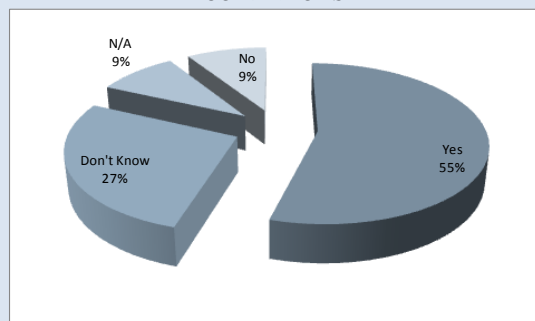
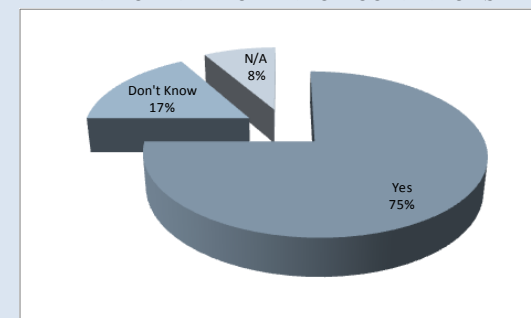


FIGURE 54 : NATIONAL COUNTERPARTS' PERCEPTION ON EC'S CONTRIBUTION TO EMPLOYMENT CONDITIONS TO THE IMPROVEMENT OF EMPLOYMENT CREATION CONDITIONS



SOCIAL INCLUSION INTO THE LABOUR MARKET

FIGURE 55 : NATIONAL COUNTERPARTS' PERCEPTION ON EC CONTRIBUTION TO THE IMPROVEMENT OF SOCIAL INCLUSION INTO THE LABOUR MARKET

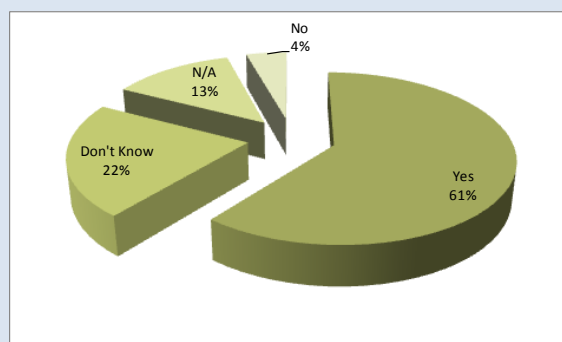


FIGURE 56 : NATIONAL COUNTERPARTS' PERCEPTION ON EC'S CONTRIBUTION TO SOCIAL INCLUSION INTO THE LABOUR MARKET TO THE IMPROVEMENT OF SOCIAL INCLUSION INTO THE LABOUR MARKET CONDITIONS

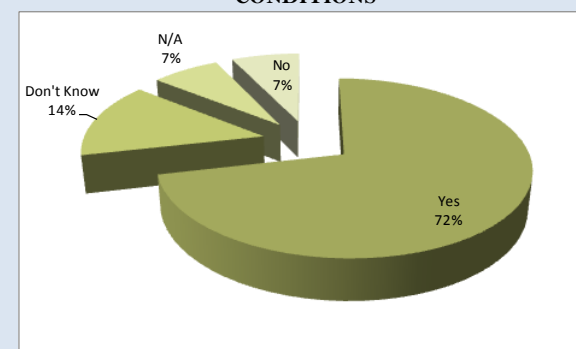
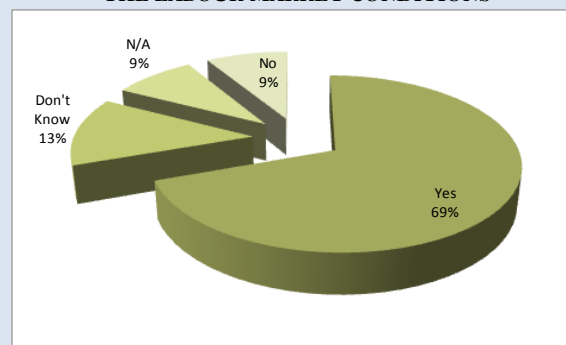


FIGURE 57 : NATIONAL COUNTERPARTS' PERCEPTION ON EC'S TVET INTERVENTION TO THE IMPROVEMENT OF SOCIAL INCLUSION INTO THE LABOUR MARKET CONDITIONS



Source: Survey to National counterparts (from Ministries and Public Institutions & from Social partners and other Non state actors) in the 20 selected countries

ANALYSIS OF SELECTED INTERVENTIONS:

- **Bangladesh, Proshika: towards a poverty free society:**

The impact that Proshika has had on the poor and underprivileged has been enormous. Had the past two years been different they may have developed to the full planned phase VI. The work undertaken is good and benefits the poor of Bangladesh. Through this new situation the real losers are these same people.

The ability to provide education, enables and promotes women's rights and health, addresses issues on environment and the elevation from poverty have had a real impact on the democratic process. Its impact was greatest until the General Election and the momentum has continued to this day albeit at a reduced rate.

The Proshika vision is sustainable and is replicated to the most part by other NGO's in Bangladesh. In this Proshika has established a number of trusts to run satellite NGO's to replicate parts of their work. Sustainability is dependent on a number of factors some of which are within their control. There is a need to recognise the current situation and to redevelop the programme according to their financial resources in phase VII. Soundings might be taken by the potential donors to explore if there are ways by which Proshika may be allowed to receive donor funds. These may even be of a reduced nature the advantage being that a smaller fund may enable the GoB to relax their embargo particularly if it were set up along the lines of a conventional project. It is considered that the potential to receive the remaining grant funds or new large funding under phase VII may not be possible. (ROM 2003).

- **Bangladesh, BRAC – Challenging the Frontiers of Poverty Reduction:**

This project (68 M.€ among which 28 M.€ from EU, the balance being financed by DFID, CIDA and NOVIB) in hands of the world biggest NGO (BRAC:45 000 Persons) is aiming at supporting the poorest of the poorest inhabitants of one of the poorest country in the world. Specific targets, i.e. women often in charge of kids and their husbands having left or being disabled are facing “extreme” survival conditions. Targeted women were actually successfully hit by the programme and this good result allows replications (Overall Objective) in CFPR 2 in which unfortunately EU did not participated. This programme and its permanent improvements set during the life of the project brought consistent teachings which were then used to optimize on going CFPR 1 and then CFPR 2. The programme has been designed as a tailor-made one to address the specific needs of ultra poor women in order they are able to overpass the threshold of poverty thanks to individual grants and assets transfers (cows, goats, poultries...etc) from which they were able to draw profit. Simultaneously they were secured through numerous and well adapted social actions to success in their re-integration and good insertion within the social life of the village; only then after a 2 years cycle of intensive support they might be in position to pretend to benefit of micro-finance loan to improve their conditions of living (house, latrine, water tubing), enlarge their assets (cattle, poultries, plot...small business) and consequently improve their finance resources and life level. This was possible through a very severe process of selection of the beneficiaries and a very good follow up of the progress of beneficiaries accompanied by a bunch of concrete support actions all along their every-day environment and life (training, social, medical and health, legal, veterinarian support, involvement of a village council specifically created by BRAC during the life of the programme). The profit drawn from their activities and the conditions of life reached by the beneficiaries resulted in a substantial improvement of economic conditions and strengthening of livelihood conditions of families cells, created a strong solidarity within the beneficiaries, thus reinforcing the whole village community

➤ **El Salvador, Fortalecimiento de la Competitividad de la MYPE en El Salvador (FOMYPE).**

El impacto directo del proyecto ha sido positivo en términos del desarrollo de insumos e instrumentos (especialmente los SDE y los CDN) a nivel puntual de las empresas atendidas, las cuales han visto beneficios en términos del aumento en su productividad, ventas, competitividad y sistemas y capacidades de gestión. Por el momento, no se ha podido medir el logro del IOV correspondiente a nivel del OG (aumento en la significación de las MYPE en el PIB nacional y el comercial regional y extra regional), pero es muy poco probable su logro, debido a las limitadas capacidades del proyecto de incidir de forma más amplia en este sector. No obstante, en la actualidad y a 20 meses de la finalización del proyecto, se puede apreciar un impacto con tendencia a mejorarse. Esto porque el GOES actual ha retomado muchos de los insumos e instrumentos introducidos por el proyecto, y los está modificando y diversificando (nuevas líneas de financiamiento por ejemplo – FOEX, FAT que llevará otro nombre – “DINAMIZA”, BONO de emprendurismo y capital semilla) y ampliando territorialmente (mas CDN y otros centros de atención CEDEMYPYES), enfocándose más sobre la asociatividad y cadenas de valor, en lugar de una atención individualista. Sobre todo, estos instrumentos ahora se están integrando dentro de una Estrategia de la CONAMYPE que se vincula y se articula con otros programas nacionales. Otros impactos secundarios y positivos son: los efectos no medidos en la generación indirecta de empleo (Ej. proveedores de materia prima); impactos ambientales y de género favorables gracias a la introducción de estos elementos dentro de los SDE (producción limpia del FOEX, criterios de selección de emprendedores que incentivan la creación de empresas lideradas por mujeres). La sostenibilidad de los servicios y beneficios introducidos es más positiva que la prevista al final del proyecto, gracias al apoyo político que el GOES actual está dando al tema y porque justamente, las necesidades del sector no se han disminuidas en el tiempo. La disposición, por parte del GOES, de recursos financieros

dentro de una estrategia que integra y amplía los diversos instrumentos de SDE y que conlleva con sí mismo, una mayor coordinación intersectorial, es muy positiva para el sector MiPYME. A este afecto, se aprecia que el nivel de financiamiento disponible superará marcadamente, lo previsto en el Plan de Sostenibilidad (del proyecto): Ej. El FOEX, anteriormente dependiente de la cooperación internacional, cuenta con fondos del GOES, por primera vez; dentro de las leyes de Calidad y eventualmente de las MiPYME, se establecerán presupuestos para los diversos instrumentos; otros servicios introducidos, como los CDN, se están manteniendo al mismo nivel que durante el proyecto. Dentro del Plan Estratégico de la CONAMYPE, se ampliará la cantidad de CDN (ahora centros CONAMYPE descentralizados) en el territorio, además de introducir los CEDART (en apoyo al sector artesano) y CEDEMYPES (enfocado mas en encadenamientos). (ROM)

➤ **Egypt, Financial Investment and Sector Co-operation –Rural Component:**

The project aims to support the GoE's efforts to increase income through creation of job opportunities in the rural areas. It seems obvious that access to credit based on a cash flow lending scheme will enable the SME (without collaterals) to invest in activities that could create labour. Unfortunately, there is no tool to monitor the impact of the project on job creation. . (ROM)

➤ **Egypt, Spinning and Weaving Sector Support Programme**

The former actions have already had a decisive impact on the cotton trade, now liberalised (except the seeds). They have had some effect on the SOEs of the sector, by reducing the workforce and clearing the balance sheets. However, if no proper restructuring plan of those SOEs is implemented at the level of the management methods, the problems will not disappear. The social problem may extend to the whole sector, as the companies have no chance to face competition with their present methods. . (ROM)

➤ **Niger, Programme d'appui a la securite alimentaire par la petite irrigation (asapi)**

Le composant développement empêche probablement la détérioration trop rapide des conditions de vie sans cependant les améliorer. La pénurie alimentaire de 2005 n'a fait que renforcer les propos du précédent rapport de monitoring. Cependant, la combinaison i) de la protection de l'environnement via des aménagements anti-érosifs de restauration et de conservation des sols pour préserver les terres cultivables et permettre la recharge des nappes d'eau, ii) du travail et de la rémunération donnés aux populations les plus pauvres pour réaliser cette protection, iii) de la maintenance (conceptualisée sans être encore réellement opérationnelle) des ouvrages réalisés, permet de penser que l'impact dans les zones d'intervention sera réel. A titre illustratif, le fonçage de puits allège les tâches répétitives des femmes et leur libère du temps et donc 'contribue à l'amélioration effective des conditions de vie'. (ROM)

➤ **Tanzania, Tanzania Annual Action Plan 2007 Accompanying Measures for Sugar**

There are tangible results being generated from the project, particularly in terms of improving road infrastructure and introducing block farming as a way to consolidate land and optimise farming on larger plots of land. These developments will have a direct and positive income impact on the small-scale sugarcane growers thereby reducing poverty for this target group, but presently this impact is limited in scope,

especially in the sugar estates such as Kagera where the out grower scheme is in its infancy and high entry costs and competing crops make small scale sugar cane growing a challenge. Moving forward, the major challenge will be to create sustainable funding and service delivery mechanisms and institutions to support small scale farmers with productivity improvements and land consolidation. Without such support systems it is difficult for small scale cane growing to be a profitably viable proposition. A recent study funded under this project, proposed the creation of a 'revolving service delivery fund' which can build on some of the positive developments in Kilombero Sugar Estate, such as the community trust fund. (ROM)

5.2.4 PERCEPTION BY STAKEHOLDERS IN SELECTED COUNTRIES THAT THE PROGRAMME SIZE AND AID MODALITY USED TO IMPLEMENT THE PROGRAMMES OPERATING ON THE LABOUR DEMAND SIDE ALLOW ACHIEVING SUSTAINABLE RESULTS IN EMPLOYMENT.

See JC 3.4 Indicator 3.4.1.

Sources of information :

- Project documents
- National Development Plan and national sector policies
- National statistics of selected countries
- Existing sector and country evaluations
- Employment and labour market studies at country level from the sample
- Field visits
- Interviews
- Questionnaire to EU Delegations

Methods :

- Document analysis
- Inventory Analysis
- Case studies
- Focus groups
- Interviews analysis
- Questionnaire analysis

| | | |
|------|--|---|
| EQ 6 | To what extent has the support to TVET and to other active labour market measures improved employability of workers, especially vulnerable and marginalize groups, and capacity of workers to adapt to effects of structural reforms, global changes, transition to market economy, etc? | |
| | Evaluation criteria: Relevance, Effectiveness, Sustainability | |
| | | |
| | Judgment criteria | Indicators |
| | 6.1 The EC interventions in the TVET at country level are framed within a sector policy | <p>6.1.1 COUNTRIES WHERE EC SUPPORT TO TVET SECTOR IS FRAMED WITHIN AN OVERALL EDUCATION SECTOR WITH COHERENT LINKS AND BRIDGES AMONG SUB-SECTOR LEVELS.</p> <p><i>SYNTHESIS: The answer to this indicator rests on three main sources: the results of the survey to EU Delegations and National Counterparts, the analysis of the Financing Agreements of relevant projects, the analysis of all available documentation for a sample of 8 additional selected projects.</i></p> <p><i>SURVEY RESULTS: in approximately 42% of the 106 countries targeted via the survey for the period 2000-2006 and in 48% in the period 2007-2013, TVET is among the focal areas of EC response strategies. According to the surveys' results, in the period 2002-2006 TVET was framed within an overall education sector strategy in almost 55% of the cases. In the following period, 2007-2013, this share increased to 64%. The analysis at the regional level reveals that TVET's presence as focal area experienced a general increases in % during the overall period in the ACP region, the Mediterranean region, and Latin America. whereas in Asia, and in Eastern Europe & Central Asia it has been falling. Overall, TVET specific projects & programmes decreased in Asia, Mediterranean and Latin America; they remained constant in the ACP region, and they have been on the rise in Eastern Europe & Central Asia. On the contrary, TVET as framed in overall education sector strategy increased in Asia, Mediterranean and Latin America while dramatically dropped in Eastern Europe & Central Asia.</i></p> <p><i>FINANCING AGREEMENTS ANALYSIS: The analysis of EC VTS interventions shows that projects and programmes in this field are usually framed within an overall sector policy which can relate the education sector and often to the employment sector as well as the private sector. For instance, in Vietnam the project 'Labour market information system and HR development:' is framed within the Government of Vietnam's market-oriented industrialization policy. In Morocco, the project 'Appui à la création d'emploi:' falls within the national strategy of employment promotion, which, nonetheless, rests on the reform of the educational system. The project 'Appui au développement de la formation professionnelle dans les secteurs du tourisme, du textile et des nouvelles technologies de l'information et de la communication' is framed within the national strategy of vocational training. Specifically, the 'National Chart of education and vocational training' reckons vocational training playing a central role in the employment policy. Since 1996, several laws and regulations have been adopted to better organise this sector. As a matter of fact, the vocational training deficit is one of the major</i></p> |

problems that the private sector faces in Morocco.

ANALYSIS OF ADDITIONAL 8 SELECTED INTERVENTIONS IN 8 COUNTRIES: overall, it can be stated that, based on the selected interventions, EC support to TVET sector is most of the times framed within an overall education sector. For instance, in Armenia, the 'Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system' programme is coherent with the sector policy support programme funded under Action Plan 2006 and builds on the activities of the Ministry of Education and Sciences (MoEs) in 2007 to strengthen the reform of the vocational education and training (VET) sub-sector. In Armenia, the PRSP I gave top priority to general education that received considerable allocations, and the revised PRSP II, adopted in 2007, raised the importance and priority of VET in the development agenda of the country. As reported in the project monitoring reports, the strong link with the national sector support has allowed the EC to contribute to concrete reforms: the Ministry of Education approved a concept paper on "Priorities for implementation of the VET modernization strategy in Armenia" and the VET strategy implementation Action Plan, (ii) five new modular curricula were tested in the pilot schools; (iii) the project succeeded in increasing the capacity of local experts and VET School managers in developing new curricula and DACUM methodology (at least five highly trained experts can guide the introduction of modular curricula in other VET schools). In Egypt, the 'Education sector policy support programme (ESPSP)' is framed within a broader education sector support. The gov. of Egypt reckons education policy choices key in helping Egypt to gaining from knowledge-based production and services. President Mubarak had continuously highlighted the importance of education as a national priority and the foundation of development, placing Education on top of the social agenda of the GoE. Another positive example is the 'tourism training programme' in Tanzania, where the Government has always emphasized investment in human capital as central to the quality of lives of Tanzanians. Likewise, education has been considered a precondition for progress in development and for the reduction of poverty. The central place of education has been further accentuated in the long-term policy objectives of the Poverty Reduction Strategy and Vision 2025. In 1995, the Government adopted a new Education and Training Policy with the design of a sector-wide approach for the entire education sector. Private sector involvement in providing education, curriculum review to improve quality and increase access, and devolution of management and administration to local levels were introduced.

Nevertheless, it can be stated that TVET is not systematically framed in the education sector. For instance, in Bangladesh, the project 'vulnerable group development for ultra-poor (vgdup)' envisages TVET activities that are not framed in an overall education sector, as the programme rationale falls mainly under the food security umbrella. The same applies to

SURVEY RESULTS

According to the survey results, when TVET is among the focal areas of EC response strategies (and this happens in approximately 42% of the 106 countries targeted via the survey for the period 2000-2006 and in 48% in the period 2007-2013) it is:

TABLE 38: TVET CONSIDERATION IN EC RESPONSE STRATEGIES, BY PERIOD

| | 2000-2006 | 2007-2013 |
|---|------------------|------------------|
| Addressed via Specific projects & programmes in | 83% of the cases | 72% of the cases |
| Framed within an overall education sector strategy in | 54% of the cases | 64% of the cases |

Source: *Worldwide Survey to EU Delegations*

If we look at the different regional frameworks, we observe that TVET's presence as focal area in EC response strategies increases in % during the overall period in ACP, Mediterranean and Latin America, while in Asia and in Eastern Europe & Central Asia it decreases. Overall, TVET specific projects & programmes decrease in Asia, Mediterranean and Latin America, it remains practically the same in ACP and they increase in Eastern Europe & Central Asia. On the contrary, TVET consideration within an overall education sector strategy increases in Asia, Mediterranean and Latin America and it seems to disappear in Eastern Europe & Central Asia.

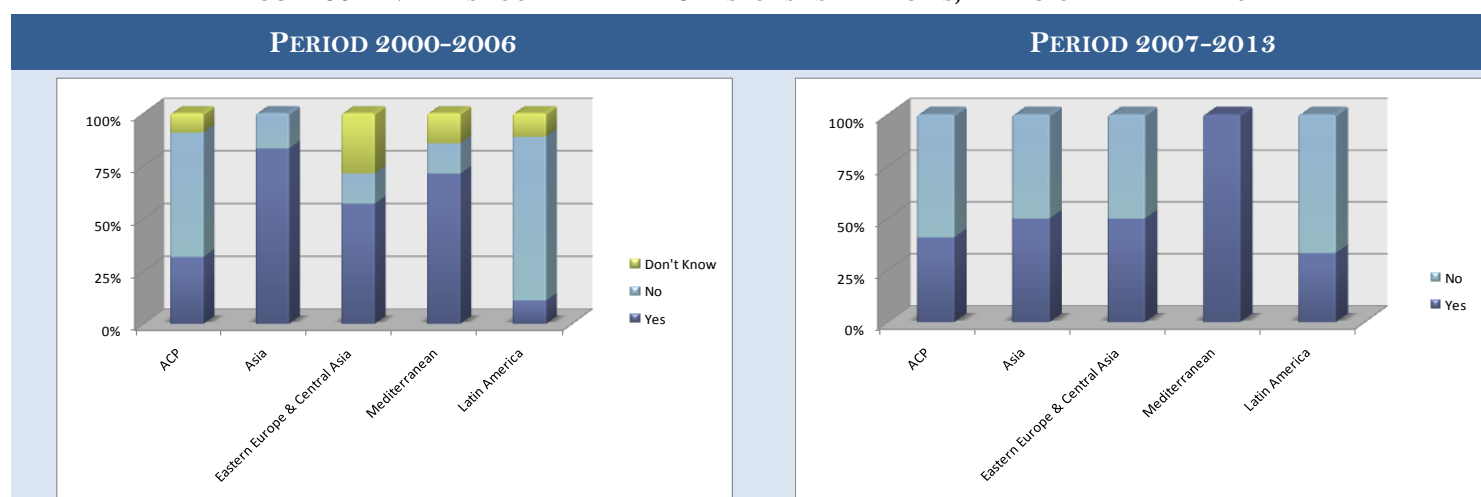
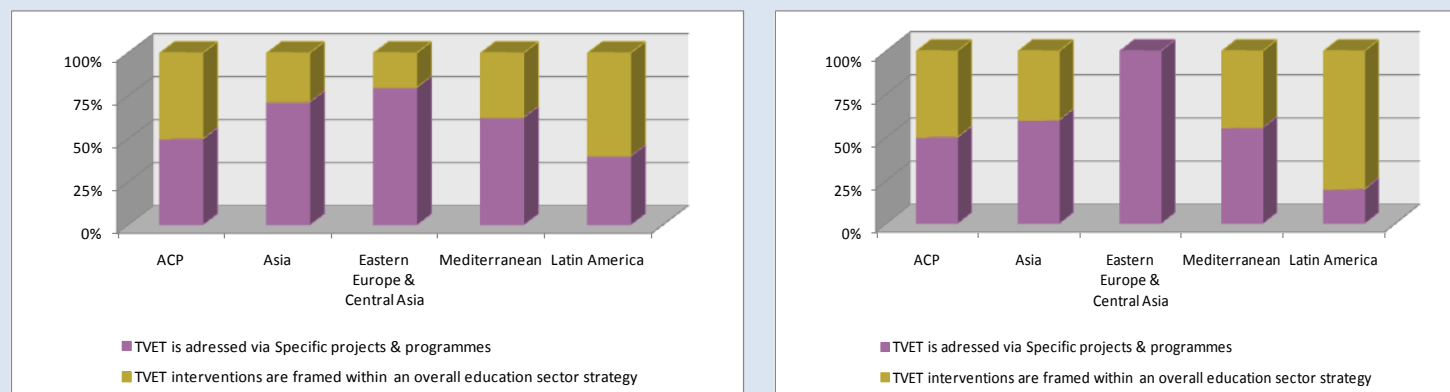
FIGURE 58: TVET AS FOCAL AREA IN EC RESPONSE STRATEGIES, BY REGION AND BY PERIOD

FIGURE 59: TVET CONSIDERATION IN EC RESPONSE STRATEGIES, BY REGION AND BY PERIOD

Source: *Worldwide Survey to EU Delegations*

Among the 20 pre-selected countries, the EC support to TVET was not directly framed within an overall education sector context. The support was framed within a broader HRD strategy (for example Vietnam, Morocco and Dominican Republic), an employment creation strategy (for example Egypt, Bangladesh and Tunisia) or a broader macro-economic development strategy (Armenia, Jordan and South Africa) as a stand-alone support area. However, among non pre-selected low-income countries, such as Botswana, Namibia, Ethiopia and Barbados there are a number of countries in which the EC has support TVET as part of a comprehensive education's sector support initiative.

FINANCING AGREEMENTS ANALYSIS

This is also validated by the analysis of the financing agreements.

Overall, it can be stated that EC VTS interventions are mostly framed within an overall sector policy which can relate to the employment sector or the private sector.

Morocco

15. Appui à la création d'emploi: the programme is framed within the national strategy of employment promotion which rests on the reform of the educational system.
16. Appui au développement de la formation professionnelle dans les secteurs du tourisme, du textile et des nouvelles technologies de l'information et de la communication: the programme is framed within the national strategy of

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| | | <p>vocational training. Specifically, the ‘National Chart of education and vocational training’ reckons vocational training plays a central role in the employment policy. Since 1996, several laws and regulations have been adopted to better organise this sector. The vocational training deficit is one of the major problems that the private sector faces in Morocco.</p> <p>South Africa</p> <p>17. <u>TABEISA II: Technical and business education initiative in South Africa - Phase II</u>: this project aims to upgrade the quality of the education services provided at Technikons and help generate employment opportunities for their students. In the financing agreement no links to the national education strategy are provided.</p> <p>Vietnam:</p> <p>18. <u>Labour market information system and HR development</u>: this project is framed within the Government of Vietnam’s (GoV) market-oriented industrialization policy.</p> <p><u>ANALYSIS OF 8 SELECTED INTERVENTIONS IN 8 COUNTRIES (FAs, ROMs, Evaluation Reports):</u></p> <ul style="list-style-type: none"> • Armenia, ‘Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system’ <p>This programme Education has received a consistent attention as a priority area in all strategic development policy documents in the Republic of Armenia, in particular in the last half decade. Human capital is Armenia’s main wealth and further consistent investment in human resources development is a priority.</p> <p>The PRSP I, adopted in 2003, recognises the role of VET in poverty reduction and economic development, and indicates that reform of the VET system, incl. rehabilitation and strengthening of its offer is the principal way to reduce the existing high rate of structural unemployment. Policy objectives concerning secondary vocational and higher education include: i) compatibility with rules of market economy; ii) enhanced quality and compliance with international standards; iii) improved accessibility and equality. The PRSP I gave top priority to general education that received considerable allocations, but the revised PRSP II, adopted in 2007, raised the importance and priority of VET in the development agenda of the country. This opens new positive perspectives in terms of growth of state budget allocations for VET in 2008 and further, as announced by the sector Ministry and the MFE. (<i>source: Identification fiche, Action fiche</i>)</p> <p>According to the <i>Monitoring Reports</i>, the project had some impact: (i) the Ministry of Education approved a concept paper on “Priorities for implementation of the VET modernization strategy in Armenia” and the VET strategy implementation Action Plan, (ii) five new modular curricula are being tested in the pilot schools; (iii) the project succeeded in increasing the capacity of local experts and VET School managers in developing new curricula and DACUM methodology: at least five highly trained experts can guide the introduction of modular curricula in other VET schools.</p> <p>In terms of sustainability, the policy environment improved during the reporting period and remains highly supportive to</p> |
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| | <p>the project. In autumn 2005 and after the long discussions, Parliament approved the Law on Preliminary and Middle Professional Education and Training, developed in 2004 with Tacis support. There is no risk that the Government will change its policy in the near future. Staff of pilot VET schools demonstrate a high sense of ownership of the project results and that serves as a good prerequisite for sustainability of the project results.</p> <p>The sustainability of the new methodology for the development of modular curricula will depend on successful testing in the pilot schools. However, the result of this testing will be available only by the end of 2006. Therefore, it will be important to extend the project duration in order to assess the results of the first academic year with new curricula.</p> <ul style="list-style-type: none"> Bangladesh, vulnerable group development for ultra-poor (vgdup) <p>The project has been identified in the framework of the long term EC food security strategy. It was conceived for the purpose of improving the livelihood of 80.000 ultra-poor (UP) rural women household-heads. Living in extreme conditions of marginalization, lacking any assets, skills and external support, UP women, most of them abandoned or widows, are the most vulnerable group in rural society. In this sense, TVET activities are not framed in an overall education sector, as the programme rational falls mainly under the food security umbrella. However, the project intervention logic, rather than adopting a technical 'poverty approach' moved to a more holistic understanding of the linkage between gender and chronic poverty. Along with 24 months of SSN cash allowances (400 Tk/month), the action devised an articulated set of interventions addressing individual Income Generating Activities – IGA (training and asset distribution), organization of saving groups (Result – R1), gender right-based training as well as fostering nutritional status (R2) and access to primary, maternal and reproductive health care by raising awareness and supplying information (R3). Likewise, the project attempts to change the terms of social recognition for UP women through Local Government Institution (LGI) training (R5). Finally, a component of institutional support will improve the DWA capacities to manage SSNP (R4). (source: ROM)</p> Dominican Republic, Development of technical and professional Education in Dominican Republic <p>El proyecto sigue pertinente en el contexto educativo de la República Dominicana. Se circunscribe dentro de la prioridad nacional y la política sectorial, coordinada dentro del plan 2003-2012. Además contribuye con los Objetivos de Desarrollo del Milenio (ODM) expresados en el Objetivo Global (OG: desarrollo económico y social) y en el Objetivo Específico (OS: adecuación con la demanda social y el mercado). (source: ROM)</p> Egypt, Education sector policy support programme (ESPSP) <p>The analysis of project related documents (FA, ROM 2010) shows that support to TVET During the past 10 years, Egypt has striven to meet internationally set goals for universal primary education and gender gaps, measure dby the gender parity index, have been narrowed considerably (...)/ In designing the National Strategic Plan 2007-2012 for the reform of</p> |
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| | <p>pre-university Education, the MoE laid emphasis on equity and high quality education as critical tools to empower and enlighten students to promote active citizenship in the global knowledge-based society.</p> <ul style="list-style-type: none"> Kyrgyz Republic, Addressing Social Consequences of Transition in the Ferghana Valley (UNDP) <p>The analysis of project related documents (RSP, Action Plan, ROMs) shows that support to TVET is framed within a broader education sector support. This project is part of the Tacis Regional AP 2002 and implemented under a direct agreement with UNDP. The project consists of three large components, each with its own Overall Objective (OO), Specific Objective (SO) and Outputs. According to the Project Synopsis, the Overall Objectives are:</p> <ul style="list-style-type: none"> - <i>Agricultural development:</i> To improve rural livelihoods in Lyalak and Batken rayons through the provision of better on-farm advice and particularly in irrigated areas, to ensure improved sustainability of such livelihoods. - <i>Water management:</i> To improve rural livelihoods in Batken and Lyalak rayons of Batken oblast through the provision or rehabilitation of village potable water supplies and the rehabilitation of irrigation and drainage infrastructure. - <i>Social safety net training:</i> To improve both livelihoods in Batken oblast through reduction of unemployment in accordance with national development goals set out in National Poverty Reduction Strategy and of Millennium Development Goals and EU indicative Programme for Central Asia. <p>The Specific Objective relating to the social sector is to improve the capacity of vocational training system in terms of jobs creation” (Action Plan 2002)</p> <p>According to the RSP 2002-2006, population pressures are straining social services provided through the state budget, particularly health and education. Education levels are declining. The migration of educated human capital to Russia in particular has depleted the professional and administrative elite in most Central Asian countries. At the same time, the numbers of young people entering the labour market without relevant, market-oriented skills are high, contributing to increased levels of unemployment. Reversing this trend requires reform of social protection and education systems, as well as efforts to improve access to quality higher and technical education reform of education systems, in particular higher and technical education, with the aim of ensuring their responsiveness to needs arising from economic reform.</p> <p>Priority will be given to curriculum development, modernisation of management and institutional structures, development of skills-related training, particularly advanced skills shortages, citizenship skills and strengthening democracy.</p> Niger, Appui a la formation professionnelle continue <p>The analysis of project FA shows that support to TVET is framed within a broader education sector support. The global objective of the project is to contribute to poverty reduction by improving on the one hand, the insertion into the labour market of young people, and on the other hand, the economic performance of artisans. This should be achieved through a better vocation training qualification. The project is based on national sectoral policy.</p> |
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| | | <ul style="list-style-type: none"> • Tanzania, tourism training programme <p>The analysis of CSP 2001-2007 shows that support to TVET is framed within a broader education sector support.</p> <p>The Government has always emphasized investment in human capital as central to the quality of lives of Tanzanians. Likewise, education has been considered a precondition for progress in development and for the reduction of poverty. The central place of education has been further accentuated in the long-term policy objectives of the Poverty Reduction Strategy and Vision 2025. Throughout, the priority goal has been to ensure that all children have access to quality education, in the first instance basic education. Despite the focus on education in the country's development strategies and significant donor support, the sector has seen a continuous deterioration over the last two decades with stagnant or worsening basic education indicators. Although efforts in the 1970s resulted in next to universal primary education and near-universal adult literacy, policy- and structural weaknesses combined with economic shocks meant that these educational gains could not be sustained in the 1980s and 90s. Recent economic revival and growth have not been able to alter this trend. The sector faces numerous challenges, the most serious of which are:</p> <ul style="list-style-type: none"> • national literacy rate at 67% (60% female), low and declining enrolments and inequitable access with net enrolment in primary school at 57%, in secondary school at 7% and in higher education at less than 1% (2000). Non-formal and adult education also face decreasing rates; • low quality of education resulting from low teacher qualification, shortage of appropriate teaching/learning material & tools, inadequate learning environments; • an inefficient system with low retention rates and large regional disparities, late school entries, high drop-out rates for girls, etc.; low institutional capacity and poor management which has led to an inefficient, hierarchical education system weakened by inadequate funding and inefficient allocation of resources; • cross-cutting issues related to gender inequalities in the education system and the impact of the HIV/AIDS epidemic on the same. <p>To address this situation, the Government adopted a new Education and Training Policy in 1995 with the design of a sector-wide approach for the entire education sector. Private sector involvement in providing education, curriculum review to improve quality and increase access, and devolution of management and administration to local levels were introduced. The Local Government and Civil Service Reform Programmes, launched in 1996, were directly linked to this process as they set further determinants for a decentralized system and redefine the roles and management of central ministries. Government subsequently submitted a first version of an Education Sector Development Programme (ESDP), appraised in 1999, to incorporate and operationalise previous policies and plans. Its overall objective is to provide for increased gender-balanced and equitable access to higher quality basic education with the following priorities: i) priority on basic education; ii) improvement in secondary school opportunities; iii) demand-driven and market oriented post-secondary and higher education; and iv) institutional development to improve sector management and to strengthen capacity to monitor progress. The ESDP has been followed by the elaboration of a Basic Education Master plan and sub-sector master plans for</p> |
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secondary education, teacher education and higher education. The finalization and implementation of the ESDP was hampered by the limited capacity in the ministries concerned (mainly the Ministry of Education and Culture MOEC), the slow pace of institutional reforms and the quality of the dialogue with its international partners. Recently, however, discussions have taken a new start within the framework of the PRSP and HIPC process. Also, recent progress in elaborating a basic education sub-sector strategy and work programmes has been impressive. Government's decision to abolish school fees has been particularly welcome.

The initial phase of the ESDP will focus on managing the strong expected increase in primary enrolment starting early 2002, on providing funds to schools for non-salary recurrent expenditure to improve quality of teaching and on capacity strengthening. Further phases of the ESDP will depend on progress in capacity strengthening at all levels and on institutional change in the education sector as a whole. The ambition is to manage ESDP, not as a separate programme, but as fully integrated in the education sector's normal activities. It is supposed to provide a framework for external funding to which an increasing number of donors will subscribe. Initial funding will be provided by the World Bank, EC and possibly some bilateral donors. Some donors will support the sector by providing general budget aid to fund PRSP priority sectors.

The ESDP has yet to be finalized, adopted and implemented. Further, its mainstreaming within the MOEC is crucial. It is particularly important that the sector reform process becomes fully Tanzania owned and that stakeholder participation in the formulation and implementation of the reforms replaces the traditional top-down approach. A clear poverty focus of the sector strategy is to ensure that the constraints, needs and priorities of marginalized groups and vulnerable populations are integrally addressed by the strategy.

- **Uganda, human resources for health**

According to ROM 2008, relevance of the design of this project was high (particularly the activities under result area 2) since Human Resources for Health (HRH) are a national priority as per the respective sectoral government strategy papers.

As reported in the CSP 2002-2007, Uganda's vision and strategies for the reduction of poverty are articulated in the Poverty Eradication Action Plan (PEAP) that was put into place in 1997, and revised in 2000, through a highly participatory process.

6.1.2 THE EXTENT TO WHICH PROGRAMMES SUPPORTING POVERTY REDUCTION IDENTIFIED IN THE INVENTORY EXPLICITLY REFER TO TVET WHEN SUPPORTING EDUCATION SECTOR OR HUMAN RESOURCES DEVELOPMENT

***SYNTHESIS:** The answer to this indicator rests on the analysis of the financing agreements and the matrix of conditionalities (performance matrix) of 15 relevant projects in 7 ACP countries and 7 additional selected poverty reduction projects in 6 non-ACP countries.*

***POVERTY REDUCTION –ACP PROGRAMMES ANALYSIS:** In almost all cases, poverty reduction is the point of departure for*

the support to TVET, either by referring to the MDGs or the national PRSP. Typically, the CSP – referring to national poverty reduction goals – outlines the overarching strategy on how the EC support can contribute to achieving them. In regard to the specific poverty reduction interventions analyzed in 7 ACP countries, it can be stated that overall TVET is not explicitly addressed as a key issue or a priority. Over 15 programmes scrutinized, only three interventions include TVET components.

For instance, in Jamaica, the ‘Poverty Reduction Programme II’ signed in June 2006, envisages training programmes and workshops to foster communities’ capacity building. In Mali, the ‘programme pluriannuel d’appui budgétaire au cadre stratégique de lutte contre la pauvreté 2003–2007’, signed on December 2003, includes among its goals ‘human resources development and access to basic social services’. More specifically, the ultimate goal should be a rise in the number of students accessing vocational training programs. In 2003, it is expected that at least 32% of the students admitted to secondary education access vocational training. In South Africa, the overall objective of the programme ‘Innovation for Poverty Alleviation (SBS to DST)’, is to contribute to the Department of Science and Technology’s policy and strategy of using science and technology for reducing poverty through job creation, SME development, economic growth and the improvement of the quality life. In terms of TVET issues, there is a clear link to human capital development activities whose ultimate goal is to increase the participation of youth from disadvantaged backgrounds in higher learning and employment in science, engineering and technology careers. Moreover, it aims to increase the numbers of South Africans with tertiary education qualifications in science and engineering, particularly with research degrees. Three main indicators of performance are provided in this area, namely: support for internships, support for science centers and FabLabs in poor communities, and training and development for SBS staff in management, evaluation and monitoring.

POVERTY REDUCTION –NON-ACP PROGRAMMES ANALYSIS:

In line with what observed for ACP countries, in the rest of the countries analyzed (ASIA, ENPI, Latin America) TVET is not explicitly addressed as a key issue or a priority. Over 7 programmes scrutinized, only one intervention include TVET (sectoral) components. This is the case of the project ‘support to Vietnam’s poverty reduction and growth strategy under prsc-3’, whose overall objective is to reduce poverty and to sustain growth through support for the implementation of reforms as envisaged in the Government’s Comprehensive Poverty Reduction and Growth Strategy 2001 – 2010 (CPRGS). The purpose of the project is to foster the implementation of Vietnam’s Comprehensive Poverty Reduction and Growth Strategy (CPRGS) by providing budgetary support as well as technical assistance. Reference to TVET activities is done in the description of the specific objectives, according to which the project aims to provide training for SBV supervisors in the field of bank supervision, monitoring and risk provisioning as well as banking products.

POVERTY REDUCTION –ACP PROGRAMMES ANALYSIS

In order to grasp the presence and the significance of ESI issues in the BS programmes, 20 interventions were selected for a deeper analysis. Out of these interventions, 17 fall in the area of poverty reduction while 3 meet structural adjustment goals. However, documentation was available only for 15 interventions.

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| | | <p>▪ Dominican Republic</p> <p>I) The financing agreement of the programme 'General budget support for poverty reduction' was signed on August 2006. The main objective was to enable the Government of the Dominican Republic to implement its Sustainable Development policies and strategies thereby reducing poverty, in an effective, efficient, and transparent way.</p> <p>In order to achieve this objective, the programme focuses on three main purposes:</p> <ul style="list-style-type: none"> - Improved macroeconomic stability - Increased effectiveness, efficiency and transparency in the use of public funds enhancing the capacity of Government to comply with social spending and investment plans. - Increased means of GoDR to implement its Sustainable Development investment strategy, particularly for the health and education sectors. <p>The analysis of the financing agreement, its annexes and the intervention logical framework shows the lack of outcome indicators and any reference to issues relating to employment and labour market.</p> <p>▪ Jamaica</p> <p>I) The financing agreement of the 'Poverty Reduction Programme' in Jamaica was signed on December 2000. The overall objective of the project was to alleviate poverty by improving living conditions in poor communities. In order to achieve this goal, the PRP provides access in poor communities to quality basic infrastructure and services, especially in the field of sanitation, water and health. Moreover, it aims to enhance the participation of poor communities 'associations and individual members in their own development by strengthening their administrative capacity and by associating them closely with the implementation of Jamaica social Investment Fund projects.</p> <p>The analysis of the financing agreement, its annexes and the intervention logical framework shows the lack of outcome indicators and any direct reference to issues relating to employment and labour market. However, it can be stated that to a limited extent the second project purpose should ultimately have an impact on the inclusion of poor groups and associations into the labour market. In fact, by increasing the participation in relevant levels of decision making, poor vulnerable groups should be able to better access not only social infrastructures but working opportunities as well.</p> <p>II) The financing agreement of the 'Poverty Reduction Programme II' was signed in June 2006. The overall objective of the programme is poverty alleviation through sustainable growth. By demonstrating community-level approaches that work, and by exchanging information amongst and helping to coordinate the different sub-projects, PRP II should strengthen the cohesion, efficiency and effectiveness of all relevant interventions. In order to achieve this overall objective, PRP II aims to reduce the level and incidence of poverty in communities across Jamaica, to improve capacity of poor communities to participate in their own development, to increase access to basic infrastructure and services, to improve the</p> |
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| | | <p>capacity of NGOs to support and facilitate communities and community-based organizations, to improve the capacity of the social development commission to assist and support communities.</p> <p>Again, although there are not specific actions relating to employment and labour market, within the second purpose, the PRP II provides at least 15 training programmes and workshops to foster communities' capacity building.</p> <p>▪ Mali</p> <p>I) The financing agreement of the FAS was signed on December 1999. This programme of structural adjustment aimed to strengthen government financial viability and to foster economic growth with the ultimate goal of poverty reduction. In order to achieve this objective, the FAS rested on actions targeting the growth rate increase, the inflation rate decrease, the global deficit reduction, and the investment rate increase. Moreover, the FAS intended to support the implementation of national reforms in the area of: health education and transport.</p> <p>The analysis of the financing agreement and its annexes shows the lack of any reference to issues relating to employment and labour market.</p> <p>II) The financing agreement of the 'programme pluriannuel d'appui budgétaire au cadre stratégique de lutte contre la pauvreté 2003-2007' was signed on December 2003. It aims to support the national CSLP (Cadre Stratégique pour la Croissance et la Réduction de la Pauvreté), which identifies three main priority areas: i) institutional development and governance strengthening, ii) human resources development and access to basic social services, iii) infrastructure development and support to productive sectors.</p> <p>In terms of employment and labour market issues, the financing agreement provides a clear reference to human resources development. In this regard, a deeper look into the description of the programme reveals that the ultimate goal should be a rise in the number of students accessing vocational training programs. More specifically, it is stated that in 2003, it is expected that at least 32% of the students admitted to secondary education access vocational training¹³⁰.</p> <p>III) The financing agreement of the programme 'contrat OMD pour le Mali - PPAB 2' was signed on March 2009. The overall objective is to enhance growth and reduce poverty while contributing to the achievement of the MDGs in Mali. In order to achieve this goal, three main priority areas are identified: i) quality of health services, ii) basic education, iii) public finance management.</p> <p>The analysis of the financing agreement, its annexes and the intervention logical framework shows the lack of outcome indicators and any reference to issues relating to employment and labour market.</p> |
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¹³⁰The FA does not provide additional information on the subject (eg. Activities, type of vocational training, geographical coverage, etc...).

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| | <p>▪ Niger</p> <p>I) The financing agreement of the 'programme pluriannuel d'appui a la réduction de la pauvreté 2003-2005' was signed on November 2003. The programme aims to support the implementation of the national poverty reduction strategy, which entails four main axes of interventions: i) improve macroeconomic stability, ii) to facilitate poor groups' access to social services (education and health); capacity building and good governance; iii) development of productive sectors.</p> <p>The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market.</p> <p>II) The financing agreement of the programme 'Appui au dispositif national de prevention et de gestion des crises alimentaires' was signed on July 2007.</p> <p>This programme aims to support the national alert mechanism for prevention and management of food crisis. The main goal is to contribute toward rural poverty reduction before 2015.</p> <p>There are three main areas of intervention: i) support to the alert and prevention mechanism, ii) support to the mechanism in charge of crisis management, iii) support to the dialogue mechanism.</p> <p>The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market.</p> <p>▪ South Africa</p> <p>I) The financing agreement of the programme 'Innovation for Poverty Alleviation (SBS to DST)' was signed on March 2008. The overall objective is to contribute to the Department of Science and Technology's policy and strategy of using science and technology for reducing poverty through job creation, SME development, economic growth and the improvement of the quality life. In order to achieve this overall goal, the programme targets the following areas: i) creating sustainable livelihoods, ii) social services and infrastructure, iii) high impact health initiatives, iv) human capital development, v) ICTs for access to government services and S&T in rural areas, and vi) technology and knowledge transfer.</p> <p>In terms of ESI issues, there is a clear link to human capital development activities whose ultimate goal is to increase the participation of youth from disadvantaged backgrounds in higher learning and employment in science, engineering and technology careers. Moreover, it aims to increase the numbers of South Africans with tertiary education qualifications in science and engineering, particularly with research degrees. Three main indicators of performance are provided in this area, namely: support for internships, support for science centers and FabLabs in poor communities, and training and development for SBS staff in management, evaluation and monitoring.</p> <p>II) The financing agreement of the programme 'Water for Growth and Development' was signed in March 2008. The programme aims to sustain South African growth and development within the framework of the National Water Resource Strategy. Expected results are: i) stakeholder collaboration in place and focused on sustainable water management for all south Africans, ii) catchment management agencies established and operational, iii) municipalities proficient in their</p> |
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| | <p>designated water resource management and water services roles, iv) DWAF strengthened and capacitated in providing policy direction, regulation and support to the water sector, v) civil society organizations able to provide training and support to, and advocacy in the water sector, vi) review of alternative financing mechanisms for sustainable delivery of water services and water resource management, vii) water service providers operating in an effective and efficient manner, viii) sustainable ecosystem based IWRM contributing to social development.</p> <p>The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market.</p> <p style="text-align: center;">▪ Tanzania</p> <p>I) The financing agreement of the programme ‘Poverty Reduction Budget Support 01’ was signed on October 2001. The programme provides budget support and associated technical assistance to support enhanced economic growth and poverty reduction. Specifically, over the three year period, annual GDP growth is targeted to accelerate from about 5.2 % to 6%. At a sector level, growth in the industrial and service sectors is particularly important.</p> <p>The capacity of the poor to benefit from growth is promoted through a set of measures focused in particular on health and education. Education policy focuses especially on increases in primary school enrolment and reductions in primary dropout rates.</p> <p>In terms of issues relating to employment and labour market, the financing agreement down not provide any reference to this sectors neither outcome indicators.</p> <p>II) The financing agreement of the programme ‘Poverty Reduction Budget Support 02’ was signed on November 2003. The programme provides budget support and associated technical assistance to support enhanced economic growth and poverty reduction. Specifically, 7% annual GDP growth in the medium term is expected to provide the basis for reducing the proportion of the population living in absolute poverty by half in 2010, compared to the 2000 level. The PRS priority sectors are: education (notably at primary school level), health (primary health care); agriculture (research and extension), roads (in the rural areas); water, judiciary, and HIV/AIDS.</p> <p>The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market.</p> <p>III) The financing agreement of the programme ‘Poverty Reduction Budget Support 03’ was signed on September 2006. The programme provides budget support and associated technical assistance to sustain Tanzania’s efforts towards reducing poverty and enhance economic growth.</p> <p>In order to achieve this goal, the programmes focuses on three main priorities: i) the need to sustain macro-economic stability that favors a broad-based economic growth, ii) the need to support improvements in service delivery especially in health and education, iii) and the need to sustain progress in public finance management.</p> |
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Although the analysis of the financing agreement shows the lack of outcome indicators and any components in the programme relating to employment and labour market, among the cross cutting issues it is mentioned that child labour is an area of major concern, in particular in rural areas. Challenges remain for sectors to effectively integrate child labour concerns in their sector strategies in the NSGRP context.

▪ Uganda

I) The financing agreement of the ‘fourth poverty alleviation budgetary support’ programme was signed on March 2001. It aimed at creating a stable macroeconomic environment. In order to achieve this goal, the key areas of interventions were: primary education, primary health care, rural water and sanitation, rural feeder roads and agricultural extension.

The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market.

II) The financing agreement of the ‘fifth poverty alleviation budgetary support’ programme was signed on June 2005. This programme supports the implementation of the long-term strategy of development (poverty eradication action plan- peap) objectives and its related reform programme. In addition to providing external resources for the execution of the national budget and the maintenance of macroeconomic of stability, the programme supports the implementation of Uganda’s poverty reduction reforms, with a particular emphasis on improving public service delivery and public finance management. Specifically, the programme rests on five main pillars: i) economic management, ii) production, competitiveness, and incomes, iii) security, conflict-resolution, and disaster management, iv) governance, v) human development.

This last area of intervention could fall under the spectrum of ESI issues. However, a deeper look at the programme characteristics shows that within human development, key priorities are primary and secondary education, with a particular focus on quality, health outcomes, population growth, and adult literacy.

Conclusions

The analysis of the financing agreements of 15 budget support programmes targeting poverty reduction shows a rather weak correlation to issues relating to employment and labour market. As shown in Fig. 3, 28% of the selected BS programmes include among their objectives and or actions issues relating to E & LM while 73% of them do not provide any reference to these sectors. Out the seven countries taken into account, three of them provide and/or forecast in their programmes interventions in the field of ESI, namely Jamaica, Mali and South Africa. In Jamaica, the Poverty Reduction Programme provides among its ultimate goals, the inclusion of poor groups and associations into the labour market. Moreover, in order to reduce the level and incidence of poverty in communities across Jamaica, the second Poverty Reduction Programme provides at least 15 training programmes and workshops to foster communities’ capacity building. This is in line with the national poverty reduction strategic plan, which envisages among its outcomes the promotion of poor’s social inclusion. In Mali, the ‘programme pluriannuel d'appui budgétaire au cadre stratégique de lutte contre la

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| | <p>pauvreté 2003-2007' identifies human resources development as one of the priority areas. Specifically, it aims to increase the number of students accessing vocational training programmes. It is worth noting that in the national poverty reduction strategy, employment-training are deemed as priority areas of intervention within the social sector pillar. In South Africa, human capital development is considered a targeted area as well. The programme 'Innovation for Poverty Alleviation (SBS to DST)' aims to increase the participation of youth from disadvantaged backgrounds in higher learning and employment in science, engineering and technology careers. Moreover, it aims to increase the numbers of South Africans with tertiary education qualifications in science and engineering, particularly with research degrees.</p> <p>Among the 73% of the total interventions targeting non ESI areas, health and basic (primary) education prove to be the key sectors. As a matter of fact, most of the BS programmes analyzed include among their targets: access to basic social services, basic education, quality of health services. Other significant issues taken into account are: public finance management, governance, transport and natural resources management.</p> <p><i><u>POVERTY REDUCTION –NON ACP PROGRAMMES ANALYSIS</u></i></p> <ul style="list-style-type: none"> <p><u>Bangladesh, Proshika: towards a poverty free society:</u></p> <p>Proshika is an NGO and claims to be one of the largest in Bangladesh. Its origins are in 1975 and the name Proshika is an acronym for Training, Education and Action. The vision of Proshika, as is the Project Purpose (PP), is to enable one and a half million households to graduate permanently from poverty level of existence (TK48,000 P.A.) by the year 2004. By this time the aim was to be self sufficient. The Overall Objective (OO) is to make a sustainable contribution to poverty eradication in Bangladesh</p> <p><u>Bangladesh, BRAC – Challenging the Frontiers of Poverty Reduction:</u></p> <p>The programme's overall objective is poverty reduction through replication of established livelihood models by development partners. The project's purpose is that improved livelihood practices of the poor, particularly the ultra poor, are established as a replicable model and debated by development partners at the national level.</p> <p>The outputs and activities cover four main components: a Special Investment Programme (SIP), Employment and Enterprise Development Training (EEDT), Social Development and Advocacy, and Essential Health Care (EHC). Several of the outputs involve collaboration with, or attempts to, influence poor people's access to Government services, and there is a specific advocacy output seeking to raise awareness of poverty reduction initiatives for the ultra poor. The target beneficiaries will number approximately 6 million households. The majority of resources will go to 1.3 million ultra poor women, of whom 70,000 households in the poorest regions of the country will receive an intensive package of assistance. The programme builds on BRAC's experience in some of these areas, where impact assessment suggests they have had some limited success in reaching the ultra poor. The most innovative component of the project, the Special Investment Programme targeted at 70,000 ultra poor households, will be subject to a two year pilot. Nevertheless, no specific reference</p> |
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| | <p>to TVET is done in the programme documents.</p> <ul style="list-style-type: none"> <p><u>El Salvador, programa de alivio a la pobreza en el salvador (papes)</u></p> <p>According to the FA of the programme, the Government of El Salvador does not have a strategy paper to reduce poverty (PRSP in its English acronym), as Honduras or Nicaragua. However, the Government Plan "Safe Country", in action No. 15, entitled "Strengthening Social and Family: Social Cohesion", provides the mandate to create a social safety net, defined as the range of government measures to support the poorest and most vulnerable members of society, and help individuals, families and communities to better manage risk factors. In line with this mandate, the GES has launched a program in March 2005. Solidarity Network which aims to create a social safety net. This program is part of the Opportunity Plan GES with five components (the other four are FOSALUD, Connect, Youth, Micro-credit) and aims to contribute to El Salvador, through targeted social spending towards the poorest areas and the country, achieve the Millennium Development Goals. RS represents a significant social policy of the state, addressing an important part of social expenditures toward the poorest municipalities. RS is also a conceptual breakthrough, poverty is not only understood as an absence or lack of income, but as lack of access to basic services, which justifies the need for specific action to address this problem. RS has three components (1. Conditional transfers to poor families, 2. Social Services, 3. Micro-credits and training in production). The second component, in particular, aims to improve the provision of social services, including heavy investment in basic infrastructure and sanitation, housing and habitat improvement, electrification and rural roads. However, no specific reference to TVET is done in the programme documents.</p> <p><u>Jordan, support to poverty reduction through local development</u></p> <p>The EU support programme was designed as a sector programme financed through a direct, untargeted budget support. The sector was defined as poverty reduction/alleviation through local development on the governorate and the municipality level (18 units). The original intervention logic was to install poverty alleviation through institutionalised local economic development in an overarching process of increased decentralization in Jordan. An important feature was the promotion of public participation in the municipalities, leading to LED (Local Economic Development) plans based on the prioritization of needs in local communities. In line with Jordan's National Social and Economic Plan (NSEP) aims, the programme is playing a part in empowering local governments, civil society and the private sector to become actively engaged in the broader national objectives of reducing poverty and unemployment. Action plans and relevant community projects are supposed to have an impact on poverty reduction through employment, equitable development and social cohesion. Nevertheless, no specific reference to TVET is done in the programme documents.</p> <p><u>Morocco, appui à l'indh - initiative nationale de développement humain</u></p> <p>The overall objective is to support the promotion of human development in its economic and social dimensions, based on</p> |
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| | | <p>the principles of good governance, including in respect of cross-cutting issues like gender. The specific objective is to support strengthening the fight against rural poverty by promoting investments and allocating specific powers and responsibilities to municipalities. Among the key results there is development of the local economy, in particular of long-lasting revenues generating activities able to positively affect poverty reduction. Nevertheless, no specific reference to TVET is done in the programme documents.</p> <ul style="list-style-type: none"> <p><u>Tunisia, programme d'appui à la réforme du système d'assurance maladie</u></p> <p>Reforming Health Insurance in Tunisia met a clear need in the 1990s since the medical coverage was in fact still reserved only to public sector employees, with an insufficient quality of services. As reported in the 2008 ROM: 'Bien que les principaux indicateurs de santé en Tunisie soient déjà bons, la réforme aura un impact considérable sur la santé des Tunisiens, en particulier les plus défavorisés. De plus la réforme permettra de développer le secteur privé qui a un fort potentiel d'exportation, sans priver les Tunisiens de l'accès à une médecine de pointe. Il est indéniable que chacun de ces éléments aura un impact significatif sur la santé des Tunisiens, en particulier les plus défavorisés. Cependant un effort de communication intensifiée est nécessaire. 'A deeper analysis shows that no specific reference to TVET is done in the project documents.</p> <p><u>Vietnam, support to vietnam's poverty reduction and growth strategy under prsc-3</u></p> <p>The overall objective of the project is reduced poverty and sustained growth in Vietnam through support for the implementation of reforms as envisaged in the Government's Comprehensive Poverty Reduction and Growth Strategy 2001 – 2010 (CPRGS). The purpose of the project is to foster the implementation of Vietnam's Comprehensive Poverty Reduction and Growth Strategy (CPRGS) by providing budgetary support as well as technical assistance. This latter will contribute to improve public financial management and build capacity of strategic institutions.</p> <p>Reference to TVET activities is done in the description of the specific objectives, according to which the project aims : (1) To assess the extent to which domestic banks are compliant with prevailing regulations for off-site supervision; (2) To assess the extent to which domestic banks are reporting information that is accurate, as well as reliable and timely; (3) To assess what information banks currently have to report to the State Bank of Viet Nam (SBV) and whether it is relevant or not in relation to effective SBV off-site supervision; (4) <u>To provide training</u> for SBV supervisors in the field of bank supervision, monitoring and risk provisioning as well as banking products. (5) To provide advice to the SBV on the need for a comprehensive uniform data collection system for supervision and to suggest ways in which this might be managed and used within SBV.</p> <p>6.1.3 NUMBER OF PROJECTS FROM THE INVENTORY THAT SUPPORT THE DEVELOPMENT OF A TVET POLICY AND/OR SYSTEM (INCLUDING INSTITUTIONAL STRENGTHENING AND CREATION OF SPECIFIC ARRANGEMENTS SUCH AS</p> |
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OBSERVATORIES TO MONITOR AND ADAPT TO LABOUR MARKET) COMPARED TO THE OTHER TYPES OF INTERVENTIONS IN THE TVET SECTOR AND EVOLUTION OVER TIME.

The number of projects from the Inventory that support the development of a TVET policy and/or system is 72, while the total number of interventions in the field of TVET is 148. The ratio is 48.64%.

Evolution over time: overall, the number of projects in TVET policy and/or system has been on the rise, with a peak of 13 in 2006. The average number of projects per year over the period is 7.

TABLE 39: N° OF TVET POLICY AND/OR SYSTEM RELATED INTERVENTIONS, BY YEAR

| | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
|----------------|------|------|------|------|------|------|------|------|------|------|
| N° of projects | 3 | 9 | 4 | 9 | 8 | 9 | 7 | 13 | 6 | 4 |

Source: Own elaboration based on the Inventory of EC ESI related interventions

6.1.4 PROGRAMMES AIMED AT SUPPORTING TVET SUB-SECTOR POLICY INCLUDE INSTITUTIONAL STRENGTHENING AND ARRANGEMENTS, MID-TERM PERSPECTIVES FOR SECTOR FINANCING AND INDICATORS FOR MONITORING THE SECTOR PERFORMANCE

SYNTHESIS: For the 20 selected countries, based on the Inventory, the following were recorded to have been assisted in the field of TP: Armenia, Bangladesh, Dominican Republic, Egypt, Jordan, Kyrgyzstan, Niger, Russia, South Africa, Ukraine and Vietnam.

This result is confirmed by the analysis carried out for a sample of additional selected projects in 5 of these countries. In fact, it can be stated that in most of the cases TVET projects include institutional strengthening and arrangements, mid-term perspectives for sector financing and indicators for monitoring the sector performance. For instance, in Armenia, the project 'Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system' include specific institutional strengthening and arrangements, mid-term perspectives for sector financing and indicators for monitoring the sector performance. More specifically, concerning institutional strengthening and arrangements, the programme envisages empowerment of local and regional players (schools, local authorities, civil organisations) in all issues related to skills development strategy and implementation in order to achieve better responsiveness to local socio-economies. Restructuring and rehabilitation of the existent VET institutions as well as exploring the need for establishment of new ones. Concerning mid-term perspectives for sector financing, the financial resources available to Armenia under the EC National Indicative Programme 2007-2010, which amount to € 98,4 million. Of this amount, around 40% will be devoted to support Poverty Reduction efforts through education, regional development and social services. In terms of indicators for monitoring the sector performance: A starting basis for performance measurement is included in the revised VET MPP and Action Plan (updated within the SPSP 2006) in form of outcomes presented on an annual perspective. Relevant indicators are envisaged in the field of Governance and empowerment, Quality system, Performance monitoring and accountability, Institutional capacity of VET department in the MoES. In the Dominican Republic, among the main activities of the project 'Development of technical and professional Education in Dominican Republic' there are the reorganization of the Directorate

General for the TPE, the increase of its capacity, the upgrading of its facilities, the reforming and decentralization of financing and management systems. In Egypt, the 'Education sector policy support programme (ESPSP)' foresees the strengthening of education institutions. In particular, the programme is expected to contribute to institutionalize decentralization and to strengthen the school based paradigm, based on the effective school model. In South Africa, as part of the 'Programme to support pro-poor policy development (psppd)', a Monitoring, Learning and Research Facility (MLRF) will be set-up. The facility will be used to ensure the capacity building, monitoring and evaluation objectives are fulfilled.

ANALYSIS OF SELECTED INTERVENTIONS IN 5 COUNTRIES:

- **South Africa, Programme to support pro-poor policy development in South Africa (psppd):**

This project aims to develop a cadre of researchers and policy-makers with a deeper understanding of poverty and the measurement thereof to enable more informed, evidence-based policy-making and associated interventions. It will seek to deepen the understanding of key government departments National Treasury, Department of Social Development, Stats SA of poverty broadly, and of the measurement thereof more specifically. This would strengthen the departments' ability to debate on such issues. Both the understanding of poverty as a concept, as well as the measurement thereof, would be sought to be improved. As part of the Programme a Monitoring, Learning and Research Facility (MLRF) will be set-up. The facility will be used to ensure the capacity building, monitoring and evaluation objectives are fulfilled.

- **Armenia, 'Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system'**

The programme includes the following relevant issues :

- *institutional strengthening and arrangements:* empowerment of local and regional players (schools, local authorities, civil organisations) in all issues related to skills development strategy and implementation in order to achieve better responsiveness to local socio-economies. Restructuring and rehabilitation of the existent VET institutions as well as exploring the need for establishment of new ones.
- *mid-term perspectives for sector financing:* The financial resources available to Armenia under the EC National Indicative Programme 2007-2010, which amount to € 98,4 million. Of this amount, around 40% will be devoted to support Poverty Reduction efforts through education, regional development and social services
- *indicators for monitoring the sector performance:* A starting basis for performance measurement is included in the revised VET MPP and Action Plan (updated within the SPSP 2006) in form of outcomes presented on an annual perspective. The review identifies achievements and overall objectives of the VET reform for the period 2008-2010, including relevant activities, institutional responsibilities and resources needed. Among this, we recall the following indicators:

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| | | <p>Area: Sector policy</p> <p><i>Governance and empowerment</i></p> <p>Indicator 1: Legislative framework developed as planned in the Strategy of Preliminary and Middle Professional Education and Training.</p> <p>Indicator 2: Number of VET institutions restructured/renovated</p> <p>Indicator 3: College council introduced in each VET Institution</p> <p>Indicator 4: VET council established</p> <p><i>Quality system</i></p> <p>Indicator 1: MoU between the MoES and private sector participation to VET funding</p> <p>Indicator 2: National centre for VET development established and operational</p> <p>Area: Unification and harmonization of employment and education sectors</p> <p>Indicator 1: National classifier of occupations is elaborated and adopted</p> <p>Indicator 2: Tariff- information bulletin (occupational standards) by each economic sector elaborated and adopted by the MoLSA</p> <p>Indicator 3: System of thorough labour market analysis is elaborated and implemented by MoLSA</p> <p>Area: Improvement in the business climate</p> <p>Indicator 1: Legislative framework on taxation modified to allow for employers' income tax benefits/"holidays"</p> <p>Indicator 2: Legislative framework on taxation modified to allow for creation of a special educational fund as a separate budget line in the state budget</p> <p>Area: Co-ordination of donors</p> <p>Indicator 1: The Ministry of Education and Science reviews the current status of donor support to VET</p> <p>Indicator 2: In co-operation with the Ministry of Finance and Economy, MoES initiates and leads regular donors' co-ordination meetings on the country's VET reform progress.</p> <p>Area: MTEF and programme budgeting</p> <p>Indicator 1: A draft cost estimate of the reform measures planned for 2008 is prepared</p> <p>Indicator 2: Prepare the plan of measures and outputs to be included in the MTEF 2009-2011 consistent with the revised VET MPP and Action Plan. Prepare initial cost estimate for the planned measures</p> <p>Indicator 3: Clear evidence of linkage to Government objectives and policy priorities (particularly - PRSP) and policy – expenditure linkage in the MTEF and Budget submission</p> <p>Indicator 4: Annual Budget Plan contains non-financial performance information that is measurable and verifiable, including:</p> <ul style="list-style-type: none"> ○ Quantity indicators for key services for all budget programmes (policy actions) ○ Quality indicators of services ○ Clearly stated information on outcomes sought <p>Indicator 5: Annual report on MoES financial and non-financial performance reflects clear evidence of improved</p> |
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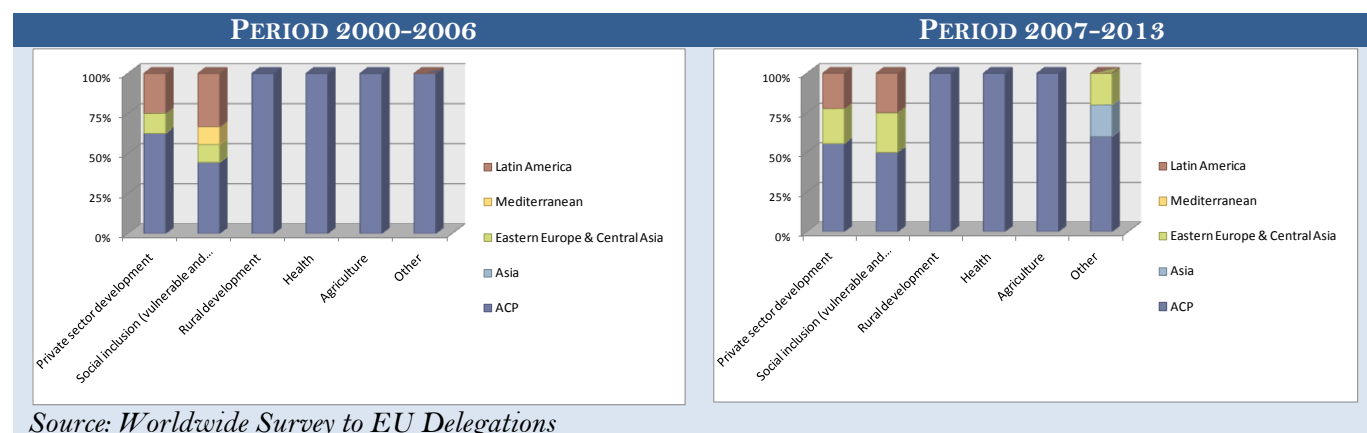
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| | | <p>policy focus and analysis</p> <p>Indicator 6: Internal audit function fully institutionalized and operational</p> <p>Area: Performance monitoring and accountability</p> <p>Indicator 1: Identification of suitable indicators to motivate performance within the constraints of programme budgeting</p> <p>Indicator 2: Specification of the financial and other information necessary to monitor and assess performance within these indicators</p> <p>Indicator 3: Integrated financial and non-financial performance monitoring function established and staffed in the MoES</p> <p>Indicator 4: Institutional capacity at the level of MoES and MoLSA reinforced for implementation of identified activities</p> <p>Area: Institutional capacity of VET department in the MoES</p> <p>The following criteria will be used for assessing the degree of fulfilment:</p> <p>(i) Structural changes are introduced based on the functional review of the VET department proposed by the Task Force.</p> <p>(ii) Proper human and material resources are allocated to VET department consistent with the reviewed functional organisation of the department.</p> <p>(iii) A draft training programme for the staff of the department is designed in line with reviewed functional organization</p> <ul style="list-style-type: none"> Dominican Republic, Development of technical and professional Education in Dominican Republic, Among the main activities of the project there are the reorganization of the Directorate General for the TPE, the increase of its capacity, the upgrading of its facilities, the reforming and decentralization of financing and management systems. (FA) Egypt, Education sector policy support programme (ESPSP) Among the key activities foreseen by the programme there is the strengthening of education institutions. In particular, the programme is expected to contribute to institutionalize decentralization and to strengthen the school based paradigm, based on the effective school model. Almost all entities and units of the MoE will be involved in a deep and radical reorganization aiming to facilitate the implementation of decentralization and school-based reform. Both at central and decentralized level, activities will support : i) the development of institutional capacity for strategic planning and policy making, ii) the development of institutional capacity in implementing decentralization and school-based reform, iii) the restructuring of roles and responsibilities of the MoE and affiliate agencies, iv) administrative decentralisation at all levels. (FA) |
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| | | <p>Moreover, the SPSP has a comprehensive set of indicators and milestones. They are closely related to and aligned with the targets of the SP and identify specific points which, if reached, show that the SP is moving well. There is no evidence of additional conditionalities. The design of the SPSP is integrated with the SP and the national strategy so that the SPSP is supportive of the aims of the SP (ROM 2010)</p> <ul style="list-style-type: none"> • Niger, Appui a la formation professionnelle continue <p>institutional strengthening and arrangements, mid-term perspectives for sector financing and indicators for monitoring the sector performance are not envisaged in the project FA.</p> |
| | <p>6.2 The interventions in the TVET sector take due account of the links between TVET, employment, labour market and socio-economic development and contribute to make TVET systems more labour demand driven</p> | <p>6.2.1 SUPPORT TO THE TVET IS FRAMED WITHIN A LARGER ANALYSIS OF THE NEEDS AND LIMITS OF LABOUR MARKET AND ECONOMIC DEVELOPMENT SITUATION.</p> <p><i>SYNTHESIS: The answer to this indicator rests on three main sources: the survey to EU Delegations and National Counterparts, the analysis of all the available documentation for a sample of 12 selected projects and the results of the field mission.</i></p> <p><i>SURVEY RESULTS: According to the survey results, when TVET is not a focal area of EC response strategies (this happens in 45% of the countries in the first period and in 50% in the second period), it is however embedded in broader projects and programmes, thus implying a responsive strategy towards socioeconomic development situation in a given country. An interesting fact emerging from the survey is that TVET is often associated to private sector development and social inclusion. This is particularly true for ACP, Eastern Europe & Central Asia and Latin America. The shift from the first to the second period has been to a large extent characterized by the increasing practice of framing TVET into other economic programmes (e.g., in ACP: GBS related support, Transport and Non state actors support; Tourism in Asia and Migration in Eastern Europe & Central Asia).</i></p> <p><i>According to the CSPs of the 20 selected countries, in general, support to TVET is framed within a broader economic context and justified by socio-economic arguments. This is confirmed by the Analysis of the available financing agreements of the 6 visited countries and by the field visits themselves.</i></p> <p><i>ANALYSIS OF 12 SELECTED INTERVENTIONS IN 11 COUNTRIES:</i></p> <p><i>Overall, it can be stated that TVET is framed within a larger analysis of the needs and limits of labour market and economic development situation. In most of the cases, TVET interventions respond to national specific objective backed by a clear analysis of the country economic development scenario. For instance, in Morocco the vocational training deficit is one of the major problems faced by the private sector.</i></p> <p><i>Three leading sectors have been identified in the framework of the national economic development strategy: tourism, textile and communication and information technology. In these sectors:</i></p> <ol style="list-style-type: none"> <i>19. Morocco aims to increase the supply of qualified staff and the enterprises' competitiveness.</i> <i>20. In Armenia, the major challenge for public VET policy is the low attractiveness of VET pathways for the current generation of youth, a problem that many countries face likewise. In summary, in 2004-2006 Armenia did develop a sub-sector policy and</i> |

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| | | <p><i>development strategy and has started concrete measures to address the key objective, namely better matching of the VET system outputs with the needs of the economy and labour market. Despite the continuing quick economic growth, Armenia has shown persisting high unemployment rates (38.9% and 40.5% in 2001 and 2004) and low labour market participation and employment rates (38.9% and 32.3%, in 2001 and 2004). This jobless growth is one of the big challenges for sustainable poverty reduction and equitable development of the country.</i></p> <p>21. <i>In Egypt, for example, growth prospects and business confidence have improved markedly since end of 2005 and they remain strong and well oriented in the medium-term outlook. A well-functioning foreign-exchange market is in place since December 2004. Unemployment was lately reduced as a result of enhanced growth in FY 2006 and FY 2007, after having reached 10.5% in FY 2005 (of a 20.7 m work-force). There are estimates which put the figure much higher than the CAPMAS-published rate and under-employment is widespread, both in the public sector (government and public enterprises) and in the informal private sector. Wages are therefore bound to remain low for unskilled workers, but tensions are expected to surface in technical and managerial positions, as those skills are increasingly lacking because of growing demand, spurred by liberalization policy, higher growth and enhanced productive investment.</i></p> <p>22. <i>In Tanzania, the challenge is to ensure that the private sector will be able to play the full part assigned to it in the PRSP i.e. to become the engine of growth. A growth target of 6% has been identified as a necessary condition for poverty reduction. Even if such growth occurs in mining, tourism and services sectors, the direct impact on poverty reduction may not be significant, as these sectors are capital-intensive. Indeed, the above-mentioned bottlenecks have to be tackled and structural reforms are needed if Tanzania's private sector is to become more competitive and generate the necessary growth and employment for poverty reduction throughout the country.</i></p> <p>23. <i>In Uganda, inequalities in the distribution of income, with growth in the sectors where the majority of the poor are occupied lagging considerably behind the performance of the other sectors during the second period under evaluation. The poor performance of the agriculture sector raises concerns and indicates that the extent to which growth is broad-based is limited: half of the 46% of household active in "food crops" are below the poverty line, whereas the overall average of the population below this line is 35%. The sustainability of high economic growth in Uganda is an issue.</i></p> <p><i>FIELD MISSION RESULTS: according to the projects scrutinized during the field missions, when TVET is among the areas of support, it contributes to improving its responsiveness to labour market needs: For instance, In Jordan, the TVET council, created thanks to EC support, adopted a strategy for the E-TVET sector based on Jordan's National Agenda aimed at strengthening the role of the private sector in vocational training, quality assurance and matching the market demand with needed well-trained supply of labour. Another example is Vietnam where the 'Labour market information system programme' has been set up in the Ministry of Labour and in 15 provinces.</i></p> <p style="text-align: center;">*****</p> <p><u>SURVEY RESULTS</u></p> <p><i>According to the survey results, when TVET is not a focal area of EC response strategies (this happens in 45% of the countries in the first period and in 50% in the second period), it happens to be framed in broader projects and programmes,</i></p> |
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thus implying a responsive strategy towards socioeconomic development situation in a given country.

FIGURE 60: TVET CONSIDERATION IN EC RESPONSE STRATEGIES, BY REGION AND BY PERIOD



Source: *Worldwide Survey to EU Delegations*

It is interesting to note that Private sector development and Social inclusion (of vulnerable and marginalized groups) are the two sectors in which TVET is more frequently embedded in different regions in both periods. This is the case in ACP, Eastern Europe & Central Asia and Latin America. In the Mediterranean, when TVET is not a focal area, it is embedded in Social inclusion (of vulnerable and marginalized groups) in the first period. It is also interesting to observe that while in the first period TVET was embedded in other sectors (GBS related support and Transport) different from those listed in the survey only in the ACP, in the second period, all the regions, with the exception of the Mediterranean, have TVET embedded in other areas as well (in ACP: GBS related support, Transport and Non state actors support; Tourism in Asia and Migration in Eastern Europe & Central Asia). Finally, it must be noted that TVET is only embedded in Rural development, Agriculture and Health sectors in the ACP, in both periods.

According to the CSPs of the 20 selected countries, in general, support to TVET is framed within a broader economic context and justified by socio-economic arguments. This is confirmed by the Analysis of the available financing agreements of the 6 visited countries and by the field visits themselves.

ANALYSIS OF 12 SELECTED INTERVENTIONS IN 11 COUNTRIES:

- **Morocco, Appui à la création d'emploi:**

the project aims to reinforce the centers for job information and orientation in order to improve the insertion of young people in the labour market. In this regard, it is worth noting that this specific intervention responds to one of the national strategy's objectives, namely the need to develop job and recruitment agencies able to act as intermediaries in the labour

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| | <p>market, matching job offer and demand.</p> <ul style="list-style-type: none"> Morocco, Appui au développement de la formation professionnelle dans les secteurs du tourisme, du textile et des nouvelles technologies de l'information et de la communication : <p>The vocational training deficit is one of the major problems that the private sector faces in Morocco. Three leading sectors have been identified in the framework of the national economic development strategy: tourism, textile and communication and information technology. In these sectors, Morocco aims to increase the supply of qualified staff and the enterprises' competitiveness.</p> South Africa, TABEISA II- Technical and business education initiative in South Africa - Phase II: <p>the financing agreement does not provide any specific reference to a larger analysis of the needs and limits of labour market and economic development situation. However, it is stated that TABEISA (Technical and Business Education Initiative in South Africa) is a consortium of four South African Technikons and two European Universities. The aim of the institutional cooperation between the European and South African institutes was to upgrade these Technikons to more appropriate standards and make them catalysts for economic empowerment.</p> Vietnam, Labour market information system and HR development: <p>as farm workers move away from the land, as modern, less labour-intensive agricultural practices are introduced, and as state-owned enterprises are equitised and reformed, the numbers of new entrants to the job market is set to spiral in the coming years. This project aims to enhance the quality and availability of vocational training in Vietnam so that young adults have access to training that will prepare them for a role in the country's rapidly modernizing and industrializing economy. The improved quality of labour market information and the wider dissemination of labour market information to students, schools and employers will improve the functioning of labour markets and boost economic growth.</p> Armenia, 'Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system' <p>The analysis of the project documents show that it has been conceived based on the analysis of the needs and limits of the labour market and economic development situation.</p> <p>Armenia has shown persisting high unemployment rates (38.9% and 40.5% in 2001 and 2004) and low labour market participation and employment rates (38.9% and 32.3%, in 2001 and 2004), despite the continuing quick economic growth¹³¹.</p> |
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¹³¹ National Statistical Service, based on labour force surveys. ETF study, 2006

This jobless growth is one of the big challenges for sustainable poverty reduction and equitable development of the country. The analysis of the employment rate of the various qualifications levels shows a stronger position of graduates of higher education (rates increased from 46% to 53% in 2001–2004), when compared with those with VET qualifications (rates are stable in the range of 42% to 44.5%). This better employment rate of higher education graduates is partly linked with the excess supply of labour force with higher education qualifications competing for available jobs, which require mostly secondary professional qualifications. Still, the employment rate even for high educated population is very low. Poor human resources management policy at government and at employers' level causes much of this inappropriate allocation of skills and qualifications to jobs. The major challenge for public VET policy is the low attractiveness of VET pathways for the current generation of youth, a problem that many countries face likewise. In summary, in 2004–2006 Armenia did develop a sub-sector policy and development strategy and has started concrete measures to address the key objective, namely better matching of the VET system outputs with the needs of the economy and labour market. However some major aspects will require further attention by the Government and sector authorities, in particular:

- Attractiveness of the VET system for youth with a special focus on gender equity
- Governance and leadership of the MoES over the sub-sector
- Adequate financing of the sub-sector development needs
- Effective and systematic social partnership
- Introduction of performance-monitoring system to steer the reform and its results

(source: Identification fiche, action fiche)

• **Bangladesh, vulnerable group development for ultra-poor (vgdup)**

The analysis of the project documents show that it has been conceived based on the analysis of the needs and limits of the economic development situation, with specific focus on ultra-poor development.

The project has been identified in the framework of the long term EC food security strategy. It was conceived for the purpose of improving the livelihood of 80.000 ultra-poor (UP) rural women household-heads. Living in extreme conditions of marginalization, lacking any assets, skills and external support, UP women, most of them abandoned or widows, are the most vulnerable group in rural society. In this sense, TVET activities have not been defined as labour market needs, but instead as poverty reduction solutions. However, the project intervention logic, rather than adopting a technical 'poverty approach' moved to a more holistic understanding of the linkage between gender and chronic poverty. Along with 24 months of SSN cash allowances (400 Tk/month), the action devised an articulated set of interventions addressing individual Income Generating Activities – IGA (training and asset distribution), organization of saving groups (Result – R1), gender right-based training as well as fostering nutritional status (R2) and access to primary, maternal and reproductive health care by raising awareness and supplying information (R3). Likewise, the project attempts to change the terms of social recognition for UP women through Local Government Institution (LGI) training (R5). Finally, a component of

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| | <p>institutional support will improve the DWA (Department of Women Affairs) capacities to manage SSNP (R4).</p> <p>The project is skilfully dealing with the main factors influencing the process of overcoming chronic poverty, namely income generation, organization and savings discipline, prevention of health crisis, child nutrition and school enrolment and, finally, better social recognition that, in principle, will enable women to claim and deal with more opportunities of support and welfare. In the short run, however, IGA are going to play a crucial role for the sustainability of the overall process. Finally, a strategy of gradual transfer of responsibility and knowledge from the project to the DWA should be drawn up. (ROM)</p> <ul style="list-style-type: none"> Dominican Republic, Development of technical and professional Education in Dominican Republic <p>The analysis of the project documents show that it has been conceived based on the analysis of the needs and limits of the labour market and economic development situation.</p> <p>Current macroeconomic equilibrium and economic bonanza in the Dominican Republic is still highly vulnerable to external fluctuations, changes in internal policies and relative competitiveness of the economy. The driving forces of economic growth- tourism, construction, telecommunications and manufacturing in FTZ- start being faced with severe constraints for sustaining competitiveness. Low levels of productivity and value-added are due, among others, to the absence of skilled manpower and of a technological environment that enables development within the product cycle. Technical and professional education in the Dominican Republic is still very weak and over-centralised, lacking a coherent policy and strategies, resources, managerial capacity, skilled staff and all sorts of equipment. Furthermore, formal TPS has little or no links with the major stakeholders as employers and workers organisations, for the definition and planning of curricula and career development. All this is reflected in low standards of training and a poor image of TPE among students and employers. TPE graduates have difficulty in finding jobs, even if the economy is growing fast. (FA)</p> Egypt, Education sector policy support programme (ESPSP) <p>The analysis of the project documents show that it has been conceived based on the analysis of the needs and limits of the labour market and economic development situation. According to the FA, growth prospects and business confidence have improved markedly since end of 2005 and they remain strong and well oriented in the medium-term outlook. A well-functioning foreign-exchange market is in place since December 2004. Unemployment was lately reduced as a result of enhanced growth in FY 2006 and FY 2007, after having reached 10.5% in FY 2005 (of a 20.7 m work-force). There are estimates which put the figure much higher than the CAPMAS-published rate and under-employment is widespread, both in the public sector (government and public enterprises) and in the informal private sector. Wages are therefore bound to remain low for unskilled workers, but tensions are expected to surface in technical and managerial positions, as those skills are increasingly lacking because of growing demand, spurred by liberalization policy, higher growth and enhanced productive investment.</p> |
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- **Kyrgyz Republic, Addressing Social Consequences of Transition in the Ferghana Valley (UNDP)**

The analysis of the project documents and in particular of the RSP 2002-2006, shows that this project has been conceived based on the analysis of the needs and limits of the labour market and economic development situation of the whole Central Asian region. . As well as forming part of the same geographical region, the five countries of Central Asia were, until recently, part of a single economic space. While each country has chosen its own path to internal stability and economic development since independence, common development challenges include issues of nation building, economic and social transition policies and the need to develop democratic institutions. At the regional level, existing cooperation has been insufficient to maintain the normal functioning of the regional infrastructure networks established in Soviet times: trade disruption, as well as a fall-off in investment, has impaired the economic growth of these landlocked countries.

Despite their public statements, Central Asian authorities have so far proved reluctant in practice to resolutely embark on implementing economic reforms. This is affecting the performance of the regional economy and its integration into the world economy. Heavy debt burdens, lack of foreign investment, underdeveloped financial and private sectors and weak fiscal and budgetary policies are common characteristics. So are widening income disparities, inefficient mobilisation and use of public revenues, poorly selected public investment portfolios and deteriorating public services and infrastructure, leading to a decline in living standards, particularly in rural areas. Lagging reform of the agricultural sector and low productivity have led to widespread poverty in the countryside. The agricultural sector is failing to provide rural populations with sufficient income and food security due to the constraints posed by inadequate property rights, lack of inputs, including access to technology and processing facilities, difficult marketing conditions, and low investment in infrastructure. Widespread poverty aggravates the risk of ethnic and social conflict, including across borders or over issues such as water and land rights. Success in the fight against poverty is of utmost importance if ethnic and religious extremism is not to feed on social and economic inequality. The macro-economic context, particularly the severe limits on state budgets and administrative capacity, suggests that the potential for poverty reduction through economic growth in Central Asia lies in utilising existing human and physical capital more efficiently and setting appropriate conditions for development of private initiatives at the local level.

Access to world markets is especially important for Central Asian countries whose population sizes and per capita income are too low for domestic demand alone to support efficient, diversified economies. Economic cooperation is essential to increasing the opportunities for local producers to achieve economies of scale and increase the efficient and cost-effective use of resources towards greater potential for economic growth. Central Asia has a considerable unmet need for investment in vital economic infrastructure, to promote the restructuring of key industries, to support the SME sector and to increase diversification in exports. The fragility of public finances and over-stretched sovereign borrowing, combined with the lack of private savings and weak financial institutions, makes foreign investment a key determinant of future economic growth in Central Asia. Foreign investment, outside the natural resources sector, is still very limited in all Central Asian countries (due mainly to the weaknesses of the business climate). New legal frameworks and investment promotion activities have failed to attract foreign investors as these policies are consistently undermined by continued state intervention, inadequate

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| | <p>administrative capacity, red tape and endemic corruption. The absence of the rule of law and the difficulties foreign firms experience with accessing the judicial system do not provide any further incentives for their involvement.</p> <ul style="list-style-type: none"> Niger, Appui a la formation professionnelle continue <p>The analysis of the project documents shows that it has been conceived based on the analysis of the needs and limits of the labour market and economic development situation. According to the FA, l'étude d'impact a relevé les effets particulièrement positifs du programme sur les bénéficiaires des formations et sur les entreprises. Elle a mis en évidence le fait qu'en favorisant la création d'un environnement favorable au processus d'acquisition de connaissances et d'une culture technique répondant aux besoins des activités de production, le projet participe à la densification et à la dynamisation du tissu artisanal. Le développement des activités existantes et la création de nouvelles activités ont d'autant plus d'impact en terme de développement local, notamment en milieu rural et périurbain, qu'il intervient dans des zones à faible création de valeur ajoutée. L'étude insistait également sur le fait que les entreprises concernées sont à fort coefficient de main d'œuvre. En cela, le programme a un impact certain sur la création d'emploi. Le succès de la formation des apprentis et ses perspectives d'élargissement sont des facteurs essentiels de facilitation de l'insertion économique des jeunes. Le développement des entreprises du secteur formel, encore très faible au Niger, s'accompagne néanmoins d'un besoin accru de main d'œuvre qualifiée que ce soit en terme de recrutement ou de développement de relations de sous-traitance. L'un des effets attendus du programme est de susciter un effort de mobilisation des ressources de l'état au profit de la FPCA. D'un autre côté, le programme a un impact positif sur les recettes de l'Etat par l'augmentation des taxes et des impôts payés par les artisans que ces derniers soient ou non officiellement enregistrés. Enfin, en favorisant la production artisanale nationale, en améliorant la productivité des artisans et en faisant la promotion des produits artisanaux de qualité susceptibles d'être exportés, le programme a un impact sur les échanges extérieurs et il participe à la promotion de l'image des produits nigériens à l'extérieur et auprès des touristes'.</p> Tanzania, tourism training programme <p>The analysis of the project documents and in particular of the CSP 2001-2007, shows that it has been conceived based on an overall assessment of the labour market and the economic development situation. According to the CSP 2001-2007, continued macro-economic reforms are a basic foundation of the PRSP. Among the reforms initiated since 1995, most noteworthy has been the success of the macro-economic stabilization programme. This programme was implemented with great commitment. As a result, GDP growth averaged 4% in 1996-2000, inflation declined from 30% to 6% (mainly through tough control of the state budget deficit and of money supply) and substantial foreign exchange reserves were built up. The big domestic and foreign debt stocks partly inherited from the past, making Tanzania one of the world's most indebted countries, have been tackled with donor assistance. HIPC will result in a net reduction of 45% in Tanzania's foreign debt, hitherto amounting to 7.6 billion US\$.</p> |
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Privatisation of nearly 75% of the former state-owned enterprises has been achieved. But heavy loss makers such as public services (railways, Dar es Salaam water supply, power supply) have so far not found buyers. Foreign trade has been liberalized, recently confirmed again at the occasion of the 2001/02 Budget Speech. However the manufacturing industry still calls for continued tariff- and non-tariff protection. The public payroll has been trimmed from 470 000 to 270 000 employees through the Public Service Reform, but delays in pay reform and lack of management capacity still adversely affect productivity in the civil service. The reform of Public Finance Management was reviewed in 2000, to achieve better results in control, transparency and impact of public expenditure. Tanzania has started a Local Government Reform, aimed at decentralizing staff management and budgets from central to district level. This is still in its start-up phase: complementary reform programmes in education and agricultural sectors are at an early stage, and the capacity issue at local level remains to be solved. Private sector response to the improved macro-economic environment has been hesitant with a private investment share of GDP at 10–12% only during late 90s. Direct foreign investment stays low (150-180 million \$/year), confined to the growth sectors of mining, tourism and services. The manufacturing industry (breweries, cigarettes, soft drinks, cement, tires, simple food processing, basic consumer goods) produces mainly for the local market and shows little dynamism. There are many reasons for the sluggish development of the private sector: Public utilities, still mostly in public hands, render unreliable and expensive services; economic infrastructure (transport systems, power and water supply) is run down; capital markets are underdeveloped. Investors name corruption and harassment of enterprises by authorities, coupled with an unfavourable tax system, as main factors adverse to an improvement of the investment climate. The challenge is to ensure that the private sector will be able to play the full part assigned to it in the PRSP i.e. to become the engine of growth. A growth target of 6% has been identified as a necessary condition for poverty reduction. Even if such growth occurs in mining, tourism and services sectors, the direct impact on poverty reduction may not be significant, as these sectors are capital-intensive. Indeed, the above-mentioned bottlenecks have to be tackled and structural reforms are needed if Tanzania's private sector is to become more competitive and generate the necessary growth and employment for poverty reduction throughout the country.

- **Uganda, human resources for health**

The analysis of the project documents and in particular of the CSP 2002-2007, shows that it has been conceived based on an overall assessment of the labour market and the economic development situation. Uganda's macroeconomic situation improved considerably in the nineties with a real rate of GDP growth of 6.9% per annum since 1991 resulting in an average annual increase in real GDP per capita of 3.7%, and annual average inflation maintained below 10% since 1994. The economic activity slowed down in FY 1999/2000 with real GDP growth declining to 5.1% and inflation rising to 6.3%, mainly due to the increase of food prices. The economic slowdown is continuing with a GDP projected to grow by only 5% in FY 2000/2001 and by 6% in FY 2001/2002. With about USD 320 GDP per capita, Uganda still ranks among the poorest countries in the world. Despite these recent developments, which have been largely due to the adverse terms of trade, (a fall in international coffee prices and an increase in oil prices), the outcomes are positive. The reform programme implemented since 1986 has been successful at establishing fiscal discipline, opening up the economy and promoting

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| | <p>reliance on market forces. GoU is pursuing a comprehensive privatisation programme with about two-thirds of Uganda's public enterprises privatised in the past decade, including the liberalisation of financial institutions, coffee and telecommunications. Reforms of the power utility, airline, railways, water and other public enterprises are ongoing. Uganda was the first country under the HIPC initiative to reach the completion point of a debt reduction package in 1998. The estimated net present value of the country's debt relief is USD 1 billion and the debt-to-export ratio has been reduced to about 150%, down from 243% in 1997. Reducing the debt burden has contributed to Uganda's recent economic growth. Uganda's revenue/GDP ratio of 11.3% is one of the lowest in the world, well below the subSaharan average of 18%. Such a low level threatens the sustainability of the macroeconomic situation since GoU lacks own resources to finance its policy. Domestic revenue will need to significantly improve if Uganda's reliance on foreign assistance is to be reduced. A small tax base, inefficient revenue collection system and a big component of non-monetary GDP (estimated at 23% in FY 1998/99) explain the low domestic tax revenues. But increasing predictability and reducing red tape are also needed in order to develop investment and promote regional integration. Inequalities in the distribution of income, with growth in the sectors where the majority of the poor are occupied lagging considerably behind the performance of the other sectors during the past two years. The poor performance of the agriculture sector raises concerns and indicates that the extent to which growth is broad-based is limited: half of the 46% of household active in "food crops" are below the poverty line, whereas the overall average of the population below this line is 35%. The sustainability of high economic growth in Uganda is an issue. Firstly, the economy is heavily dependent on agriculture (estimated at 43% of GDP in 2000) and is thus vulnerable to droughts and plant diseases. Secondly, the economy is subject to external terms of trade shock: coffee (60% of its exports) and oil (10% of its imports) prices. Thirdly, the potential for growth resulting from economic reforms and rehabilitation of the economy from the past has now been largely exploited, and therefore a broader agenda is required. Finally, internal and external security poses a serious risk and could cause a diversion of resources to defence expenditures and undermine confidence in the economy. To ensure continued high economic growth and to decrease vulnerability to exogenous shocks, an economic transformation is needed. Private investment as a share of GDP has increased from 7.8% in FY 1990/91 to 9.7% in FY 1998/99, but it remains quite low compared to other Sub-Saharan countries. The growth of private investment is limited by the domestic rate of savings, amongst the lowest in the world at 5.7% of GDP in FY 1998/99, compared to 13.3% for Sub-Saharan countries. This has not been helped by the problems in the banking sector and the low or even negative creditor interest rates. The financial system lacks an organised market for channelling savings into investments. Increasing private investment, whether domestic or Foreign Direct Investment (FDI) is a critical challenge for Uganda. FDI could provide the most stable channel of long-term capital and could bring higher technology, quality employment and even entrepreneurial skills to the country. Despite high rates of return, investors still perceive a high risk for FDI in Uganda. To attract foreign capital Uganda must offer stability, transparency and nondiscrimination of its investment regime as well as integration of its economy in the international market. Sustainability of economic development is an important challenge for the years to come that will only be successful through sound development of the private sector involving the economically active farmers. Sustainability of the PAF, and of maintaining high levels of expenditure in the social sectors, will be a challenge in the medium to long term. Increased efficiency of tax administration is a must. GoU and the private sector have designed to this effect comprehensive frameworks (the PMA and the MTCS), but their implementation lacks resources both for the public sector, that will implement the enabling environment, and for the private</p> |
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sector, which needs to be a fully operational partner in the process.

FIELD MISSION RESULTS:

In the visited countries, when TVET is among the areas of support, it contributes improving its responsiveness to labour market needs:

Jordan :

- The TVET council, created thanks to EC support, adopted a strategy for the E-TVET sector based on Jordan's National Agenda aimed at strengthening the role of the private sector in vocational training, quality assurance and matching the market demand with needed well-trained supply of labour. EC is comprehensively supporting TVET sector reform.

Vietnam:

- Labour market information system programme (set up in the Ministry of Labour and in 15 provinces)
- Support to Vietnam national Administration of Tourism

South Africa:

- Support to improve the quality of further education and training bands of the National Qualifications Framework

Morocco:

- Appui au developpement de la Formation Professionnelle aims at developing, among others, human resource managers in enterprises in key sectors of the economy.

6.2.2 EVIDENCE FROM THE SELECTED PROJECTS AND PROGRAMMES THAT SUPPORT TO TVET SYSTEM DEVELOPMENT, AND IN PARTICULAR CURRICULA DEVELOPMENT AND TEACHER TRAINING, IS BASED ON ANALYSIS OF THE LABOUR DEMAND AND FUTURE TRENDS TO INCREASE ECONOMIC COMPETITIVENESS AND ADAPT TO CHANGES LINKED TO GLOBALIZATION

SYNTHESIS: *The answer to this indicator is based on the analysis of all the available documentation for a sample of 8 selected projects in 7 countries.*

An assessment of the CSPs suggests that needs assessments have been undertaken to a large extent in most cases in order to identify specific needs and, accordingly, to fine tune the direction of the support. According to the results of the analysis carried out on 8 selected interventions, it can be stated that TVET interventions are in most cases justified by specific labour market needs. Moreover, in the FAs of the analysed interventions it is often argued that by targeting TVET components, the economy could benefit from more qualified workforce, which, in turn, should ultimately improve economic competitiveness. In Morocco, for instance, the project 'appui a la creation d'emploi' foresees the reinforcement of the centers for job information and orientation, which should improve the insertion of young people in the labour market, is based on the analysis of the labour market. This is justified by the fact that it responds to one of the national strategy's objectives concerning employment, namely the need to develop job and recruitment agencies able to act as intermediaries in the

labour market, matching job offer and demand. In Vietnam, a major priority for the GoV is to continue to invest on the tertiary level of education. As a matter of fact, it is argued that the improved quality of labour market information and the wider dissemination of labour market information to students, schools and employers will improve the functioning of labour markets and boost economic growth. As far as the technical teacher-training component is concerned, Vietnam needs to train skilled workers and technicians in all areas of agriculture, industry and services to support its continued industrialization and modernization drive. In South Africa, through the Technical and business education initiative, the institutional cooperation between the European and South African institutes aims to upgrade Technikons to more appropriate standards and make them catalysts for economic empowerment. This, in turn, should eventually lead to increased economic competitiveness. In Armenia, the analysis of the employment rate of the various qualifications levels shows a stronger position of graduates of higher education (rates increased from 46% to 53% in 2001-2004), when compared with those with VET qualifications (rates are stable in the range of 42% to 44.5%). This better employment rate of higher education graduates is partly linked with the excess supply of labour force with higher education qualifications competing for available jobs, which require mostly secondary professional qualifications. Still, the employment rate even for high educated population is very low. Poor human resources management policy at government and at employers' level causes much of this inappropriate allocation of skills and qualifications to jobs. Modernisation of teaching methods remains an area where much needs to be done, in particular in the VET sub-sector that benefited of very limited state financing for modernisation purposes up to 2006.

ANALYSIS OF 8 SELECTED INTERVENTIONS IN 7 COUNTRIES:

- **Morocco, Appui à la création d'emploi:**

From the FA it comes out that the reinforcement of the centers for job information and orientation, which should improve the insertion of young people in the labour market, is based on the analysis of the labour market. This is justified by the fact that it responds to one of the national strategy's objectives concerning employment, namely the need to develop job and recruitment agencies able to act as intermediaries in the labour market, matching job offer and demand.

- **Morocco, Appui au développement de la formation professionnelle dans les secteurs du tourisme, du textile et des nouvelles technologies de l'information et de la communication**

indeed the component 'vocational training' of the project is based on the analysis of the labour demand and, specifically, on the fact that Moroccan economy needs more qualified workforce to increase its economic competitiveness in order to cope with the free-trade zone.

- **South Africa: TABELISA II, Technical and business education initiative in South Africa - Phase II:**

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| | <p>There is no evidence from the financing agreement. However, the institutional cooperation between the European and South African institutes was to upgrade these Technikons to more appropriate standards and make them catalysts for economic empowerment, which should eventually lead to increased economic competitiveness.</p> <ul style="list-style-type: none"> Vietnam, Labour market information system and HR development: <p>The improved quality of labour market information and the wider dissemination of labour market information to students, schools and employers will improve the functioning of labour markets and boost economic growth. As far as the technical teacher-training component is concerned, Vietnam needs to train skilled workers and technicians in all areas of agriculture, industry and services to support its continued industrialization and modernization drive. It is therefore a major priority for the GoV to continue to invest in this tertiary level of education.</p> Armenia, ‘Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system’ <p>Armenia has shown persisting high unemployment rates (38.9% and 40.5% in 2001 and 2004) and low labour market participation and employment rates (38.9% and 32.3%, in 2001 and 2004), despite the continuing quick economic growth¹³². This jobless growth is one of the big challenges for sustainable poverty reduction and equitable development of the country. The analysis of the employment rate of the various qualifications levels shows a stronger position of graduates of higher education (rates increased from 46% to 53% in 2001-2004), when compared with those with VET qualifications (rates are stable in the range of 42% to 44.5%). This better employment rate of higher education graduates is partly linked with the excess supply of labour force with higher education qualifications competing for available jobs, which require mostly secondary professional qualifications. Still, the employment rate even for high educated population is very low. Poor human resources management policy at government and at employers’ level causes much of this inappropriate allocation of skills and qualifications to jobs. (.....)</p> <p>Modernisation of teaching methods remains an area where much needs to be done, in particular in the VET sub-sector that benefited of very limited state financing for modernisation purposes up to 2006. Theoretical teacher-centred teaching and insufficient practical learning prevail. Active learning and a refocus towards critical thinking, problem solving and creativity is still rare and the system values firstly theoretical knowledge, which affects the adaptability of the young entrants in the labour market to the new work requirements. In the last decade Armenia didn’t produce new textbooks for VET studies and introduction of participative teaching methods is for now reduced to pilots supported by international projects. Internships and training in enterprise environment are incomplete, due to lack of systematic co-operation with</p> |
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¹³² National Statistical Service, based on labour force surveys. ETF study, 2006

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| | | <p>enterprises, underdeveloped social partnership (...)</p> <p>Social partners' institutions are very committed to reform the VET system as they recognise the importance of human resources as a contribution to the competitiveness of the enterprises and, consequently, the country's economic growth. During this transition period, sectors with highest demand for qualification and skills have been identified, namely: constructions, tourism, transport, IT, light industry.</p> <p>The Union of Manufacturers and Businessmen (Employers) of Armenia was established in 2001 and is the most important union representing large and medium sized enterprises. It contributed to the preparation of the VET Modernisation Priorities Paper and other strategic documents, but the capacity to provide detailed information on skill needs is still at a preliminary stage of development.</p> <p>The Chamber of Commerce and Industry was established in 2002 and it pursuits, among other objectives, "the enhancement of the system of training and up-grading of the business personnel"</p> <ul style="list-style-type: none"> <p>Dominican Republic, Development of technical and professional Education in Dominican Republic</p> <p>The analysis of the project documents show that it has been conceived based on the analysis of the labour demand and future trends to increase economic competitiveness.</p> <p>Technical and professional education in the Dominican Republic is still very weak and over-centralized, lacking a coherent policy and strategies, resources, managerial capacity, skilled staff and all sorts of equipment. Furthermore, formal TPS has little or no links with the major stakeholders as employers and workers organisations, for the definition and planning of curricula and career development. All this is reflected in low standards of training and a poor image of TPE among students and employers. TPE graduates have difficulty in finding jobs, even if the economy is growing fast. The NIP of the 8th EDF provides for the support to reform and democratization of the education system and the reinforcement of the competitiveness. In view of the stated problems, the present project was identified with the aim of assisting the Dominican Government to improve capacity in Technical and Professional Education. (FA)</p> <p>Egypt, Education sector policy support programme (ESPSP)</p> <p>The analysis of the project documents show that it has been conceived based on the analysis of the needs and limits of the labour market and economic development situation. According to the FA, growth prospects and business confidence have improved markedly since end of 2005 and they remain strong and well oriented in the medium-term outlook. A well-functioning foreign-exchange market is in place since December 2004. Unemployment was lately reduced as a result of enhanced growth in FY 2006 and FY 2007, after having reached 10.5% in FY 2005 (of a 20.7 m work-force). There are estimates which put the figure much higher than the CAPMAS-published rate and under-employment is widespread, both in the public sector (government and public enterprises) and in the informal private sector. Wages are therefore bound to remain low for unskilled workers, but tensions are expected to surface in technical and managerial positions, as those skills</p> |
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| | <p>are increasingly lacking because of growing demand, spurred by liberalization policy, higher growth and enhanced productive investment.</p> <p>In regard to <u>teacher training</u>, teachers are cornerstone in the reform process. A teachers' cadre for licensed and accredited teachers has already been approved on June 2007. The implementation of the Cadre will allow to improve teacher performance in the teaching domain, classroom management, planning and evaluation. The cadre links skills and performance within the promotion process which requires teachers to pass specific professional tests in order to get licenses. The teacher's participation in professional development programs, at the school level within the school-centered reform program or at the Moudirya and Idara levels is also considered necessary for their career promotion. A new specialised teacher's academy will support teachers' and educational leaders' professional development along with new teachers' pay and promotion schemes, which links a share of pay to achievements/performance/standards reached. This new system would improve the employees' standards in light of national and international competitiveness by providing them with opportunities to become more skilful, motivated and able to respond flexibly to new challenges and opportunities. (FA)</p> <ul style="list-style-type: none"> • Niger, Appui à la formation professionnelle continue <p>The analysis of the project documents show that it has been conceived based on the analysis of the needs and limits of the labour market and economic development situation. According to the FA, l'étude d'impact a relevé les effets particulièrement positifs du programme sur les bénéficiaires des formations et sur les entreprises. Elle a mis en évidence le fait qu'en favorisant la création d'un environnement favorable au processus d'acquisition de connaissances et d'une culture technique répondant aux besoins des activités de production, le projet participe à la densification et à la dynamisation du tissu artisanal. Le développement des activités existantes et la création de nouvelles activités ont d'autant plus d'impact en terme de développement local, notamment en milieu rural et périurbain, qu'il intervient dans des zones à faible création de valeur ajoutée. L'étude insistait également sur le fait que les entreprises concernées sont à fort coefficient de main d'œuvre. En cela, le programme a un impact certain sur la création d'emploi. Le succès de la formation des apprentis et ses perspectives d'élargissement sont des facteurs essentiels de facilitation de l'insertion économique des jeunes. Le développement des entreprises du secteur formel, encore très faible au Niger, s'accompagne néanmoins d'un besoin accru de main d'œuvre qualifiée que ce soit en terme de recrutement ou de développement de relations de sous-traitance. L'un des effets attendus du programme est de susciter un effort de mobilisation des ressources de l'état au profit de la FPCA. D'un autre côté, le programme a un impact positif sur les recettes de l'Etat par l'augmentation des taxes et des impôts payés par les artisans que ces derniers soient ou non officiellement enregistrés. Enfin, en favorisant la production artisanale nationale, en améliorant la productivité des artisans et en faisant la promotion des produits artisanaux de qualité susceptibles d'être exportés, le programme a un impact sur les échanges extérieurs et il participe à la promotion de l'image des produits nigériens à l'étranger et auprès des touristes'.</p> <p>6.2.3 EVIDENCE OF USE OF INDICATORS, SHOWING THE IMPACT OF THE TVET INTERVENTIONS ON QUANTITY OF EMPLOYMENT, ON PRODUCTIVITY OF EMPLOYMENT, ON INFORMAL AND FORMAL ECONOMY DISAGGREGATED BY GENDER</p> |
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AND GROUPS

SYNTHESIS: *The answer to this indicator rests on the analysis of all the available documentation for a sample of selected projects and the results of the field mission.*

Overall, it can be stated that among the indicators relating to the impact of TVET interventions on the labour market, the most common are the creation of a specified number of jobs, the decrease in under-employment, the increase in education attainment of labour force, the ratio of skilled workers and technicians labour force, the employers' perception of quality of labour force.

In Vietnam, for example, the project 'Labour market information system and HR development' includes among the indicators showing the impact of TVET on employment : the decrease in under-employment, the increase in education attainment of labour force, ratio of skilled workers and technicians labour force increased, improved employers' perception of quality of labour force. The TABELSA II in South Africa includes the creation of 12,000 jobs created directly or indirectly within two years of completion of the project. In Egypt, the Education sector policy support programme (ESPSP) envisages the following key relevant indicators: Number of teachers recruited and trained to work with mildly disabled children; number of teachers recruited and trained, Statistics showing a decrease in non-teaching/teaching staff ration; ratio of teaching hours/teaching staff to be equal to the stated teaching load.

If we consider the use of indicators for the assessment of the impact on quantity of employment disaggregated by groups, from the six visited countries, only Jordan and Vietnam provided concrete examples (mainly because of the type of TVET interventions). For instance, in Jordan the EC support to the E-TVET reform 2009-2013 has, among others, the following performance indicators in the conditionality Matrix for disbursement of funds by the Ministry of Labour (MoL): Participation rate of women in formal sector of labour market increases (from 14.2% to 16% in 2009-2013); Increase in female employment decreases dependency ratio (from 1 to 4 down to 1 to 3.80); Increase (unspecified) in Jordanian to no-Jordanian ratio in the labour force.

However, the use of TVET-labour market related indicators has not been systematic. As a matter of fact, the projects scrutinized in Morocco, Armenia, Bangladesh, Kyrgyzstan, and Niger do not include any indicator of this kind.

Finally, it is worth noting that the definition of indicators is often correlated (for ACP countries this is a pre-condition) to national poverty reduction strategy papers and their main goals.

ANALYSIS OF 12 SELECTED INTERVENTIONS IN 11 COUNTRIES:

- Morocco**

Appui à la création d'emploi : no indicators

Appui au développement de la formation professionnelle dans les secteurs du tourisme, du textile et des nouvelles technologies de l'information et de la communication : no indicators

- South Africa**

TABELSA II: Technical and business education initiative in South Africa - Phase II: among the indicators showing the impact of TVET on employment there is the creation of 12,000 jobs created directly or indirectly within two years of

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| | | <p>completion of the project.</p> <ul style="list-style-type: none"> Vietnam <u>Labour market information system and HR development</u>: among the indicators showing the impact of TVET on employment there are : i) decrease in under-employment, ii) increase in education attainment of labour force, iii) ratio of skilled workers and technicians labour force increased, iv) employers 'perception of quality of labour force has improved. Armenia, 'Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system' The analysis of the matrix of Performance indicators for the Sector Policy Support Programme shows no relevant indicators. Bangladesh, vulnerable group development for ultra-poor (vgdup) No indicators Dominican Republic, Development of technical and professional Education in Dominican Republic The performance matrix includes the following relevant indicators: Evaluation in productivity rates, general and by sector; Unemployment rate, general and by sector; growth of income per capita; evolution of wages by sector; Egypt, Education sector policy support programme (ESPSP) Among relevant indicators included in the performance matrix, there are the following: i) MDs identifying pilot schools issued. Number of teachers recruited and trained to work with mildly disabled children. Ii) number of teachers recruited and trained. Number of workshops/awareness campaigns carried out. Iii) Statistics showing a decrease in non-teaching/teaching staff ration. Lists/% of identified and converted non-teaching staff into teaching positions. Iv) ratio of teaching hours/teaching staff to be equal to the stated teaching load. (FA) Kyrgyz Republic, Addressing Social Consequences of Transition in the Ferghana Valley (UNDP) No indicators Niger, Appui a la formation professionnelle continue |
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| | | <p>No indicators</p> <ul style="list-style-type: none"> Tanzania, tourism training programme Among relevant TVET indicators there are the following: number of Tanzanians employed in the tourism sector; proportion of Tanzanians employed in skilled/managerial positions; proportion of Tanzanians trained in relation to total workforce; skills standards and national curriculum published; number of teachers trained; range of training courses and programmes established. Uganda, human resources for health Among relevant indicators included in the performance matrix, there are the following: equity/gender indicators improved; responsiveness to client expectations; existing functional links between planning, training and deployment of HRH; delivery of an improved comprehensive minimum package of curative, preventive and health promotion services; delivery of improved family planning services <p>If we consider the use of indicators for the assessment of the impact on quantity of employment <u>disaggregated by groups</u>, from the six visited countries, only Jordan and Vietnam provided concrete examples (mainly because of the type of TVET interventions):</p> <p>Jordan:</p> <ul style="list-style-type: none"> The EC support to the E-TVET reform 2009-2013 has, among others, the following note-worthy performance indicators in the conditionality Matrix for disbursement of funds by the Ministry of Labour (MoL): <ul style="list-style-type: none"> Participation rate of women in formal sector of labour market increases (from 14.2% to 16% in 2009-2013). Increase in female employment decreases dependency ratio (from 1 to 4 down to 1 to 3.80).¹³³ Increase (unspecified) in Jordanian to no-Jordanian ratio in the labour force The Euro 35M Budget Support to the Employment and ETVET Reform is currently under negotiation. The conditionality matrix of this support sets specific indicators and actions required to ensure proper implementation of the ETVET strategy, among which the increase of women economic participation. <p>Vietnam:</p> |
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¹³³ The above to be achieved by disincentives to employ women are reduced by the establishment of Maturity Fund and increase in public/private ration of children in KG enables more economically vulnerable women to join labour force

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| | | <ul style="list-style-type: none"> ▪ The <u>EC support to the Vietnam National Administration of Tourism (VINAT)</u> adopted an innovative 'cascade' approach whereby VINAT was able to train, assess and certify trainers to deliver a high quality of training at the workplace, which can in turn be accredited by a nationally recognized certification body (the Vietnam Tourism certification Board) an approach that can be scaled-up and replicated nation-wide. <p>Key quantitative indicators (such as the Skills Standards manuals, skills trainers, and tutor trainers & skills assessors) confirm the achievement of all expected results (see TRANSTEC: Vietnam human resources development in tourism: Final evaluation report). However, the impact of the project was limited to larger, higher standard hotels and companies leaving a gap in coverage of the entire market.</p> <p>Overall, the trainer development programme facilitated on-the-job training at the country-level in 13 occupations and teachers from 14 tourism schools were trained by the EC project.</p> <p>Regarding inclusion of disadvantaged groups, the project produced 2579 trainers of whom 45 percent were women and 70 percent were youth (22-39 years of age). Among the 51,752 trainees, 54 percent were women and nearly 90 percent were youth mainly due to the targeting of occupations at the job entry level.</p> <p>6.2.4 INCREASE (QUALITY AND NUMBER) OF PRIVATE SECTOR PARTICIPATION INTO TVET SECTOR POLICY DEFINITION AND FINANCING IN SELECTED COUNTRIES WHERE EC HAS SUPPORTED TVET PROGRAMMES</p> <p><i>The specific data needed to inform this indicator was not available. However, according to the analysis carried out on the TVET interventions, it can be stated that throughout the period considered, the link between TVET and private sector has been strengthening. As reported under 6.1.1., in Morocco, the project 'Appui au développement de la formation professionnelle dans les secteurs du tourisme, du textile et des nouvelles technologies de l'information et de la communication' is framed within the national strategy of vocational training. Since 1996, several laws and regulations have been adopted to better organise this sector in order to address the vocational training deficit that the private sector faces in Morocco. Another positive example is the 'tourism training programme' in Tanzania, where the Government has always emphasized investment in human capital as a precondition for progress in development and for the reduction of poverty. In particular, private sector has been involved in providing education. In Jordan, in line with the National Social and Economic Plan (NSEP), EC programmes are playing a part in empowering the private sector to become actively engaged in the broader national objectives of reducing poverty and unemployment. In Armenia, the EC poverty reduction programme specifically targets the empowerment of private sector players in all issues related to skills development strategy and implementation in order to achieve better responsiveness to local socio-economies.</i></p> |
| | 6.3 The programmes financed by the EC in the field of TVET have improved access of | <p>6.3.1 NUMBER, BUDGET AND AID MODALITY OF EC PROGRAMMES IN TVET WHICH INCLUDE SPECIFIC ACTIONS TO PROMOTE THE ACCESS OF VULNERABLE/MARGINALIZED GROUPS AND/OR REDUCTION OF DISPARITIES IN ACCESS TO TVET EDUCATION AND REGIONAL COVERAGE</p> <p>SYNTHESIS: <i>The answer to this indicator rests on the analysis of inventory and of all the available documentation for a sample of selected projects. The screening of 37 relevant interventions shows that the most common aid modality is project approach. Budget support has been found only in two cases. According to the inventory, the total budget allocated to Access to TVET for marginalised</i></p> |

marginalized and vulnerable groups to TVET and coverage of different geographical regions according to the specificities of the countries

groups is 210 M, around 20.5% of the total amount allocated to the sector VTS.

**TABLE 40: TVET FOR VULNERABLE/MARGINALIZED COMMITMENTS
BY REGION**

| | N | Commitment |
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| ➤ Number: 25 | | |
| ➤ Budget: 210,942,539.14 M | | |
| ➤ Aid modality: Project-Programme Approach | | |
| ➤ Ratio budget TM/ budget VTS: 20.49% | | |
| ➤ Regional coverage | | |
| Mediterranean | 6 | 167,965,331.11 |
| Africa | 5 | 20,000,000.00 |
| Central Asia | 5 | 12,000,000.00 |
| Eastern Europe | 3 | 3,213,091.15 |
| Caribbean | 2 | 2,989,080.00 |
| South Asia | 1 | 1,955,927.13 |
| South America | 1 | 1,789,800.31 |
| Caucasus | 1 | 577,300.44 |
| Pacific | 1 | 452,009.00 |

Source: Own elaboration based on the Inventory of EC ESI related interventions

INFORMATION FOR 12 SELECTED INTERVENTIONS IN 12 COUNTRIES:

Over 12 projects, 2 have been financed through Budget Support and 10 through traditional project approach.

- **Armenia, 'Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system'**

AID MODALITY: Budget Support

EC Commitment: 2,472,318.34

- **Bangladesh, vulnerable group development for ultra-poor (vgdup)**

Primary commitment (EC funding) 20,000,000.00

Budget allocated for TA 1,200,000.00

Secondary commitment (funds contracted of EC contribution) 19,795,647.00

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| | | <p>Other funding (government and/or other donors) 500,000.00</p> <p>Total budget of operation 20,500,000.00</p> <p>Aid Modality Project approach</p> <p>Project Management Project managed by the Delegation (devolved) (ROM)</p> <ul style="list-style-type: none"> Dominican Republic, Development of technical and professional Education in Dominican Republic Aid Modality: Project approach Project :Single Country / National Project budget of operation: 13,530,000 (ROM) Egypt, Education sector policy support programme (ESPSP) <u>AID MODALITY:</u> Sector Budget Support SPSP Budget (Sector Budget Support): € 140,000,000 Total EC Funds Disbursed: € 75,305,609 (ROM) Kyrgyz Republic, Addressing Social Consequences of Transition in the Ferghana Valley (UNDP) Aid Modality: project Primary commitment (project budget): € 2.239.098 Secondary Commitment (funds contracted): € 2.239.098 Funds Disbursed by the Commission: € 832.120 (ROM) Morocco, appui au développement de la formation professionnelle dans les secteurs du tourisme, du textile et des nouvelles technologies de l'info et de la communication Aid Modality: project approach Primary commitment (EC funding) 50,000,000.00 Niger, Appui a la formation professionnelle continue <u>AID MODALITY:</u> project |
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| | <p>Primary commitment 5,531,900.00</p> <ul style="list-style-type: none"> • South Africa, TABELISA II: Technical and business education initiative in South Africa - Phase II <p>Aid Modality: project</p> <p>Primary commitment 4,950,000</p> <ul style="list-style-type: none"> • Ukraine, Strengthening Regional Vocational Education and Training <p><u>AID MODALITY:</u> project</p> <p>Primary commitment 2,982,600</p> <ul style="list-style-type: none"> • Vietnam, Labour market information system and HR development <p><u>AID MODALITY:</u> project approach</p> <p>Primary commitment 10,000,000</p> <ul style="list-style-type: none"> • Tanzania, tourism training programme <p><u>AID MODALITY:</u> project approach</p> <p>Primary commitment 2,500,000</p> <ul style="list-style-type: none"> • Uganda, human resources for health <p><u>AID MODALITY:</u> project approach</p> <p>Primary commitment 17,000,000</p> <p>6.3.2. EXTENT TO WHICH THE ECONOMIC DEVELOPMENT OF THE COUNTRIES HAS BEEN CONSIDERED AND HAS RESULTED IN TARGETED APPROACHES</p> <p><i>SYNTHESIS: The answer to this indicator rests on the analysis of inventory and of all the available documentation for a sample of selected projects.</i></p> <p><i>According to the results of the inventory, it can be stated that 73% of the amount committed to interventions targeting TVET for marginalized/vulnerable groups has gone to lower middle-income countries, 16% to upper-middle income countries, and 11% to low income countries. The analysis carried out on 12 interventions in 12 countries confirms that the economic development has been to a large extent considered and has resulted in targeted approaches.</i></p> <p><i>Moreover, as reported in 6.2.1, TVET has been most of the times framed within a larger analysis of the needs and limits of labour market and economic development situation. In most of the cases, TVET interventions respond to national specific objective backed by a clear analysis of the country economic development scenario.</i></p> |
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For instance, in Morocco three leading sectors have been identified in the framework of the national economic development strategy: tourism, textile and communication and information technology. In these sectors, Morocco aims to increase the supply of qualified staff and the enterprises' competitiveness. Around these needs, a specific EC project has been designed. In Armenia, the major challenge for public VET policy is the low attractiveness of VET pathways for the current generation of youth, a problem that many countries face likewise. Another major challenge is the jobless growth which hampers poverty reduction. The programme 'Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system' specifically address these issues. In Egypt, for example, growth prospects and business confidence have improved markedly since end of 2005 and they remain strong and well oriented in the medium-term outlook. In Kyrgyzstan, the analysis of the project 'Addressing Social Consequences of Transition in the Fergana Valley' shows that it has been conceived based on the analysis of the regional economic development and the approach has been defined accordingly. As well as forming part of the same geographical region, the five countries of Central Asia were, until recently, part of a single economic space. While each country has chosen its own path to internal stability and economic development since independence, common development challenges include issues of nation building, economic and social transition policies and the need to develop democratic institutions. At the regional level, existing cooperation has been insufficient to maintain the normal functioning of the regional infrastructure networks established in Soviet times: trade disruption, as well as a fall-off in investment, has impaired the economic growth of these landlocked countries.

TABLE 41: TVET FOR VULNERABLE/MARGINALIZED COMMITMENTS BY COUNTRIES' INCOME DEVELOPMENT LEVEL

| Income level | Amount committed to TM |
|---------------------|------------------------|
| Lower-Middle-Income | 154,773,267.24 |
| Upper-Middle Income | 33,188,540.19 |
| Low Income | 22,980,731.71 |
| High Income | 0 |
| | 210,942,539.14 |

Source: Own elaboration based on the Inventory of EC ESI related interventions

Moreover, as mentioned above, according to the field phase results, when TVET is among the areas of support, it contributes improving its responsiveness to labour market needs. Thus, it can be stated that the economic development of the countries has been considered and has resulted in targeted approaches, responsive to national development priorities. Policy dialogue has importantly contributed to this, mainly in ENP countries via the Action Plans.

ANALYSIS OF SELECTED INTERVENTIONS IN 12 COUNTRIES:

- **Armenia, ‘Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system’**

The economic development of the country has been specifically addressed in the programme. The overall objective of the intervention is to support the Government’s Poverty Reduction Strategy through increasing the quality of VET sector in order to make it more relevant to the needs of the labour market and of the individuals. Here below there is an extract of the economic development analysis included in the programme identification fiche:

‘Armenia is a resource poor country with a per capita GDP of 1,626 US\$ in 2005¹³⁴, up from a 409 US\$ per capita in 1995. In 1993, GDP had shrunken to a level amounting to less than half of the 1990 level, but from 1994–2003, growth averaged 8.2% per annum. In 2005, GDP grew by 14%. Among the main factors for growth have been large financial inflows from the Armenian Diaspora aimed at retail real estate and small business development. A fast growing sector has been diamond processing, which not only contributed to GDP growth but also to the considerable growth in exports although recently it has been harmed by the sharp appreciation of the Armenian Dram (AMD) against all major hard currencies, which is a cause of general concern regarding competitiveness of the Armenian economy. Macroeconomic performance in 2006 was very robust: Real GDP grew by over 12.5 in the first nine months of 2006 driven particularly by the growth in the construction sector which grew by almost 40 percent in real terms’(source: identification fiche).

- **Bangladesh, vulnerable group development for ultra-poor (vgdup)**

Economic development has been taken into account and a targeted approach has been put in place.

The action, which has been identified in the framework of the long term EC food security strategy, was conceived for the purpose of improving the livelihood of 80.000 ultra-poor (UP) rural women household-heads. Living in extreme conditions of marginalization, lacking any assets, skills and external support, UP women, most of them abandoned or widows, are the most vulnerable group in rural society. UP women make their living as seasonal agricultural workers or domestic servants which are unpredictable and based on mere short term in-kind/cash transfers. They are rarely included in the public Social Safety Net Programme (SSNP). In this context, the project intervention logic, rather than adopting a technical ‘poverty approach’ moved to a more holistic understanding of the linkage between gender and chronic poverty. Along with 24 months of SSN cash allowances (400 Tk/month), the action devised an articulated set of interventions addressing individual Income Generating Activities – IGA (training and asset distribution), organization of saving groups (Result – R1), gender right-based training as well as fostering nutritional status (R2) and access to primary, maternal and reproductive health care by raising awareness and supplying information (R3). Likewise, the project attempts to change the terms of social

¹³⁴ IDA at work, Armenia: Reaping the benefits of steady reforms, 2007, [HTTP://SITERESOURCES.WORLDBANK.ORG/IDA/RESOURCES/IDA-ARMENIA.PDF](http://siteresources.worldbank.org/IDA/RESOURCES/IDA-ARMENIA.PDF)

recognition for UP women through Local Government Institution (LGI) training (R5). Finally, a component of institutional support will improve the DWA capacities to manage SSNP (R4). The DWA capacity building (CB) has been interpreted as a mere training for civil servants in some general topics (M&E, PC skills, gender, livelihood), which is more consistent with a traditional SSNP than the requirements of the new approach. LF (revised in 2008) accurately reflects the main components of the intervention strategy. The OVI have been clearly stated with the exception of the indicators concerning gender, health behavioural changes, 'social capital' (OVI 3.3 and 3.5), which are excessively aggregated. Some policy assumptions regarding the project effects on micro-credit, primary enrolment, nutrition, health and sanitation should be carefully tested by the high quality M&E system. It is the first time that the DWA has undertaken full responsibility for an EC 'decentralized' project, which represents a major breakthrough in terms of coherence with the EC principles of ownership and alignment. The implementing arrangements rely on a Project Task Force (PTF) based in Dhaka, supported by a strong Technical Assistance Team (TAT), in charge of coordinating and monitoring field activities through the DWA offices at the District and Upazila levels (whose capacities are enhanced by contracted staff). Nevertheless, the PTF is short of two expert positions (training and grant management), which hinders the institutional ability to take full advantage of the TAT support. While the PTF/TAT are responsible for the implementation of the R4 and 5, the components of cash transfer, training, asset building and follow-up (R1 to 3) are implemented by selected local NGOs by means of a decentralized call for proposals divided in four lots. PTF and NGO contracted staff training has been provided for. Strict beneficiary identification criteria have been defined. Beneficiaries are organized in community groups (instrumental for the cash hand outs and social training) and IGA-based groups (IGA training and asset distribution). The community groups are trained in saving and credit management. The asset transfer donations are conditional on a beneficiary's full participation in training sessions and group activities.

- **Dominican Republic, Development of technical and professional Education in Dominican Republic**

The analysis of the project documents show that it has been conceived based on the analysis of economic development situation and the approach has been defined accordingly.

Current macroeconomic equilibrium and economic bonanza in the Dominican Republic is still highly vulnerable to external fluctuations, changes in internal policies and relative competitiveness of the economy. The driving forces of economic growth- tourism, construction, telecommunications and manufacturing in FTZ- start being faced with severe constraints for sustaining competitiveness. Low levels of productivity and value-added are due, among others, to the absence of skilled manpower and of a technological environment that enables development within the product cycle. Technical and professional education in the Dominican Republic is still very weak and over-centralised, lacking a coherent policy and strategies, resources, managerial capacity, skilled staff and all sorts of equipment. Furthermore, formal TPS has little or no links with the major stakeholders as employers and workers organisations, for the definition and planning of curricula and career development. All this is reflected in low standards of training and a poor image of TPE among students and employers. TPE graduates have difficulty in finding jobs, even if the economy is growing fast. Technical and professional education in the Dominican Republic is still very weak and over-centralised, lacking a coherent policy and strategies,

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| | | <p>resources, managerial capacity, skilled staff and all sorts of equipment. Furthermore, formal TPS has little or no links with the major stakeholders as employers and workers organisations, for the definition and planning of curricula and career development. All this is reflected in low standards of training and a poor image of TPE among students and employers. TPE graduates have difficulty in finding jobs, even if the economy is growing fast. The NIP of the 8th EDF provides for the support to reform and democratisation of the education system and the reinforcement of the competitiveness. In view of the stated problems, the present project was identified with the aim of assisting the Dominican Government to improve capacity in Technical and Professional Education. (FA)</p> <ul style="list-style-type: none"> Egypt, Education sector policy support programme (ESPSP) Economic development has been taken into account and a targeted approach has been put in place. According to the FA, growth prospects and business confidence have improved markedly since end of 2005 and they remain strong and well oriented in the medium-term outlook. A well-functioning foreign-exchange market is in place since December 2004. Unemployment was lately reduced as a result of enhanced growth in FY 2006 and FY 2007, after having reached 10.5% in FY 2005 (of a 20.7 m work-force). There are estimates which put the figure much higher than the CAPMAS-published rate and under-employment is widespread, both in the public sector (government and public enterprises) and in the informal private sector. Wages are therefore bound to remain low for unskilled workers, but tensions are expected to surface in technical and managerial positions, as those skills are increasingly lacking because of growing demand, spurred by liberalization policy, higher growth and enhanced productive investment. Moreover, as reported in the ROM 2010, The Key Areas of Assessment have been very well assessed and basically remain valid. Relevant weaknesses were indicated in the Identification Fiche and the Financing Agreement. It is noteworthy that the weaknesses identified in the sector budget led to the inclusion of a separate result area in the Financing Agreement not covered by the Sector Programme (SP) - Result C, concerning efficiency and effectiveness of public spending in Education. Given the acknowledged inefficiencies of the current system and the demand of the SP for large amounts of funding, this result could be of crucial importance. Given the good quality of planning of the SP and the SPSP and the emphasis both place on capacitybuilding and institutional development plus the evident determination of the MoE to bring about the radical changes envisaged, the prospects for effectiveness are high. Kyrgyz Republic, Addressing Social Consequences of Transition in the Ferghana Valley (UNDP) The analysis of the project documents show that it has been conceived based on the analysis of the regional economic development and the approach has been defined accordingly.. As well as forming part of the same geographical region, the five countries of Central Asia were, until recently, part of a single economic space. While each country has chosen its own path to internal stability and economic development since independence, common development challenges include issues of nation building, economic and social transition policies and the need to develop democratic institutions. At the regional level, existing cooperation has been insufficient to maintain the normal functioning of the regional infrastructure networks established in Soviet times: trade disruption, as well as a fall-off in investment, has impaired the economic growth of these |
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| | | <p>landlocked countries.</p> <p>Despite their public statements, Central Asian authorities have so far proved reluctant in practice to resolutely embark on implementing economic reforms. This is affecting the performance of the regional economy and its integration into the world economy. Heavy debt burdens, lack of foreign investment, underdeveloped financial and private sectors and weak fiscal and budgetary policies are common characteristics. So are widening income disparities, inefficient mobilisation and use of public revenues, poorly selected public investment portfolios and deteriorating public services and infrastructure, leading to a decline in living standards, particularly in rural areas. Lagging reform of the agricultural sector and low productivity have led to widespread poverty in the countryside. The agricultural sector is failing to provide rural populations with sufficient income and food security due to the constraints posed by inadequate property rights, lack of inputs, including access to technology and processing facilities, difficult marketing conditions, and low investment in infrastructure. Widespread poverty aggravates the risk of ethnic and social conflict, including across borders or over issues such as water and land rights. Success in the fight against poverty is of utmost importance if ethnic and religious extremism is not to feed on social and economic inequality. The macro-economic context, particularly the severe limits on state budgets and administrative capacity, suggests that the potential for poverty reduction through economic growth in Central Asia lies in utilising existing human and physical capital more efficiently and setting appropriate conditions for development of private initiatives at the local level.</p> <p>Access to world markets is especially important for Central Asian countries whose population sizes and per capita income are too low for domestic demand alone to support efficient, diversified economies. Economic cooperation is essential to increasing the opportunities for local producers to achieve economies of scale and increase the efficient and cost-effective use of resources towards greater potential for economic growth. Complementary resource allocations suggest that a system of comparative advantage could be exploited between the Central Asian states, providing the basis for trade with the rest of the world. Trade facilitation, the establishment of efficient, safe and competitive transport routes and transit conditions within the region are also prerequisites for sustained economic development and access to foreign markets. However, the growths in intra-regional trade to date has been uneven at best and, while the potential for expansion remains considerable, all the countries of the region retain trade restricting policies and practices. WTO accession has only been achieved so far by one country in the region – Kyrgyzstan. Trade barriers include punitive transit tariffs, import quotas, export licensing requirements, and transport restrictions. Cumbersome, arbitrary and often corrupt bureaucracies throughout the region administer regulations that slow border procedures (e.g. multiple cargo inspections within a single country). Such practices as requiring importers to register contracts and currency and the lack of modern financial services to facilitate trade are additional obstacles. All these factors have contributed to a tapering off of exports and intra-regional trade which accounts for a declining share in overall exports (from 24 % in 1995 to 17% in 2000). South Kyrgyzstan and North Tajikistan are particularly severely affected. While Russia and other CIS countries remain the major trading partners of the Central Asian countries (40%-50% of total exports) and remain a major outlet for processed products, the EU's share in trade with Central Asia has increased over the last decade (although imports from the EU have fallen in the last couple of years).</p> <p>Central Asia has a considerable unmet need for investment in vital economic infrastructure, to promote the restructuring of key industries, to support the SME sector and to increase diversification in exports. The fragility of public finances and</p> |
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| | <p>over-stretched sovereign borrowing, combined with the lack of private savings and weak financial institutions, makes foreign investment a key determinant of future economic growth in Central Asia. Foreign investment, outside the natural resources sector, is still very limited in all Central Asian countries (due mainly to the weaknesses of the business climate). New legal frameworks and investment promotion activities have failed to attract foreign investors as these policies are consistently undermined by continued state intervention, inadequate administrative capacity, red tape and endemic corruption. The absence of the rule of law and the difficulties foreign firms experience with accessing the judicial system do not provide any further incentives for their involvement.</p> <ul style="list-style-type: none"> Morocco, appui au développement de la formation professionnelle dans les secteurs du tourisme, du textile et des nouvelles technologies de l'info et de la communication <p>Economic development has been taken into account and a targeted approach has been put in place. The specific objectives of the project and its intervention strategy are in line with socio-economic policy of Morocco. According to the ROM 2008 'La méthodologie retenue, la production de programmes sous forme de modules, seront disponibles pour la généralisation visée pour autant que le programme soit complété comme recommandé. Les établissements nouveaux équipés disposeront de formateurs compétents en mesure de produire des lauréats de bonne qualité dont les entreprises ont besoin à l'horizon 2010: formation de 72.000 jeunes dans le Tourisme ; mise à niveau des ressources humaines du secteur (156.000 travailleurs) ; formation de 75.000 jeunes pour le Textile ; mise à niveau des RH (190.000) des entreprises du secteur (800). Enfin, dans le secteur des NTIC : formation de 63.000 Techniciens supérieurs (2010) et mise à niveau des RH du secteur (12.000 professionnels dans 120 entreprises) Après la fin du projet, l'OFPPT, organe important de la politique du Gouvernement et les autres bénéficiaires, assureront la qualité de la FP au bénéfice de la compétitivité des entreprises'.</p> Niger, Appui a la formation professionnelle continue <p>Economic development has been taken into account and a targeted approach has been put in place. The analysis of the project According to the FA, l'étude d'impact a relevé les effets particulièrement positifs du programme sur les bénéficiaires des formations et sur les entreprises. Elle a mis en évidence le fait qu'en favorisant la creation d'un environnement favorable au processus d'acquisition de connaissances et d'une culture technique répondant aux besoins des activités de production, le projet participe a la densification et a la dynamisation du tissu artisanal. Le développement des activités existantes et la création de nouvelles activités ont d'autant plus d'impact en terme de développement local, notamment en milieu rural et périurbain, qu'il intervient dans des zones a faible création de valeur ajoutée. L'étude insistait également sur le fait que les entreprises concernées sont a fort coefficient de main d'œuvre. En cela, le programme a un impact certain sur la creation d'emploi. Le succès de la formation des apprentis et ses perspectives d'élargissement sont des facteurs essentiels de facilitation de l'insertion économique des jeunes. Le développement des entreprises du secteur formel, encore très faible au Niger, s'accompagne néanmoins d'un besoin accru de main d'œuvre qualifiée que ce soit en terme de recrutement ou de développement de relations de sous-traitance. L'un des effets attendus du programme est de susciter un effort de mobilisation des ressources de l'état au profit de la FPCA. D'un autre cote, le programme a un impact positif sur les recettes de l'Etat par l'augmentation des taxes et des impôts payes par les artisans que ces derniers soient ou non officiellement</p> |
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| | <p>enregistres. Enfin, en favorisant la production artisanale nationale, en améliorant la productivité des artisans et en faisant la promotion des produits artisanaux de qualité susceptibles d'être exportés, le programme a un impact sur les échanges extérieurs et il participe à la promotion de l'image des produits nigériens à l'extérieur et auprès des touristes'.</p> <ul style="list-style-type: none"> South Africa, TABEISA II: Technical and business education initiative in South Africa - Phase II <p>Economic development has been taken into account and a targeted approach has been put in place. According to the ROM 2006, Tabeisa 2 aims to address specific problems related to unemployment and barriers to entrepreneurship for disadvantaged communities; lack of entrepreneurship confidence and limited access to finance for disadvantaged communities; and limited access to technical education support for disadvantaged entrepreneurs. In its present state the project is not meeting these priorities, target groups and beneficiaries. As set out in the intervention logic, the inputs, activities, results, project purpose, overall objective and assumptions clearly address the problems and priorities of the stakeholders and economic development issues. However due to a funding gap their realization is unclear. The present government policy emphasizes private sector commitment to Black Economic Empowerment (BEE). The project's overall objective of fostering economic and social development within disadvantaged communities in South Africa and the project purpose of generating employment, Small and Medium Enterprises(including social enterprises) within previously disadvantaged groups are supportive and relevant to the sector.</p> <p>The project is leading to increased employment of people from previously disadvantaged groups. The people spoken to, ranging from a dancing group, to cloth makers, to those making handicrafts state they benefitted tremendously from TABEISA support including the deployment of London School of Fashion graduates and the technical skills in accounting. The Enterprise 4 Life skills have been instilled within the participants (and this is not restricted to the 10 shortlisted groups in the competition, but the original 120 groups), skills in project management as well as a sense of confidence and empowerment which will be useful when they later go on to engage in enterprise development.</p> Ukraine, Strengthening Regional Vocational Education and Training <p>The analysis of the project documents (ROM, PS) show that it has been conceived based on the analysis of economic development situation and the approach has been defined accordingly.</p> <p>The project aims at bringing Ukraine's Vocational Education and Training (VET) system into line with social, economic and labour market needs, both in terms of structure and content.</p> <p>The Specific project objectives are :• To develop and implement, on a pilot basis, a strategy for decentralisation of VET governance, management and administration; • To develop national funding and quality assurance mechanisms in support of decentralisation of Vocational Education and Training; • To stimulate capacities for school-based innovation and change in Vocational Education and Training; • To improve training provision in the agricultural sector</p> <p>According to the ROM 2006, the project is financed within the Tacis Action Programme 2004 for Ukraine. The project was designed in order to contribute to laying the conceptual basis and building a critical mass of actors for further Vocational Education and Training (VET) reforms. In particular, the project will assist the respective central and regional authorities</p> |
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| | <p>in the development of a policy for the regionalisation of VET governance and management. The Project Partner is the Ministry of Education and Science (MoES). In addition, the Project is working closely with the Ministry of Agricultural Policy (MoAP), the Ministry of Labour and Social Policy (MoLSP), the regional and local education and labour authorities, and schools in the selected pilot regions.</p> <p>According to the analysis reported in the CSP 2002-2006, 'The Ukrainian economy declined steadily after independence, with GDP in 1999 only around 50% of the 1992 level and lower performances than in other NIS. After a period very close to hyperinflation in 1993-1994, Ukraine started to apply stabilisation measures. In 1996 the national currency was successfully introduced and the strict monetary policy of the National Bank led to a significant reduction of inflation, which has remained at a low level.</p> <p>The year 2000 brought the first reversal of the negative growth trend. GDP grew by almost 6%, industrial production by 13%, and gross agricultural output by 9%. The positive change can be attributed both to a favourable external environment and to improved government policy, e.g. the devaluation following the crisis of 1998 and the recovery of the Russian economy in 2000, which led to an unprecedented trade surplus; improved budgetary management and improved enforcement of cash payments for energy; and the payment of pension and salary arrears, which prompted an expansion in consumer demand.</p> <p>Preliminary results of the year 2001 confirm that economic growth in Ukraine continues and its pace even increases (GDP and industrial production growth of, respectively, 10.8 % and 16.9 % in January-July). It is assumed that it is mainly caused by increase in production in traditional branches of heavy industry and return of capital, previously exported from Ukraine, due to improvements in the business climate. Foreign economic activity growth has also been higher than expected, with the foreign trade surplus reaching EUR 2 billion in the first half of 2001, compared to 1 billion in 2000. It is expected that these positive trends will be maintained, with GDP growth reaching 7.3 % in 2001. The national currency is stable and has even strengthened against the dollar. National Bank reserves are growing, reaching EUR 2.5 billion in August 2001. In the absence of external borrowing, external public debt declined by EUR 700 million, reflecting debt repayments.</p> <p>The continuation of this positive trend is, however, uncertain. Major obstacles to sustained growth are the incomplete structural transformation of the economy, including the weak banking system, and the still unpredictable investment climate, with often unclear laws and regulations and uneven and arbitrary enforcement. The economy still suffers from a lack of functioning market institutions and weak legal protection and there are many barriers to foreign traders and investors.</p> <p>The change of government in April/May 2001, the up-coming parliamentary elections (early 2002) and the damaged position of the President cast some doubts on Ukraine's ability to implement a full political and economic reform agenda and to sustain the relatively successful policies of 2000-2001. The new Government appointed in May 2001 has, however, announced continued strong commitment to the essential reform policies. On the macro-economic side, the main threats are inflation and an increase in the money supply, and a squeeze on exports, if key export markets become more restricted (for example, Russian limits on imports of Ukrainian pipes). Lower revenues from privatisation, as well as pressure for pre-election spending could threaten budgetary performance. Maintaining the momentum for higher cash collection in the</p> |
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| | | <p>electricity sector and restructuring of the banking sector would need to remain crucial priorities. Given Ukraine's need for continued macro-financial assistance in order to meet its debt service obligations, it is essential that the IMF, the EU, the World Bank, EBRD and other partners keep Ukraine engaged in policy reform programmes which are strong enough to justify further lending.</p> <ul style="list-style-type: none"> Vietnam, Labour market information system and HR development <p>Economic development has been taken into account and a targeted approach has been put in place. As reported in the ROM 2009, Vietnam has been making a transition from a planned economy to a market economy. This transition has brought many benefits to the country including unprecedented economic growth and prosperity to millions of people. Poverty was reported to have been reduced by 50% between 1993 and 2004 (from 58.1% to 24.1%). Over the same period the share of the population living on less than one US dollar per day fell even more dramatically from 40 to 11 percent. Vietnam has been clearly advancing towards the Millennium Development Goals (MDGs) and has been a showcase for other developing nations to follow suit. However, this advance has created very large shifts in some areas from an agricultural based economy to a manufacturing one. In recent months inflation, linked to rising food prices, has exacerbated the global economic downturn in Vietnam. Reduced foreign direct investment and overall global trade shifts have and will continue to affect the demand for labour throughout the country. This intervention is very relevant as it deals primarily with improving the quality and availability of vocational training and, primarily, better and more efficient labour market information to enable the country and its workforce to react and meet the challenge of rapid modernisation, socio-economic shifts and industrial adjustments. The overall objective (OO) of the project is to support the development of human resources in Vietnam in line with Government of Vietnam's (GoV) market-oriented industrialisation policy.</p> Tanzania, tourism training programme <p>Economic development has been taken into account and a targeted approach has been put in place. The overall objective (OO) of the Tourism Training Programme (TTP) is "poverty reduction through improved training standards leading to improved service quality in the tourism sector enabling it to become more competitive leading to increased growth, earnings and employment." The project purpose (PP) is to raise education and training levels as well as to increase training capacities to meet future needs of the sector. The programme expects to achieve the above through development of occupation skills standards and national curriculum, teacher development programme (TDP) and establishing a human resource development framework.</p> Uganda, human resources for health <p>According to ROM 2008, relevance of the design was high (particularly the activities under result area 2) since Human Resources for Health (HRH) are a national priority as per the respective sectoral government strategy papers. The analysis of the project documents and in particular of the CSP 2002-2007, shows that economic development has been taken into account and a targeted approach has been put in place. Uganda's macroeconomic situation improved considerably in the nineties with a real rate of GDP growth of 6.9% per annum since 1991 resulting in an average annual increase in real GDP</p> |
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| | <p>per capita of 3.7%, and annual average inflation maintained below 10% since 1994. The economic activity slowed down in FY 1999/2000 with real GDP growth declining to 5.1% and inflation rising to 6.3%, mainly due to the increase of food prices. The economic slowdown is continuing with a GDP projected to grow by only 5% in FY 2000/2001 and by 6% in FY 2001/2002. With about USD 320 GDP per capita, Uganda still ranks among the poorest countries in the world. Despite these recent developments, which have been largely due to the adverse terms of trade, (a fall in international coffee prices and an increase in oil prices), the outcomes are positive. The reform programme implemented since 1986 has been successful at establishing fiscal discipline, opening up the economy and promoting reliance on market forces. GoU is pursuing a comprehensive privatisation programme with about two-thirds of Uganda's public enterprises privatised in the past decade, including the liberalisation of financial institutions, coffee and telecommunications. Reforms of the power utility, airline, railways, water and other public enterprises are ongoing. Uganda was the first country under the HIPC initiative to reach the completion point of a debt reduction package in 1998. The estimated net present value of the country's debt relief is USD 1 billion and the debt-to-export ratio has been reduced to about 150%, down from 243% in 1997. Reducing the debt burden has contributed to Uganda's recent economic growth. Uganda's revenue/GDP ratio of 11.3% is one of the lowest in the world, well below the subSaharan average of 18%. Such a low level threatens the sustainability of the macroeconomic situation since GoU lacks own resources to finance its policy. Domestic revenue will need to significantly improve if Uganda's reliance on foreign assistance is to be reduced. A small tax base, inefficient revenue collection system and a big component of non-monetary GDP (estimated at 23% in FY 1998/99) explain the low domestic tax revenues. But increasing predictability and reducing red tape are also needed in order to develop investment and promote regional integration. Inequalities in the distribution of income, with growth in the sectors where the majority of the poor are occupied lagging considerably behind the performance of the other sectors during the past two years. The poor performance of the agriculture sector raises concerns and indicates that the extent to which growth is broad-based is limited: half of the 46% of household active in "food crops" are below the poverty line, whereas the overall average of the population below this line is 35%. The sustainability of high economic growth in Uganda is an issue. Firstly, the economy is heavily dependent on agriculture (estimated at 43% of GDP in 2000) and is thus vulnerable to droughts and plant diseases. Secondly, the economy is subject to external terms of trade shock: coffee (60% of its exports) and oil (10% of its imports) prices. Thirdly, the potential for growth resulting from economic reforms and rehabilitation of the economy from the past has now been largely exploited, and therefore a broader agenda is required. Finally, internal and external security poses a serious risk and could cause a diversion of resources to defence expenditures and undermine confidence in the economy. To ensure continued high economic growth and to decrease vulnerability to exogenous shocks, an economic transformation is needed. Private investment as a share of GDP has increased from 7.8% in FY 1990/91 to 9.7% in FY 1998/99, but it remains quite low compared to other Sub-Saharan countries. The growth of private investment is limited by the domestic rate of savings, amongst the lowest in the world at 5.7% of GDP in FY 1998/99, compared to 13.3% for Sub-Saharan countries. This has not been helped by the problems in the banking sector and the low or even negative creditor interest rates. The financial system lacks an organised market for channelling savings into investments. Increasing private investment, whether domestic or Foreign Direct Investment (FDI) is a critical challenge for Uganda. FDI could provide the most stable channel of long-term capital and could bring higher technology, quality employment and even entrepreneurial skills to the country. Despite high rates of return, investors still perceive a high risk for FDI in Uganda. To attract foreign capital Uganda must</p> |
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offer stability, transparency and nondiscrimination of its investment regime as well as integration of its economy in the international market. Sustainability of economic development is an important challenge for the years to come that will only be successful through sound development of the private sector involving the economically active farmers. Sustainability of the PAF, and of maintaining high levels of expenditure in the social sectors, will be a challenge in the medium to long term. Increased efficiency of tax administration is a must. GoU and the private sector have designed to this effect comprehensive frameworks (the PMA and the MTCS), but their implementation lacks resources both for the public sector, that will implement the enabling environment, and for the private sector, which needs to be a fully operational partner in the process.

6.3.3. THE EC PROGRAMMES AT LEVEL OF TVET SECTOR POLICY AND INSTITUTIONAL STRENGTHENING INCLUDE SPECIFIC MEASURES CONCERNING THE DEVELOPMENT AND USE OF INDICATORS AND STATISTICS MONITORING THE ACCESS OF SPECIFIC GROUPS TO TVET

SYNTHESIS: *The answer to this indicator rests on the analysis of the financing agreements of four key projects in three countries and the analysis of all the available documentation for a sample of additional 4 selected projects in 4 countries. Overall, it can be stated that specific measures concerning the development and use of indicators and statistics monitoring the access of specific groups to TVET are in most of the cases not included in EC selected interventions.*

ANALYSIS OF THE FINANCING AGREEMENTS:

Morocco

- Appui à la création d'emploi: no indicators
- Appui au développement de la formation professionnelle dans les secteurs du tourisme, du textile et des nouvelles technologies de l'information et de la communication: no indicators

South Africa

- TABEISA II: Technical and business education initiative in South Africa - Phase II: no indicators

Vietnam

- Labour market information system and HR development: the project envisages the creation of labour market observatories for storing and retrieving LMIS and connected through and Intranet-type of network.

ANALYSIS OF SELECTED INTERVENTIONS IN 4 COUNTRIES:

- Armenia, 'Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system'

Development and use of indicators and statistics monitoring the access of specific groups to TVET is not envisaged as

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| | | <p>such in the programme. However, the programme entails the following activities, which should ultimately provide indicators and statistics on the groups above mentioned and their access to the TVET:</p> <ul style="list-style-type: none"> - Elaboration and adoption of the National Classifier of Occupations by the Ministry of Labour and Social Affairs (MoLSA) in line with ISO system. Introduction of the revision mechanism of the national classifier and its implementation in accordance with current changes in socio-economic environment - Elaboration and adoption of the tariff-qualification information bulletin (occupational standards) by each economic sector by the MoLSA - Elaboration and implementation of system of thorough labour market analysis by MoLSA <p>These documents will become the basis for unified qualifications framework connecting employment and education sectors (e.g. national classifier as well as occupational standards will become the basis for elaboration of educational standards)</p> <ul style="list-style-type: none"> • Dominican Republic, Development of technical and professional Education in Dominican Republic Development and use of indicators and statistics monitoring the access of specific groups to TVET is not envisaged as such in the programme. • Egypt, Education sector policy support programme (ESPSP) The SPSP has a comprehensive set of indicators and milestones. They are closely related to and aligned with the targets of the SP and identify specific points which, if reached, show that the SP is moving well. However, indicators and statistics monitoring the access of specific groups to TVET is not envisaged as such in the programme. • Kyrgyz Republic, Addressing Social Consequences of Transition in the Ferghana Valley (UNDP) Development and use of indicators and statistics monitoring the access of specific groups to TVET is not envisaged as such in the programme. The only reference to a monitoring system is done in the section ‘Monitoring & Evaluation’ of the action description where it is stated that ‘ In addition to regular follow-up and controls carried out on the spot, if necessary by the Commission services and the Court of Auditors, a contract has been concluded with independent consultants to monitor the programme. This contract covers the whole Tacis programme, and will work upon requirements for periodic assessments of project progress against objectives. These will include on-the-spot visits to projects and interviews with stakeholders. Reporting will be in standardised formats giving scores to aspects of project performance’. |
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- **Niger, Appui a la formation professionnelle continue**

Development and use of indicators and statistics monitoring the access of specific groups to TVET is not envisaged as such in the programme.

- **Tanzania, tourism training programme**

Indicators and statistics monitoring the access of specific groups to TVET are not envisaged as such in the programme. However, among relevant TVET indicators there are the following: skills standards and national curriculum published; number of teachers trained; range of training courses and programmes established; proportion of Tanzanians employed in skilled/managerial positions; proportion of Tanzanians trained in relation to total workforce. The main sectors catered for under the PAF are primary education, primary health care, water and feeder roads. GoU has developed comprehensive sector policies and strategic investment plans in health and education to improve service delivery at local levels. In terms of social development, Uganda still ranks very low on the UN Human Development Index (1999). For almost all social indicators Uganda performs poorly. This reflects twenty years of social and economic disruption (from the mid-sixties to the mid-eighties) but also clearly reveals that macroeconomic stability has not yet been fully translated into better living conditions for the poor. While high levels of growth have resulted in an estimated reduction in absolute poverty, from 56% in 1992 to 44% in 1997 and more recently to 35% in 1999/2000, 95% of this reduction is attributable to economic growth. In order to improve social conditions GoU has allocated an increasing share of its budget to the social sectors. In 2000/2001, 34% of the MTEF were allocated to the social sectors with the major share, 19%, for education. Most of these funds are channelled through the PAF.

6.3.4 EVIDENCE OF USE OF INDICATORS TARGETING SPECIFIC GROUPS AND PARTICULARLY WOMEN, YOUTH AND INDIGENOUS PEOPLE IN EC SUPPORTED PROJECTS IN TVET TO MEASURE THEIR ACCESS TO TVET AND THEIR PERFORMANCES

SYNTHESIS: *The answer to this indicator rests on the analysis of all the available documentation for a sample of 12 selected projects in 11 countries.*

Overall, it can be stated that EC selected interventions do not systematically include indicators targeting specific groups and particularly women, youth and indigenous people. Over 12 projects, this kind of indicators have been found in merely one case, in the South African project TABEISA II. In order to develop a social and entrepreneurial culture within disadvantaged communities, provision of entrepreneurship training for local communities is planned. The related indicator is 1,500 clients per year presenting business ideas to the TECs, of which approx. 50% female clients. In Armenia, the project 'Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system' does not provide ad hoc indicators. However, the action fiche provides a small section on 'cross cutting issues' where the following reference to women and gender imbalance is done: 'A clear gender imbalance currently characterizes enrolment

in secondary VET establishments (colleges), where girls largely predominate. Boys tend to aspire to higher education. The labour market also reflects traditional gender segregation where women are more present in fields such as education, health, social services and public administration'. Similarly, the project 'vulnerable group development for ultra-poor (vgdup)' in Bangladesh does not include relevant indicators. However, the programme specifically target ultra-poor (UP) rural women household-heads. Living in extreme conditions of marginalization, lacking any assets, skills and external support, UP women, most of them abandoned or widows, are the most vulnerable group in rural society. UP women make their living as seasonal agricultural workers or domestic servants which are unpredictable and based on mere short term in-kind/cash transfers. They are rarely included in the public Social Safety Net Programme (SSNP).

ANALYSIS OF 12 SELECTED INTERVENTIONS IN 11 COUNTRIES:

- **Morocco**

Appui à la création d'emploi : no indicators

Appui au développement de la formation professionnelle dans les secteurs du tourisme, du textile et des nouvelles technologies de l'information et de la communication : no indicators

- **South Africa**

TABEISA II: Technical and business education initiative in South Africa - Phase II: in order to develop a social and entrepreneurial culture within disadvantaged communities, provision of entrepreneurship training for local communities is planned. The related indicator is 1,500 clients per year presenting business ideas to the TECs, of which approx. 50% female clients.

- **Vietnam**

Labour market information system and HR development: no indicators

- **Armenia, 'Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system'**

No indicators provided. However, the action fiche provides a small section on 'cross cutting issues' where the following reference to women and gender imbalance is done: 'A clear gender imbalance currently characterizes enrolment in secondary VET establishments (colleges), where girls largely predominate. Boys tend to aspire to higher education. The labour market also reflects traditional gender segregation where women are more present in fields such as education, health, social services and public administration'.

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| | | <ul style="list-style-type: none"> Bangladesh, vulnerable group development for ultra-poor (vgdup) No indicators provided. However, the programme specifically target ultra-poor (UP) rural women household-heads. Living in extreme conditions of marginalization, lacking any assets, skills and external support, UP women, most of them abandoned or widows, are the most vulnerable group in rural society. UP women make their living as seasonal agricultural workers or domestic servants which are unpredictable and based on mere short term in-kind/cash transfers. They are rarely included in the public Social Safety Net Programme (SSNP). Dominican Republic, Development of technical and professional Education in Dominican Republic No indicators provided. The only two indicators that refer to women are : % of school leavers employed, total, urban/rural, by sector, by gender; income of school leavers employed, total, urban/rural, by sector and by gender. Egypt, Education sector policy support programme (ESPSP) The SPSP contributed so far with three TAs of around € 380,000 in total to support the development of sector Mid-Term Expenditure Framework (MTEF) to assist in the execution of a Public Expenditure Tracking Survey (PETS) and capacity building initiatives to support the setting-up of a Monitoring and Evaluation (M&E) framework and reporting system. The three missions are highly relevant and address weak points previously identified.(ROM 2010) The SPSP has a comprehensive set of indicators and milestones. They are closely related to and aligned with the targets of the SP and identify specific points which, if reached, show that the SP is moving well. However, indicators and statistics monitoring the access of specific groups to TVET is not envisaged as such in the programme. Kyrgyz Republic, Addressing Social Consequences of Transition in the Ferghana Valley (UNDP) Indicators and statistics monitoring the access of specific groups to TVET is not envisaged as such in this project. The only reference to a monitoring system is done in the section ‘Monitoring & Evaluation’ of the action description where it is stated that ‘ In addition to regular follow-up and controls carried out on the spot, if necessary by the Commission services and the Court of Auditors, a contract has been concluded with independent consultants to monitor the programme. This contract covers the whole Tacis programme, and will work upon requirements for periodic assessments of project progress against objectives. These will include on-the-spot visits to projects and interviews with stakeholders. Reporting will be in standardised formats giving scores to aspects of project performance’. Niger, Appui a la formation professionnelle continue No relevant indicators provided. |
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| | <ul style="list-style-type: none">• Tanzania, tourism training programme Indicators and statistics monitoring the access of specific groups to TVET are not envisaged as such in the programme. However, among relevant TVET indicators there are the following: skills standards and national curriculum published; number of teachers trained; range of training courses and programmes established; proportion of Tanzanians employed in skilled/managerial positions; proportion of Tanzanians trained in relation to total workforce.• Uganda, human resources for health No relevant indicators provided. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|----------------|----------------|----|-------------|---------------------|---------------|----------------|----------------|--------|----------------|---------------|----------------|---------------|--------------|---------------|---------------|-----------|----------------|---------------|----------------|-----------------|------------|--|------------|--------------|--|------------|------------|-------------------------------|------------|--|------------|---------------|--------------|--|--------------|---------------|--------------|------------|--------------|------------|--------------|--|--------------|-----------------|--------------|--|--------------|-------------|----------------|----------------|----------------|
| 6.4 Active labour policies have been included in countries undergoing structural reforms, economic transitions, etc | <p>6.4.1 EVIDENCE FROM OVERALL STRATEGY AND POLICY DOCUMENTS AND SELECTED CSP AND RSP OF ATTENTION TO ADDRESS EFFECTS ON EMPLOYMENT OF EC SUPPORTED POLICIES OF REGIONAL INTEGRATION, TRANSITION TO MARKET ECONOMY, PRODUCTIVE SECTOR STRUCTURAL REFORMS</p> <p>See JC 1.1 Indicator 1.1.2.</p> <table><tr><th></th><th>SR</th><th>PS</th><th>Grand Total</th></tr><tr><td>ACP (All countries)</td><td>28 000 000,00</td><td>108 178 883,94</td><td>136 178 883,94</td></tr><tr><td>Africa</td><td>228 961 708,74</td><td>11 921 378,29</td><td>240 883 087,03</td></tr><tr><td>All Countries</td><td>3 227 710,00</td><td>80 583 270,45</td><td>83 810 980,45</td></tr><tr><td>Caribbean</td><td>105 324 225,00</td><td>25 500 000,00</td><td>130 824 225,00</td></tr><tr><td>Central America</td><td>487 767,32</td><td></td><td>487 767,32</td></tr><tr><td>Central Asia</td><td></td><td>272 593,00</td><td>272 593,00</td></tr><tr><td>Latin America (All Countries)</td><td>999 056,00</td><td></td><td>999 056,00</td></tr><tr><td>Mediterranean</td><td>8 996 636,12</td><td></td><td>8 996 636,12</td></tr><tr><td>South America</td><td>6 500 000,00</td><td>168 697,30</td><td>6 668 697,30</td></tr><tr><td>South Asia</td><td>2 587 095,00</td><td></td><td>2 587 095,00</td></tr><tr><td>South-East Asia</td><td>7 287 000,00</td><td></td><td>7 287 000,00</td></tr><tr><td>Grand Total</td><td>392 371 198,18</td><td>226 624 822,98</td><td>618 996 021,16</td></tr></table> <p>Source: Own elaboration based on the Inventory of EC ESI regional related interventions</p> | | SR | PS | Grand Total | ACP (All countries) | 28 000 000,00 | 108 178 883,94 | 136 178 883,94 | Africa | 228 961 708,74 | 11 921 378,29 | 240 883 087,03 | All Countries | 3 227 710,00 | 80 583 270,45 | 83 810 980,45 | Caribbean | 105 324 225,00 | 25 500 000,00 | 130 824 225,00 | Central America | 487 767,32 | | 487 767,32 | Central Asia | | 272 593,00 | 272 593,00 | Latin America (All Countries) | 999 056,00 | | 999 056,00 | Mediterranean | 8 996 636,12 | | 8 996 636,12 | South America | 6 500 000,00 | 168 697,30 | 6 668 697,30 | South Asia | 2 587 095,00 | | 2 587 095,00 | South-East Asia | 7 287 000,00 | | 7 287 000,00 | Grand Total | 392 371 198,18 | 226 624 822,98 | 618 996 021,16 |
| | SR | PS | Grand Total | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ACP (All countries) | 28 000 000,00 | 108 178 883,94 | 136 178 883,94 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Africa | 228 961 708,74 | 11 921 378,29 | 240 883 087,03 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| All Countries | 3 227 710,00 | 80 583 270,45 | 83 810 980,45 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Caribbean | 105 324 225,00 | 25 500 000,00 | 130 824 225,00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Central America | 487 767,32 | | 487 767,32 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Central Asia | | 272 593,00 | 272 593,00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Latin America (All Countries) | 999 056,00 | | 999 056,00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mediterranean | 8 996 636,12 | | 8 996 636,12 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| South America | 6 500 000,00 | 168 697,30 | 6 668 697,30 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| South Asia | 2 587 095,00 | | 2 587 095,00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| South-East Asia | 7 287 000,00 | | 7 287 000,00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Grand Total | 392 371 198,18 | 226 624 822,98 | 618 996 021,16 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

SYNTHESIS: Overall, the support to VTS to countries undergoing economic transitions seems to have included an element of active labour policies including systems for labour market monitoring, establishment of employment service facilities and unemployment benefits in order to increase the mobility of the workforce, thus enabling easier adjustment to the new economic realities. In this case, reforming the TVET system is typically seen as an aspect of this. The reform package usually includes introduction of short-term, skill upgrading courses. This is particularly evident in the Mediterranean region.

In Eastern Europe, effects on employment of EC supported policies of regional integration; transition to market economy, productive sector structural reforms is well addressed in the Russian project 'Vocational Training and Labour Resources in Kaliningrad'. According to the EC (FA), in order to avoid growing social tensions in the Russian enclave it is necessary to develop efficient labour and social policies dealing with the employment of both urban and rural populations. For that purpose it will be necessary to support the design, development and management of active labour market policies in the region.

In Central Asia, the analysis of the strategic documents such as the RSP 2002-2006 shows that the link between regional economic development and employment has been taken into account. . As well as forming part of the same geographical region, the five countries of Central Asia were, until recently, part of a single economic space. While each country has chosen its own path to internal stability and economic development since independence, common development challenges include issues of nation building, economic and social transition policies and the need to develop democratic institutions. At the regional level, existing cooperation has been insufficient to maintain the normal functioning of the regional infrastructure networks established in Soviet times: trade disruption, as well as a fall-off in investment, has impaired the economic growth of these landlocked countries with negative implications for the labour market.

- **Kyrgyz Republic, Addressing Social Consequences of Transition in the Ferghana Valley (UNDP)**

The analysis of the strategic documents such as the RSP 2002-2006 shows that the link between regional economic development and employment has been taken into account. . As well as forming part of the same geographical region, the five countries of Central Asia were, until recently, part of a single economic space. While each country has chosen its own path to internal stability and economic development since independence, common development challenges include issues of nation building, economic and social transition policies and the need to develop democratic institutions. At the regional level, existing cooperation has been insufficient to maintain the normal functioning of the regional infrastructure networks established in Soviet times: trade disruption, as well as a fall-off in investment, has impaired the economic growth of these landlocked countries.

Despite their public statements, Central Asian authorities have so far proved reluctant in practice to resolutely embark on implementing economic reforms. This is affecting the performance of the regional economy and its integration into the world economy. Heavy debt burdens, lack of foreign investment, underdeveloped financial and

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| | <p>private sectors and weak fiscal and budgetary policies are common characteristics. So are widening income disparities, inefficient mobilisation and use of public revenues, poorly selected public investment portfolios and deteriorating public services and infrastructure, leading to a decline in living standards, particularly in rural areas. Lagging reform of the agricultural sector and low productivity have led to widespread poverty in the countryside. The agricultural sector is failing to provide rural populations with sufficient income and food security due to the constraints posed by inadequate property rights, lack of inputs, including access to technology and processing facilities, difficult marketing conditions, and low investment in infrastructure. Widespread poverty aggravates the risk of ethnic and social conflict, including across borders or over issues such as water and land rights. Success in the fight against poverty is of utmost importance if ethnic and religious extremism is not to feed on social and economic inequality. The macro-economic context, particularly the severe limits on state budgets and administrative capacity, suggests that the potential for poverty reduction through economic growth in Central Asia lies in utilising existing human and physical capital more efficiently and setting appropriate conditions for development of private initiatives at the local level.</p> <p>Access to world markets is especially important for Central Asian countries whose population sizes and per capita income are too low for domestic demand alone to support efficient, diversified economies. Economic cooperation is essential to increasing the opportunities for local producers to achieve economies of scale and increase the efficient and cost-effective use of resources towards greater potential for economic growth. Complementary resource allocations suggest that a system of comparative advantage could be exploited between the Central Asian states, providing the basis for trade with the rest of the world. Trade facilitation, the establishment of efficient, safe and competitive transport routes and transit conditions within the region are also prerequisites for sustained economic development and access to foreign markets. However, the growth in intra-regional trade to date has been uneven at best and, while the potential for expansion remains considerable, all the countries of the region retain trade restricting policies and practices. WTO accession has only been achieved so far by one country in the region – Kyrgyzstan. Trade barriers include punitive transit tariffs import quotas, export licensing requirements, and transport restrictions. Cumbersome, arbitrary and often corrupt bureaucracies throughout the region administer regulations that slow border procedures (e.g. multiple cargo inspections within a single country). Such practices as requiring importers to register contracts and currency and the lack of modern financial services to facilitate trade are additional obstacles. All these factors have contributed to a tapering off of exports and intra-regional trade which accounts for a declining share in overall exports (from 24 % in 1995 to 17% in 2000). South Kyrgyzstan and North Tajikistan are particularly severely affected. While Russia and other CIS countries remain the major trading partners of the Central Asian countries (40%-50% of total exports) and remain a major outlet for processed products, the EU's share in trade with Central Asia has increased over the last decade (although imports from the EU have fallen in the last couple of years).</p> <p>Central Asia has a considerable unmet need for investment in vital economic infrastructure, to promote the restructuring of key industries, to support the SME sector and to increase diversification in exports. The fragility of public finances and over-stretched sovereign borrowing, combined with the lack of private savings and weak financial</p> |
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| | | <p>institutions, makes foreign investment a key determinant of future economic growth in Central Asia. Foreign investment, outside the natural resources sector, is still very limited in all Central Asian countries (due mainly to the weaknesses of the business climate). New legal frameworks and investment promotion activities have failed to attract foreign investors as these policies are consistently undermined by continued state intervention, inadequate administrative capacity, red tape and endemic corruption. The absence of the rule of law and the difficulties foreign firms experience with accessing the judicial system do not provide any further incentives for their involvement.</p> <ul style="list-style-type: none"> Russian Federation, Vocational Training and Labour Resources in Kaliningrad <p>Effects on employment of EC supported policies of regional integration; transition to market economy, productive sector structural reforms is well addressed in the project under study. According to the EC (FA), in order to avoid growing social tensions in the Russian enclave it is necessary to develop efficient labour and social policies dealing with the employment of both urban and rural populations. For that purpose it will be necessary to support the design, development and management of active labour market policies in the region. The number of unemployed people in the region has been growing in Kaliningrad. According to the Federal Employment Service around 70.000 people is unemployed, although part of them is involved in the “shadow economy” (mostly the shuttle trade across the border). However, each year 75.000 to 90.000 persons need assistance to find jobs. The unemployment among the population of Kaliningrad is caused by mismatch between the demand of qualified labour resources and available skills and qualifications of unemployed people. During the last ten years companies employed low cost labour resources without investing into their training or developing their qualifications. Presently, there is a high demand for qualified workers by companies and enterprises of the region. However, many unemployed people cannot get these job opportunities after having been trained. That is explained by the lack of systematic professional orientation and career development of the unemployed and young people.</p> <p>Vocational education and training provided by existing institutions does not meet the current requirements of the labour market and does not fulfil the objectives of the strategy of economic development of the region. Links between the vocational training system and companies/enterprises have been broken in the last years in region.</p> <p>Presently labour and employment issues are of the responsibility of the Federal Employment Service and the Regional and Local authorities. The Federal Employment Service is mainly responsible for training, retraining and professional orientation activities for officially registered unemployed people. The Department of Labour and Social Development in Kaliningrad regional administration is responsible for creating the legal base and designing a regional policy in the area of labour and employment.</p> <p>However, against this background, there is not a labour market oriented educational policy in the region involving neither the main stakeholders nor a proper system of professional orientation that could be provided by the employment services and vocational professional schools and other educational institutions.</p> |
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6.4.2 EXISTENCE OF SPECIFIC ACTIVE MARKET MEASURES FINANCED BY THE EC FOR ENSURING EMPLOYABILITY OF WORKERS IN SELECTED COUNTRIES WHERE EC IS SUPPORTING STRUCTURAL REFORMS, TRANSITION TO MARKET ECONOMY, REGIONAL INTEGRATION.

SYNTHESIS: *The answer to this indicator rests on the analysis of all the available documentation for a sample of 7 selected projects in 6 countries.*

The analysis of relevant interventions shows the existence of specific active market measures financed by the EC in order to ensure employability of workers. In Jordan, for example, the Industrial Modernization Programme (IMP/EJADA) supported the long-term development of the garment industry by facilitating the establishment of a TVET Centre of Excellence for the Textile and Garment Sector at Abu Nseir; the centre was completed in 2002, and with staff of 40, including 20 trainers, now graduates around 500 per year. Also, the establishment of the Graduate Enterprise Programme (GEP) which works on redressing the imbalance in the growing mismatch between the large supply of graduates produced each year and the skills demanded by the SMEs. The programme resulted in a high overall long term retention rate of the graduates, with a number of employers seeking fresh intake every year. Another interesting case is the project 'Vocational Training and Labour Resources in Kaliningrad', in Russia. The project aims at strengthening the design, development and management of labour resources taking into account the needs of the labour market in Kaliningrad oblast so as to achieve sustainable economic development of the region in view of its integration into the European Economic area. Concerning employability of workers, the project intends to promote the vocational and professional education system in the region so that vocational professional schools and other education institutions are capable of providing education and training more targeted to the needs of the labour markets. Moreover, it aims to develop a system of continuous training of workers and development of the company and enterprise staff, taking account of labour market requirements. Among the main relevant activities, the project foresees the development of a programme on vocational education and professional orientation for the local population; training workshops and courses for teachers and staff of the vocational schools and colleges in Kaliningrad region; Upgrading of curricula and training programmes, teaching techniques and training materials of vocational schools and colleges.

EC selected programmes targeting the labour supply side in the visited countries are:

Jordan:

- The Industrial Modernization Programme (IMP/EJADA) supported the long-term development of the garment industry by facilitating the establishment of a TVET Centre of Excellence for the Textile and

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| | | <p>Garment Sector at Abu Nseir; the centre was completed in 2002, and with staff of 40, including 20 trainers, now graduates around 500 per year. Also, the establishment of the <u>Graduate Enterprise Programme</u> (GEP) which works on redressing the imbalance in the growing mismatch between the large supply of graduates produced each year and the skills demanded by the SMEs. The programme resulted in a high overall long term retention rate of the graduates, with a number of employers seeking fresh intake every year.</p> <ul style="list-style-type: none"> ▪ Enhancing Opportunities for <u>Women in Economic Life project</u> known as “Free to Work” is a 24-month program that targets employed and unemployed women in Jordan and Gaza. The purpose of project is to enhance opportunities for women in the economy. <p>Vietnam:</p> <ul style="list-style-type: none"> ▪ <u>Labour Market Information programme</u> (LMI). It will enable the ILO with EC support to design and develop a centre for labour market information in MOLISA and selected provinces and improve MOLISA's institutional capacity for human resources development planning and socio-economic development planning. <p>Labour market information units set up in 15 key provinces under this project and linked to a national labour market information system should considerably improve the current gap between job offers and job seekers, particularly in skill-intensive industries.</p> <p>Morocco:</p> <ul style="list-style-type: none"> ▪ <u>Appui à la création d'emploi</u> <p>South Africa :</p> <ul style="list-style-type: none"> ▪ <u>Programme to support pro-poor policy development in south Africa</u> (psppd) <p>• Russian Federation, Vocational Training and Labour Resources in Kaliningrad</p> <p>The project aims at strengthening the design, development and management of labour resources taking into account the needs of the labour market in Kaliningrad oblast so as to achieve sustainable economic development of the region in view of its integration into the European Economic area. More specifically, the projects intends: i) To provide technical assistance and policy advice to Kaliningrad regional administration in designing, developing and managing labour resources in the region; ii) to promote the vocational and professional education system in the region so that vocational professional schools and other education institutions are capable of providing education and training more targeted to the needs of the labour markets; iii) To develop a system of continuous training of workers and development of the company and enterprise staff, taking account of labour market requirements.</p> <p>Among the main relevant activities, the project foresees:</p> |
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| | <ul style="list-style-type: none"> – Analysis and survey of labour market demand and training needs assessments of enterprises – Evaluation of the education providers market in the area of vocational training – Monitoring and analysis of the structure of unemployed labour forces and vacant jobs in the labour market – Study visits to the EU countries to get European experiences on the labour resources management and vocational training – Development of a programme on vocational education and professional orientation for the local population – Training workshops and courses for teachers and staff of the vocational schools and colleges in Kaliningrad region – Upgrading of curricula and training programmes, teaching techniques and training materials of vocational schools and colleges – Short-term tailor-made courses based on a module system ordering by companies are arranged in the respective educational institutions and training centres – Set up of information system on offer and demand in the labour market – Launch pilot project (s) in one (two) municipalities of Kaliningrad, targeting for instance the services sector (catering, small cafes, fast food, hairdressers, dry cleaners, etc). <p>• Kyrgyz Republic, Addressing Social Consequences of Transition in the Ferghana Valley (UNDP)</p> <p>Overall objective: Alleviation of poverty, especially amongst more vulnerable group including women and youth in selected rural areas, through improvements in their socio-economic situation, better health and sanitation and increased employment and incomes</p> <p>Specific objective: Improvements of rural livelihoods through the provision of better on-farm advice and the construction and rehabilitation of potable and irrigation water supplies as well as the reduction of unemployment in Batken and Leilek rayons of Batken oblast</p> <p>6.4.3 SIZE OF FINANCING COMMITMENTS FOR THESE TYPES OF MEASURES COMPARED TO THE ONE OF PROGRAMMES PROMOTING THE ABOVE-INDICATED REFORMS, ACCORDING TO THE INVENTORY AND IN SELECTED COUNTRIES.</p> <p>Countries having VTS and financing commitments of programmes promoting structural reforms and private sector development:</p> |
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| | N° of countries having VTS interventions | Financing commitments VTS | N° of countries having SR & PS interventions | N° of countries having VTS interventions & SR & PS | Financing commitments SR & PS |
|-----------------|--|---------------------------|--|--|-------------------------------|
| Mediterranean | 9 | 517 M | 7 | 7 | 965 M |
| Africa | 14 | 228 M | 28 | 12 | 603,6 M |
| Central Asia | 5 | 15 M | 5 | 5 | 9 M |
| East Asia | 0 | - | 1 | 0 | - |
| Eastern Europe | 3 | 15,9 M | 3 | 3 | 19,9 M |
| Caribbean | 7 | 28,59 M | 10 | 6 | 142,9 M |
| South Asia | 2 | 34,5 M | 2 | 1 | 10 M |
| South East Asia | 2 | 10,6 M | 4 | 2 | 11,7 M |
| Central America | 0 | - | 3 | 0 | - |
| South America | 3 | 36,35 M | 6 | 1 | 26,5 M |
| Caucasus | 3 | 29,8M | 2 | 2 | 3,34 M |
| Pacific | 6 | 102,5 M | 3 | 3 | 24 M |

Source: Own elaboration based on the Inventory of EC ESI related interventions

Size of financing commitments for measures under 6.4.2 compared to the size of financing commitments of programmes promoting structural reforms and private sector development:

| | Financing commitments Specific measures 6.4.2 | Financing commitments SR & PS |
|----------|---|-------------------------------|
| Vietnam: | 10 M | 10.45 M |
| Jordan | 0,49 M | 134.84 M |
| Morocco | 52,78 M | 298.7 M |
| Jamaica | - | 66.52 M |

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| | | <table><tr><td>South Africa</td><td>9,95 M</td><td>261.13 M</td></tr><tr><td>Ukraine</td><td>5,76 M</td><td>4.8 M</td></tr></table> | South Africa | 9,95 M | 261.13 M | Ukraine | 5,76 M | 4.8 M |
| South Africa | 9,95 M | 261.13 M | | | | | | |
| Ukraine | 5,76 M | 4.8 M | | | | | | |
| | Source: Own elaboration based on the Inventory of EC ESI related interventions | | | | | | | |
| 6.5 EC programmes in TVET and other active labour market supply measures have increased employability, especially of youth and women, and improved adaptation of work force to structural and global changes | 6.5.1 NUMBER OF GRADUATED FROM TVET PROGRAMMES SUPPORTED BY EC WHICH FIND A JOB IN FORMAL ECONOMIES WITHIN ONE YEAR FROM GRADUATION BY GENDER AND AGE GROUP | | | | | | | |
| | & | | | | | | | |
| | 6.5.2 NUMBER OF PEOPLE BENEFITING FROM ACTIVE LABOUR MEASURES WHICH HAVE KEPT HIS/HER JOB OR HAVE BEEN ABLE TO FIND A NEW JOB AFTER A MAJOR STRUCTURAL OR TRANSITION REFORM | | | | | | | |
| | As mentioned above, there are TVET programmes that are likely to have positive impacts on the labour market, but there is no data that allows the evaluation team to inform this indicator. | | | | | | | |
| | 6.5.3 PERCEPTION ON ALL THE ABOVE POINTS BY DIRECT BENEFICIARIES OF THE EC FUNDED PROGRAMMES BY POLICY MAKERS AND OTHER RELEVANT STAKEHOLDERS IN SELECTED COUNTRIES. | | | | | | | |
| | See JC 5.2 Indicator 5.2.3. | | | | | | | |
| | <ul style="list-style-type: none">Dominican Republic, Development of technical and professional Education in Dominican Republic | | | | | | | |
| | El Objetivo General de contribuir al desarrollo económico y social de la RD, al incrementar la productividad y al introducir cambios tecnológicos es muy ambicioso y excede el alcance del programa. Además, el cierre no contó con una estrategia de salida ni con un plan de continuidad y consolidación del proceso, lo que ha debilitado y restado direccionalidad al impacto. Los estudiantes de los establecimientos del sistema de ETP que fueron beneficiados por el programa están recibiendo una mejor educación ahora, pero es un esfuerzo limitado y es muy temprano para producir un impacto en el sector productivo nacional. Un importante aporte del programa en otros sectores educativos, fue la introducción al país del concepto de Educación Basada en Competencias (EBC), que ha sido asumido e insertado en el Plan Decenal de Educación, en el de Educación Superior y en el del Instituto de Formación Técnica Profesional (INFOTEP). (ROM 2007/ 2009) | | | | | | | |
| Sources of verification : <ul style="list-style-type: none">Global policy and strategy documents, CSP, project identification documents, project evaluation and monitoring reportsEC project InventoryRelevant national policies, relevant national statistics | | Methods : <ul style="list-style-type: none">Document analysis on a sample of countries and projectsCase studiesInterviews/focus groups with stakeholders (EC officials, beneficiaries, social actors, policy makers, donors) | | | | | | |

- Other donors' statistics and sector analysis
- Field visit

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| EQ 7 | To what extent has the EC contributed to Decent Work and therefore to social cohesion and MDG1B, through supporting the conditions for the applications of the Decent Work principles in partner countries through specific measures in favor of vulnerable and marginalized groups? | |
| | Evaluation criteria: Effectiveness, Impact | |
| | | |
| | Judgment criteria | Indicators |
| | 7.1 Support to Decent Work principles in EC bilateral cooperation exist or has increased in importance and budget over time | <p>7.1.1. EC PROGRAMMES IN THE SECTORS OF SI, SA, HAVE LINKED SUPPORT TO MARGINALIZED AND VULNERABLE GROUPS TO THEIR PARTICIPATION IN LABOUR MARKET IN ALL OR SOME OF THE FOLLOWING WAYS: INCLUSION IN THE OBJECTIVES; SPECIFIC ACTIONS; USE OF SPECIFIC INDICATORS.</p> <p><i>SYNTHESIS: The answer to this indicator rests on the analysis of the CSP/NIPs of the 20 selected countries, Financing Agreements of relevant projects, and the analysis of all available documentation for a sample of 7 additional selected projects in 6 countries</i></p> <p><i>ANALYSIS OF CSP in the 20 selected countries</i>¹³⁵</p> <p>ACP</p> <p>Concerning attention to decent work strategic objectives in EC programming¹³⁶ in ACP selected countries over the period considered in the evaluation, what we observe is the following:</p> <ul style="list-style-type: none"> ▪ Fundamental principles and rights at work & Core Labour standards. Considered in one programming period in two countries (South Africa and Uganda). The issue tackled is Discrimination (gender, migrants, and wages). ▪ Employment and income opportunities. This is by far the strategic objective that most attention receives, either in low income or in lower-middle income countries. It is also the most constant in the different programming exercises in the case of Mali, South Africa and Uganda. South Africa is the country that presents a more diversified sectoral coverage: active labour market policies, employment-intensive investment, training and skills, Informal economy, microfinance and job creation in SMEs. Job creation in SMEs, present in four countries (in three of them in the two programming periods), and employment-intensive investment and training and skills, covered in three countries each, are the most covered. Migration is considered in one programming period in Mali and Niger. Youth employment |

¹³⁵ Even though some countries have different Indicative programmes in the period 2000-2006, the evaluation team has decided to consider it as a single programming period. The second programming period is 2007-2010 (2013).

¹³⁶ It is important to highlight that this assessment has a limitation: some areas, mainly under EMPLOYMENT AND INCOME OPPORTUNITIES, were not explicitly mentioned in the text but, according to the overall presentation, were considered implicitly covered. This is mainly the case for “Active labour market policies”, “Job creation in SMEs” and “Cooperatives”.

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| | <p>seems to be considered only in Mali.</p> <ul style="list-style-type: none"> ▪ Social protection. Only South Africa, with the consideration of social security in one programming period, receives attention in this objective. ▪ Social dialogue is absent in all seven selected countries <p>MEDITERRANEAN</p> <p>Concerning decent work strategic objectives consideration in EC programming, we also observe a rather diversified and comprehensive approach. Continuity over the evaluation period is also observed.</p> <ul style="list-style-type: none"> ▪ Fundamental principles and rights at work & Core Labour standards. Discrimination is covered in three of the countries (all except Tunisia) in the two programming periods. Freedom of association is covered only in Jordan, in one programming period, and Child labour is covered only in Egypt in one programming period. ▪ Employment and income opportunities. As in the case of ACP countries, this is by far the strategic objective that receives most of EC attention in programming. All of its related issues are covered in at least two countries, with the exception of Informal economy, that seems to be covered only in Morocco, in one programming period. This analysis reveals also Training and skills and Job creation in SMEs are covered in the four countries, thus representing the sectoral issues that more attention receive in the different programming periods. They are followed by Active labour market policies and Migration, covered in three countries in at least two programming periods. Youth employment is a constant in three of the countries (all except Egypt). ▪ Social protection. Social security is covered in three of the countries (all except Tunisia), and in Egypt it is considered in two different programming periods. Health and safety at work seems to be considered only in Morocco. <p>Social dialogue is only considered in Jordan, in particular Tripartite Consultation and Workers & Employers strengthening</p> <p>LATIN AMERICA</p> <p>Concerning decent work strategic objectives consideration in EC programming, we observe a rather diversified and comprehensive approach.</p> <ul style="list-style-type: none"> ▪ Fundamental principles and rights at work & Core Labour standards. Both countries consider socioeconomic discrimination in programming, mainly related to gender and in the case of Brazil also in relation to ethnic groups. ▪ Employment and income opportunities. As in the previous cases, this is the best covered. Training and skills is covered in both countries in the different programming periods. El Salvador has a diversified sectoral coverage (migration, youth employment, job creation in SMEs training and skills and active labour market policies). ▪ Social protection is absent in the two selected countries. ▪ Social dialogue is absent in the two selected countries |
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ASIA

Concerning decent work strategic objectives consideration in EC programming over the period, we observe the following:

- Fundamental principles and rights at work & Core Labour standards. Discrimination is considered in one programming period in two countries (Bangladesh and China). Additionally, Bangladesh considers Child labour.
- Employment and income opportunities. Once more, this is the strategic objective that most attention receives in all countries, each of them having a diversified coverage. Training and Skills and Migration are covered in the three countries. Job creation in SMEs and Youth employment are covered in Bangladesh and Vietnam only, while Informal economy is only covered in China.
- Social protection is covered in Vietnam, for Social security, and China, for Social security and Health and safety at work. China a more constant support over the period in relation to Social security.
- Social dialogue is absent in all selected countries

EASTERN EUROPE AND CENTRAL ASIA

Concerning decent work strategic objectives consideration in EC programming over the period, we observe the following:

- Fundamental principles and rights at work & Core Labour standards. This strategic objective is only covered in Russia, in all four issues (Freedom of Association, Force labour, Discrimination, Child Labour) in one programming period each.
- Employment and income opportunities. Once more, this is the strategic objective that most attention receives in all countries. Job creation in SMEs and Training and skills are covered in the four countries. In lower-middle countries Training and skills is a constant in the two programming periods. Migration is covered only in Ukraine. It is worth noting that Ukraine is constant over the evaluation period in the three sectors covered (Training, Job creation and Migration).
- Social protection is covered in the four countries under social security. It is worth noting that this is a constant over the period in the two lower-middle countries. Russia has also health and safety at work.
- Social dialogue (Tripartite Consultation) is covered in Armenia, Kyrgyzstan and Russia. The latter has also attention to Workers' & Employers' strengthening.

According to the results of the inventory, social inclusion to vulnerable groups accounts for 1,74% of global (regional + country) ESI commitments. If we add SA programmes, it amounts to 11%.

ANALYSIS OF SELECTED FINANCING AGREEMENTS:

the analysis shows that, overall, the inclusion of marginalised and vulnerable groups in the labour market is usually presented as one of the intervention main objectives. For instance, in Jordan, the programme 'Social Empowerment and Human Rights' specifically provides training of young women, The project 'Support of the JWU Shelter to provide: protection; legal, social and psychological counseling; and rehabilitative vocational training vulnerable and abused women' targets marginalized and vulnerable groups with the global aim to improving quality of life , the availability of protection, counseling, and rehabilitation services, and the overall effectiveness of the protection services for all women victims of violence in Jordan Another interesting example is the project 'Appui au Développement Humain et à l'Intégration Sociale' in Morocco, which targets the social inclusion of women and people with disabilities.

ANALYSIS OF 7 SELECTED INTERVENTIONS IN 6 COUNTRIES:

The analysis of the selected interventions confirms that EC programmes in the sectors of SI, SA, have linked support to marginalized and vulnerable groups to their participation in labour market mostly through the inclusion in the objectives or through specific actions.

For instance, in Bangladesh the project 'Empowerment of Adolescent Girls' aims at empowering adolescents, especially girls, to participate meaningfully in decisions that affect their lives (including education, livelihood strategies and increasing age at marriage); and become active agents of social change; and creating and sustaining a supportive environment for the adolescent girl development at the household and community level.

In Egypt, the project 'social development and civil society: children at risk' intends to reduce poverty among children at risk and thus improve their social development, and to enhance the capacity of NGO's to contribute effectively to social development. In particular, actions are set in such a way to contribute to improved living conditions and prospects of social reintegration of five groups of economically vulnerable and socially marginalized children; to facilitate girls' access to education; and to strengthen the NGO sector.

Another positive example comes from El Salvador, where the project Projovenes' specific goal is specific goal is 'increased quantity and quality of opportunities for 50.000 young people (10 – 25 year old) at social risk in San Salvador Metropolitan Area'. The project created opportunities for job training, and formal employment mediation; it provided technical support for the establishment of companies that could contribute especially to risk youth, family development, community and municipal levels.

Specific activities entailed promotion of access to employment workshops and training schemes for young people (24 workshops and 8 training programs In Ukraine, the project 'Gender Equality in the World of Work' aims to build the capacity of Ukrainian authorities and social partners in ensuring respect for national and international gender equality commitments in the world of work, in progressively eliminating gender biases in employment policies and sexual harassment at the workplace, and in creating a supportive environment for women's economic empowerment and women's entrepreneurship. Relevant specific objectives are, for instance: i) To enable governmental authorities and social partners (employers, trade unions) to promote, implement and monitor relevant international commitments, national legislation, policies and programmes for ensuring of gender equality and women's empowerment in the world of work (e.g. ILO conventions, Labour Code, Law on Ensuring Equal Rights and Opportunities of Men and Women (GEL), State Programme for Ensuring Gender Equality in Ukrainian Society up to 2010); ii) To improve the capacity of labour market institutions and social partners in developing and implementing gender-sensitive labour market policies, programmes and services. iii) To build the capacity of the Labour Inspection Service (LIS) and trade unions to effectively monitor gender equality

provisions in the workplace and redress rights violations; iv) To contribute to women's economic empowerment, in particular through support of women's entrepreneurship.

Finally, the South-African programme, known as the 'EU SPSP, overall objective is improving the quality of life of marginalised communities within the framework of urban renewal programme.

ANALYSIS OF SELECTED FINANCING AGREEMENTS:

Jordan

- 'Izdihar - Social Empowerment and Human Rights': the programme provides training of young women (specific action)
- 'Support of the JWU Shelter to provide: protection; legal, social and psychological counseling; and rehabilitative vocational training vulnerable and abused women in Jordan': the programme specifically targets marginalized and vulnerable groups. Among the objectives, there are: i) the quality of life for women victims of violence is improved; ii) the availability of protection, counseling, and rehabilitation services for all women victims of violence in Jordan is increased; iii) the overall effectiveness of the protection services for vulnerable and abused women provided by key stakeholders (medical and police organizations, international organizations, and civil society organizations) is improved. Among the main actions there are: protection, psychosocial and legal counseling services, and employment and life skills training.

Morocco

- Appui au Développement Humain et à l'Intégration Sociale: the programme targets the social inclusion of women and people with disabilities. It is worth noting though that specific actions concern the development of a knowledge system to identify those factors generating social exclusion; the creation of social structures to facilitate partnerships between institutions, associations and population; and the development of an information system. This implies that overall, the project does not target specifically inclusion of these groups in the labour market, but rather the development of mechanisms able to study the exclusion and increase awareness on the subject.

ANALYSIS OF 7 SELECTED INTERVENTIONS IN 6 COUNTRIES:

- **Bangladesh, Empowerment of Adolescent Girls:**

The overall objective is to improve the quality of life of vulnerable adolescents, especially girls, in selected intervention sites.

The project objective is twofold:

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| | <p>-To empower adolescents, especially girls, to participate meaningfully in decisions that affect their lives (including education, livelihood strategies and increasing age at marriage); and become active agents of social change.</p> <p>-To create and sustain a supportive environment for the adolescent girl development at the household and community level.</p> <p>The approach applied is the Sustainable Livelihood Approach (SLA), which originates with an analysis of strengths, rather than needs. Recognizing everyone's inherent potential, which may derive from strong social networks, access to physical resources/ infrastructure, ability to influence institutions, etc..</p> <p>The SLA has distinctive features that make it an appropriate approach:</p> <ul style="list-style-type: none"> - Response to adolescent needs through a participatory and multi-level focus - Adolescent work is viewed as positive, recognizing everyone's inherent potential - Adolescents' role in the economy and the society is valued - Access to assets are defined, and may be used in combinations to produce livelihoods - Adolescents' vulnerabilities are viewed in a comprehensive manner - Understanding of 'poverty' and 'goals' are obtained from local people, who are able to effectively create their own definitions - Need to bridge the gap between micro and macro levels is emphasized, and conducted in partnership with adolescents, their communities, government, NGOs and donor agencies <p>The SLA utilizes the choices that individuals make to use certain assets, including their social networks, their influence in institutions, or their access to physical resources. Within the SLA, the project provides adolescents with three directions of access:</p> <ul style="list-style-type: none"> ▪ Opportunities (promotion of access to market, protection and promotion of rights, development of institutions, policies, laws, regulations and social norms) ▪ Capabilities (access to vocational skills or business and money management skills, entrepreneurship development, life skills training, self esteem, self confidence) ▪ Resources (access to resources and ability to control own resources, micro-finance, credit and saving services, control over physical resources) <p>• <u>Brazil, Urban social inclusion:</u></p> <p>O objetivo de apoiar a inclusão social da população marginalizada que vive nos bairros centrais de São Paulo é altamente pertinente. As condições dessa população, ainda que não muito numerosa (estima-se que sejam 40.000 pessoas residentes permanentes e muitas outras flutuantes), são contrastantes de forma chocante com a opulência dos bairros limítrofes ricos da cidade. A inclusão social e econômica dos muito pobres é um elemento indispensável para a recuperação definitiva do centro histórico. O projeto foi desenhado para tornar atuantes as respectivas políticas sociais da Prefeitura de São Paulo,</p> |
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| | <p>mesmo que, originalmente, tenha sido pensado como de recuperação urbanística.</p> <ul style="list-style-type: none"> • <u>Egypt, social development and civil society: children at risk</u> <p>The Social Development and Civil Society: Children at Risk Programme – in short: “Children at Risk Programme” – has two objectives</p> <ul style="list-style-type: none"> - to reduce poverty among children at risk and thus improve their social development and - to enhance the capacity of NGO’s to contribute effectively to social development. <p>The FA gives the programme purposes as:</p> <ul style="list-style-type: none"> - The living conditions and prospects of social reintegration of five groups of economically vulnerable and socially marginalized children are improved - Girls’ access to education is facilitated - The NGO sector is strengthened and can operate in a more facilitative environment. <p>The FA expected results are:</p> <ul style="list-style-type: none"> - The capacity to rehabilitate street children with a focus on health and providing income generating skills and opportunities is improved - The awareness of the occupational health and safety conditions of working children is increased and these conditions are improved - Prevention of disability among children is increased, and efforts to integrate disabled children into society and thus improving their quality of life are enhanced - The practice of female genital mutilation (FGM) is reduced - The gender gap in primary schools is decreased in the GEI participating governorates. - The capacity of the participating civil society organisations to deliver services to the targeted groups of children at risk is improved - Dialogue between the Ministry of Social Solidarity’s (MOSS) NGO departments and the non-governmental sector is improved - The visibility of the Programme is assured. <p>The CaR programme builds on and extends a number of NCCM pilot activities. It comprises three separate components. The Girls’ Education Initiative (GEI) provides for girls who lack access to schooling (6.5 million Euros) and the Female Genital Mutilation (FGM) Free Village Model Project, which seeks to combat the practice of FGM (3 million Euros). The Grant Facilities (GF) component was designed to extend, strengthen and coordinate the work of national and</p> |
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| | <p>international NGOs in their support of children at risk, in particular street children, working children and disabled children (6 million Euros). Overall the programme fits NCCM's mandate to bring together representatives and organisations of civil society, private and government organisations in support of the disadvantaged child.</p> <p>The three components are supported by a capacity building component, comprising external technical assistance (TA) which is managed by GTZ (2,551,220 Euro). The technical assistance component provides capacity building for NCCM, the Ministry of Social Solidarity (MoSS) in charge of NGOs, and the different NGOs of the Grant Facility. A team of three (later four) long term experts and short term experts (STE) is fielded by GTZ.</p> <p>Main findings on:</p> <ul style="list-style-type: none"> the Girls' Education Initiative <p>The GEI project has undoubtedly brought high quality education to a large number of girls who would otherwise lack schooling. Mainstreaming will not be an easy activity as the GEI schools are supported in ways not currently possible to the government schools.</p> <ul style="list-style-type: none"> the FGM Free Village component <p>The FGM component of the CaR programme has been effective in bringing the anti FGM messages to the public and while evidence of trends figures is not currently available, the success of the approach is undoubted. A stronger attention to monitoring is needed. Clear and regular evidence of impact will allow an informed and responsive approach.</p> <ul style="list-style-type: none"> the Grant Facility Component <p>The Grant Facility approach has proved effective in shifting the paradigm of some NGOs from providers of a charitable social service to proactive organisations implementing community-based approaches. Selected NGOs have developed their capacity to a marked extent. Because of its impact the final evaluation team recommends that a second round of GF should be implemented. However the programme has been difficult to administer, and a number of adjustments should be made</p> <ul style="list-style-type: none"> Capacity Building <p>There have a number of examples of useful transfer of skills, in particular in the area of programme management. The particular legacy of the input is the increased capacity and confidence in the grant awarded NGOs. (<i>source: Final Evaluation</i>)</p> <ul style="list-style-type: none"> <u>Egypt, support to social development</u> <p>The overall objective of the project is to contribute to poverty reduction and socio-economic development through activities supporting employment creation and income generation for the poor. This will contribute to stronger economic and social cohesion. The project's purpose is to enhance the living standards of citizens in geographic areas with major concentrations of poverty. The programme aims at local area development by which the SFD will concentrate its efforts</p> |
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| | <p>on a small area to combine the effects of individual projects and have a higher impact.</p> <p>The expected results of the project are:</p> <ul style="list-style-type: none"> - improved living conditions in target areas, through provision of quality services and infrastructure to local community. - Enhanced job creation and income generation capabilities; permanent jobs are created within the local community with a sustainable impact on income generation. - Upgraded capacities of SFD regional offices in the poorest regions that will be targeted by the project to initiate, to appraise and propose projects and to manage budgets which are allocated to the areas under the responsibility of the Regional Offices. - Upgraded capacities of NGOs, Community Development Associations and Municipalities operating in targeted regions in better identifying needs of the local community and proposing how to respond to such needs. Local organisations will, as a consequence, be better placed in identifying and designing development activities, job creation and income generation opportunities and to act as focal points in the communities. <p>• <u>Prevención Social de la Violencia y de la Delincuencia Juvenil en el Salvador (PROJOVENES)</u></p> <p>The main objective is to reduce youth violence and delinquency, improving citizen security in the main urban areas of San Salvador. Reduce by 50% number of young offenders. The specific goal is 'increased quantity and quality of opportunities for 50.000 young people (10 – 25 year old) at social risk in San Salvador Metropolitan Area.</p> <p>The expected results:</p> <ul style="list-style-type: none"> - Local Approach: created participation facilities for children and young people at social risk, in order to improve their development at personal, family and community levels. - Institutional Approach: strengthen management and coordination capacities of local, regional and national institutions with competences in juvenile delinquency prevention. - General Approach: created and shared information related to experiences with children and young people at social risk <p>The main activities:</p> <ul style="list-style-type: none"> - Create a team for intervention with young offenders (2 programs). - Provide psychologists for primary and secondary schools (30 programs). - Promote and support Centers providing integrated services for young people. (14 programs). - Promote and support cultural and sport facilities (9 programs). - Promote access to employment workshops and training schemes for young people (24 workshops and 8 training programs). - Support interventions with young people involved in street gangs (maras) (8 programs). - Promote and support interventions with young people at special risk. (5 programs). |
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| | | <ul style="list-style-type: none"> - Training for the staff of institutions working in related areas of intervention. (6 programs). - Research into characteristics of young people at risk (actual status + evolution) - Support awareness actions. <p>Targeted groups:</p> <ul style="list-style-type: none"> - 9.000 young students of 30 schools in San Salvador metropolitan area. - 7.000 young offenders (individual plans for social reintegration). - 5.000 young people, as beneficiaries of occupational training). - 30.000 young people, as beneficiaries of infrastructures, such us “Centros Juveniles de Atención Integral”, sport facilities, etc. - Total young people attended: 50.000 <p>Indirect beneficiaries: citizens of San Salvador Metropolitan Area: 1.863.223 people. (<i>Evaluation of EC cooperation with El Salvador</i>)</p> <p>The project will create opportunities for job training, and formal employment mediation and provide technical support for the establishment of companies that could contribute especially to risk youth, family development, community and municipal levels. (<i>FA</i>)</p> <p>PROJOVENES I, demonstrated that prevention through creating opportunities for the youth in their communities and improving the physical environment could be a very effective way to combat social violence and crime, especially when the repressive policies have failed to improve the situation. The effectiveness of such an approach has been recognised by the new government which is working out a new strategy against violence. The three key components of this new strategy will be prevention, rehabilitation and institutional coordination. PROJOVENES I has also proven that the involvement of municipalities, as the entity of the state closest to the population, plays a crucial role in guaranteeing the sustainability of such programme. PROJOVENES I has contributed to the reduction of violence in 57 supported communities although its impact is not measurable at national level and its impact on education has been insignificant. (<i>Mid Term Review of the Country Strategy of 2007-2013 and National Indicative Programme 2011-2013</i>)</p> <p>• <u>Ukraine, Gender Equality in the World of Work</u></p> <p>The project aims to build the capacity of Ukrainian authorities and social partners in ensuring respect for national and international gender equality commitments in the world of work, in progressively eliminating gender biases in employment policies and sexual harassment at the workplace, and in creating a supportive environment for women's economic empowerment and women's entrepreneurship</p> <p>The specific objectives of the action are:</p> <ul style="list-style-type: none"> - To enable governmental authorities and social partners (employers, trade unions) to promote, implement and |
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| | | <p>monitor relevant international commitments, national legislation, policies and programmes for ensuring of gender equality and women's empowerment in the world of work (e.g. ILO conventions, Labour Code, Law on Ensuring Equal Rights and Opportunities of Men and Women (GEL), State Programme for Ensuring Gender Equality in Ukrainian Society up to 2010).</p> <ul style="list-style-type: none"> - To improve the capacity of labour market institutions and social partners in developing and implementing gender-sensitive labour market policies, programmes and services. - To build the capacity of the Labour Inspection Service (LIS) and trade unions to effectively monitor gender equality provisions in the workplace and redress rights violations. - To contribute to women's economic empowerment, in particular through support of women's entrepreneurship <p>The action is designed to achieve the following results:</p> <ul style="list-style-type: none"> - Baseline information on the state of implementation of gender equality legislation, policies and programmes in the field of employment accumulated, recommendations for changes formulated, capacity building needs of project stakeholders established - Capacity of the Interagency Council on Family, Gender Equality, Demographic Development and Countering Human Trafficking increased to promote enforcement of women's rights in the workplace and to monitor implementation of gender-related legislation and policies - Strategies and procedures of the Public Employment Services (PES) to improve gender equality in the provision of employment and training services designed and implemented - Capacity of Labour Inspection Services (LIS) to verify and promote the effective application of gender equality legislation at work developed - Programmes in support of women's entrepreneurship developed and implemented by business training institutions - Capacities of trade unions increased to advocate for women's rights at the workplace, and to assist women to redress rights violations - Commitment and capacity of employers from public and private sector strengthened to respect the principles of equal treatment and non-discrimination at the workplace <p>The main activities envisaged are:</p> <ul style="list-style-type: none"> - Review baseline information on the state of implementation of gender equality legislation, policies and programmes in the field of employment, capacity building needs of project stakeholders and elaborate recommendations for changes - Increase capacity of the Interagency Council on Family, Gender Equality, Demographic Development and Countering Human Trafficking to promote enforcement of women's rights in the workplace and to monitor |
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| | | <p>implementation of gender-related legislation and policies</p> <ul style="list-style-type: none"> - Develop and implement strategies and procedures for the Public Employment Services (PES) to improve gender equality in the provision of employment and training services - Increase the capacity of Labour Inspection Services (LIS) to verify and promote the effective application of gender equality legislation at work - Support business training institutions in developing and implementing programmes in support of women's entrepreneurship - Increase capacities of trade unions to advocate for women's rights at the workplace, and to assist women to redress rights violations - Strengthen commitment and capacity of employers from public and private sector to respect the principles of equal treatment and non-discrimination at the workplace <p>The target groups of this project are public sector institutions, employers and trade unions active in the field of labour market and employment policy. Public sector institutions will include the Inter-Agency Council on Family, Gender Equality, Demographic Development and Countering Human Trafficking, the Public Employment Service, the State Labour Inspection Service, State Department of Statistics and the Ministry of Labour and Social Policy with Ministry for Family, Youth and Sport. The organizations of employers and trade union associations (social partners) will also be direct target groups of the action. According to indicative plan of actions, 150 representatives of Public Employment Services in Kyiv and 600 representatives of PES in all regions of Ukraine will be trained on gender mainstreaming in employment, 300 labour inspectors in Kyiv and 600 labour inspectors in all regions of Ukraine will be trained on enforcing legislation on women's rights and in promoting equal opportunities and treatment, 300 members of trade unions and 600 members of trade unions in all regions of Ukraine will be trained on promoting gender equality and non-discrimination in their activity. 120 women-entrepreneurs will be trained on basics of management and effective operation of business and will receive ongoing consultancy and support during all the action cycle in Kyiv and in 9 regions of Ukraine (making 10 groups of 12 women-entrepreneurs). Recommendations for improvement of work of Inter-Agency Council on Family, Gender Equality, Demographic Development and Countering Human Trafficking, the Public Employment Service, the State Labour Inspection Service, State Department of Statistics in the sector of ensuring gender equality at work will be elaborated and transmitted to the respective governmental authorities and social partners. Best practices of respect for gender equality principles in enterprises will be collected and provided for use of employers. Final beneficiaries of this project are women and men in the world of work. Women will receive support to take an active role in claiming their rights at the workplace and in becoming advocates for their own rights. <i>(source: Description of the Action)</i></p> <ul style="list-style-type: none"> • <u>South Africa, Urban Renewal Programme in the Eastern Cape Province</u> <p>The programme, known as the 'EU SPSP, overall objective (OO) is improving the quality of life of marginalised communities within the framework of urban renewal programme. The ultimate beneficiaries in this case would be the</p> |
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two presidential nodes, Mdantsane in Buffalo City Municipality (BCM) and Motherwell in Nelson Mandela Bay Municipality (NMBM). Decision on the projects to use the funds for is based on the two nodes and their respective municipalities' service delivery budget implementation plans (SDBIPs)

The outcomes objectives stipulated in the Financing Agreement in Result Areas are:

- Result 1: Improve local economic development: The two Urban Renewal Nodes supports their residents through providing jobs and economic opportunities.
- Result 2: Habitable Human Settlement: The Urban Renewal Nodes are Habitable Living Environments: an area where people live, work and play.
- Result 3: Improved Social Development: Residents are provided with increased access to social services, a socially and culturally inclusive environment, and vulnerable groups (women, children, the youth, the disabled and the aged) experience increased physical and social security and opportunities.
- Result 4: Improved Public Participation: Residents increasingly participate in decision-making and project implementation
- Result 5: Improved strategy, programming, project implementation and coordination and service delivery to the two nodes: Strategic planning, decision-making and prioritization are strengthened and improved to provide efficient, effective, innovative and sustainable development
- Result 6: Improved Municipal Institution relating to Financial management, Audit, Procurement, Project Management and integrated planning: Strengthening of the institutions that house, and are responsible for delivery of, the local Mdantsane and Motherwell Urban Renewal Programmes (*source: MidTerm Review*)

7.1.2. FINANCIAL VOLUME OF PROGRAMMES IN EC BILATERAL COOPERATION IN THE MACRO-SECTOR OF DWSC COMPARED TO THE REST OF THE BILATERAL COOPERATION AND EVOLUTION OVER THE PERIOD COVERED BY THE EVALUATION.

The total amount committed to DWS is 5,276,770,297.41, which represents 50.11% of the total commitment to ESI sectors, and 8.52% of the global EC cooperation in the period 1999-2008. If we consider the narrow definition of ESI (hence, we exclude PR; SR, and RD-ban), DWS amounts to 1,454,469,647.33, 29.51% of the total committed to ESI, and 2.35% of the global EC cooperation.

In terms of evolution overtime, it can be stated that support to DWS has been constantly on the rise apart for a fall in 2001, 2004, and 2006, growing at an annual average of 48.51 percentage points.

TABLE 42: DWS COMMITMENTS, BY YEAR

| Amount committed to DWS | | | | | | | | | |
|-------------------------|----------|--------|----------|----------|--------|----------|----------|----------|----------|
| 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| 88,75Me | 279,8 Me | 255 Me | 420,8 Me | 752,23Me | 567 Me | 968,54Me | 482,49Me | 515,48Me | 946,42Me |

Source: Own elaboration based on the Inventory of EC ESI related interventions

7.1.3. NUMBER OF EC POVERTY REDUCTION SUPPORT PROGRAMMES THAT INCLUDE SPECIFIC REFERENCE TO THE IMPLEMENTATION OF THE DWA, EVENTUALLY INCLUDING SPECIFIC DWA MONITORING INDICATORS IN THE PERFORMANCE MATRIX.

***SYNTHESIS:** The answer to this indicator rests on the analysis of the financing agreements and the matrix of conditionalities (performance matrix) of 15 relevant projects in 7 ACP countries and 9 selected poverty reduction projects in 5 non-ACP countries.*

POVERTY REDUCTION –ACP PROGRAMMES ANALYSIS:

Overall, it can be stated that EC poverty reduction support programmes do not provide specific reference to the implementation of the DWA and, hence, to specific DWA monitoring indicators.

In regard to the specific poverty reduction interventions analyzed in 7 ACP countries, it can be stated that overall DWA is not explicitly addressed as a key issue or a priority. Over 15 programmes scrutinized, none of them specifically include actions or indicators falling under the DWA scope.

To a limited extent, it can be asserted that only two interventions make an indirect link to the social protection of workers/ vulnerable groups and social dialogue.

- *For instance, in Jamaica, the Poverty Reduction Programme' aims to enhance the participation of poor communities 'associations and individual members in their own development by strengthening their administrative capacity and by associating them closely with the implementation of Jamaica social Investment Fund projects. Although there are no specific DWA actions or indicators, to a limited extent the second project purpose should ultimately have an impact on the inclusion of poor groups and associations into the labour market and on their social protection. In fact, by increasing the participation in relevant levels of decision making, poor vulnerable groups should be able to better access working opportunities as well as social infrastructures.*
- *In Niger, the programme 'Appui au dispositif national de prevention et de gestion des crises alimentaires' aims to support the national alert mechanism for prevention and management of food crisis. Among the main areas of intervention, the programme envisages support to the dialogue mechanism.*

POVERTY REDUCTION –NON ACP PROGRAMMES ANALYSIS:

In line with what observed for ACP countries, in the rest of the countries analyzed (ASIA, ENPI, Latin America) DWA is not explicitly addressed as a key issue or a priority. However, over 9 programmes scrutinized, five interventions include issues relating to social protection, social empowerment and social dialogue.

In Bangladesh, the project 'Proshika: towards a poverty free society' specifically targets the empowerment/advocacy for rights of the poor. The project 'BRAC' does not provide specific DWA actions or indicators. However, according to the project purposes, by the end of the programme the specially targeted ultra poor will be aware of development issues, and, in particular, Village Organisation members will be capable of and motivated for social action for public accountability and social change. In Jordan, the programme 'Support to poverty reduction through local development' played a part in empowering local governments, civil society and the private sector to become actively engaged in the broader national objectives of reducing poverty and unemployment. In Vietnam, the project

'Support to Vietnam's poverty reduction and growth strategy under PRSC 4' specifically aims to promote an equitable, socially inclusive and environmentally sustainable pattern of growth. In terms of social protection, it envisages to issue a Social Insurance Law making the system financially viable and extending its coverage'. The related monitoring mechanism is 'on-going dialogue with Government Agencies (MoF:MOLISA) and engagement in SEDP dialogue.' The second pillar of the PRSC 5 addresses social inclusion and environmental sustainability. In terms of social protection, the programme aims to issue a new law in 2006 to increase coverage and address financial viability, to enlarge workers coverage, and to launch voluntary schemes. Concerning the PRSC 6, among the DWA related indicators, there are: i) Poor communes with basic infrastructure (safe work environment), ii) Leadership positions held by women (equal opportunity and treatment in employment), iii) Asset ownership among women (equal opportunity and treatment in employment), iv) wage employment among women (equal opportunity and treatment in employment).

POVERTY REDUCTION –NON ACP PROGRAMMES ANALYSIS

Bangladesh:

- **Proshika: towards a poverty free society**

This was a multidonor funded project for poverty alleviation supporting the NGO Proshika (established 1976) to rapidly extend its area of coverage, start new groups and provide support to their development through a 3 part approach - provision of financial services, development services (social and economic) and empowerment/advocacy for rights of the poor. However, no DWA indicators are included.

- **BRAC – Challenging the Frontiers of Poverty Reduction:**

The programme's overall objective is poverty reduction through replication of established livelihood models by development partners. The project's purpose is that improved livelihood practices of the poor, particularly the ultra poor, are established as a replicable model and debated by development partners at the national level.

The outputs and activities cover four main components: a Special Investment Programme (SIP), Employment and Enterprise Development Training (EEDT), Social Development and Advocacy, and Essential Health Care (EHC). Several of the outputs involve collaboration with, or attempts to, influence poor people's access to Government services, and there is a specific advocacy output seeking to raise awareness of poverty reduction initiatives for the ultra poor. The target beneficiaries will number approximately 6 million households. The majority of resources will go to 1.3 million ultra poor women, of whom 70,000 households in the poorest regions of the country will receive an intensive package of assistance. The programme builds on BRAC's experience in some of these areas, where impact assessment suggests they have had some limited success in reaching the ultra poor. The most innovative component of the project, the Special Investment Programme targeted at 70,000 ultra poor households, will be subject to a two year pilot. The activities of the programme will have the following expected results:

No specific DWA actions or indicators are provided, but according to the financing proposal by the end of the

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| | | <p>programme the specially targeted ultra poor will be aware of development issues and confident to access BRAC and other services.</p> <ul style="list-style-type: none"> - The ultra poor will be capable of undertaking selected Income Generating Activities. - The specially targeted ultra poor will have had access to appropriate productive assets, subsistence allowance, free basic health services and the provision of selected health products ensured at subsidy or cost price. - Democratic people's organisations will be in place and operational. These organisations will make sure that the rights of the poor and basic laws relevant to their lives are being respected. - Village Organisation members will be capable of and motivated for social action for public accountability and social change. - The community has access to basic health services under the Essential Health Care component. - Development partners will be aware of BRAC's experience with poverty reduction initiatives, particularly for the ultra poor. <p><u>Jordan</u></p> <ul style="list-style-type: none"> • <u>Support to poverty reduction through local development:</u> <p>The EU support programme was designed as a sector programme financed through a direct, untargeted budget support. The sector was defined as poverty reduction/alleviation through local development on the governorate and the municipality level (18 units). The original intervention logic was to install poverty alleviation through institutionalised local economic development in an overarching process of increased decentralization in Jordan. An important feature was the promotion of public participation in the municipalities, leading to LED (Local Economic Development) plans based on the prioritization of needs in local communities. In line with Jordan's National Social and Economic Plan (NSEP) aims, the programme is playing a part in <u>empowering local governments, civil society and the private sector to become actively engaged in the broader national objectives of reducing poverty and unemployment</u>. Action plans and relevant community projects are supposed to have an impact on poverty reduction through employment, equitable development and social cohesion.</p> <p>There is no real log frame because the programme matrix lacks clear assumptions/risks, activities and inputs. The existing matrix combines a set of time-bound indicators for appraising change in the sector and leading to the release of the different tranches. The matrix is more relevant for budget support and lacks comprehensive indicators to measure poverty change in the selected municipalities. No key performance indicators are identified and the project matrix combines public finance indicators with context indicators. The Overall Objective (OO) is defined as the enhancing of the living condition of the poor. The Project Purpose (PP) is to support a viable local development process focused on the poor and the deprived. There is no coherence between the OO/ PP and the four operational objectives, also called measures/results. The reason is that the operational process shifted more to local development and the decentralized approach then to poverty reduction. The Support programme has, at the end of its operational phase, all the features to be considered a Sector Policy (SP) programme (three building blocks) and thus qualifies for</p> |
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| | <p>direct, targeted financing through sector budget support (Seven Key Assessment Areas). The implementation of a final, validated National Strategy for Poverty Alleviation can be supported through a Sector Policy Support Programme (SPSP) financed with the balance of the budget during the Closure phase (2009-2010).</p> <p><u><i>Vietnam</i></u></p> <ul style="list-style-type: none"> • <u>Support to Vietnam's poverty reduction and growth strategy under prsc 3:</u> t he project specifically aims to promote an equitable, socially inclusive and environmentally sustainable pattern of growth. This requires appropriate sectoral and social policies and programmes. In particular, the overall objective of the project is reduced poverty and sustained growth in Vietnam through support for the implementation of reforms as envisaged in the Government's Comprehensive Poverty Reduction and Growth Strategy 2001 – 2010 (CPRGS). The Comprehensive Poverty Reduction and Growth Strategy of Vietnam, approved in 2002, is based on three pillars: <ol style="list-style-type: none"> 1. High growth through a transition to a market economy with reforms in foreign trade, state owned enterprises, the financial sector, and private sector development; 2. Promoting an equitable, socially inclusive and environmentally sustainable pattern of growth. This requires appropriate sectoral and social policies and programmes; 3. Building a modern public administration, legal and governance system, with reforms improving public finance management, legal development, and administrative transparency. However, no DWA related indicators are provided. • <u>Support to Vietnam's poverty reduction and growth strategy under prsc 4:</u> as for the previous PRSC, the project specifically aims to promote an equitable, socially inclusive and environmentally sustainable pattern of growth, which. requires appropriate sectoral and social policies and programmes. In terms of social protection, the following indicator is envisaged: 'Issue a Social Insurance Law making the system financially viable and extending its coverage'. The monitorin mechanism is 'On-going dialogue with Government Agencies (MoF:MOLISA) and engagement in SEDP dialogue.' • <u>Support to Vietnam's poverty reduction and growth strategy under prsc 5:</u> as for the previous PRSC, the project specifically aims to promote an equitable, socially inclusive and environmentally sustainable pattern of growth, which. requires appropriate sectoral and social policies and programmes The second pillar of the programme addresses social inclusion and environmental sustainability. In terms of social protection, the programme aims to issue a new law in 2006 to increase coverage and address financial viability, to enlarge workers coverage and to launch voluntary scheme • <u>Poverty reduction support credit 6:</u> |
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within the social inclusion/protection pillar, the project envisages to extend performance standards for primary teachers nationwide, including evidence-based assessments, to adopt HIV/AIDS law and prepare action plans to scale up harm reduction, fight stigma and discrimination, and to unify legal framework to address gender disparities and increase women's participation in decision making. Among the DWA related indicators, there are: i) Poor communes with basic infrastructure (safe work environment), ii) Leadership positions held by women (equal opportunity and treatment in employment), iii) Asset ownership among women (equal opportunity and treatment in employment), iv) wage employment among women (equal opportunity and treatment in employment).

El Salvador

- *Programa de alivio a la pobreza en el salvador (papes):*

Since 2005 on and for the first time in many years, the GoES implemented a active social policy (called “Red Solidaria”) and consisting in improving the delivery of social and productive services (health, education, housing, roads, electricity, water and sanitation, etc.) in the poorest municipalities of El Salvador. Red Solidaria is thus a multi-sectoral programme geographically defined. EC choose to contribute to this programme through a general budget support, but to focus 7 of the 9 indicators of the Variable Tranches on the achievement of targets in the 32 poorest municipalities of the country. This programme is also supported by five other main donors (KFW, Spain, Luxemburg, Junta de Andalucía, BID) for around €30m. Up to the beginning of 2009, GoES had contributed directly to 54% of the US\$ 103 M. RS total funding. This support is executed by the “Fondo de Inversión social para el Desarrollo Local” (FISDL) and is coordinated by the “Secretaría Técnica de la Presidencia” (STP). The EC Budget support started in 2006 and seems to have been successful (the 4 first tranches were integrally and timely disbursed) until the last Variable Tranche for which 2 out of the nine targets were considered as only partially achieved.

The overall objective of the programme is to reduce social inequalities and poverty, and attain the MG.

The specific objective is to enhance the execution of Red Solidaria, a programme directed towards the poorest rural families in El Salvador.

No specific DWA actions or indicators are provided. As reported in the TAPs of the FA:

‘Indicadores del Programa del Gobierno y del Apoyo de la CE : La apreciación de la CE sobre la evolución macroeconómica se efectuará en colaboración con las Instituciones Financieras Internacionales (IFI). La medición de los indicadores de finanzas públicas y de la RS se realizará en coordinación con otros donantes que apoyen dicho Programa, siempre que esto sea posible. Los principales insumos para evaluar la situación macroeconómica así como la evolución de las finanzas públicas serán los estudios realizados por las IFIs y la misma CE. Los datos referentes a los progresos del Programa RS provendrán de los propios sistemas de monitoreo establecidos por el GES, previéndose una evaluación exhaustiva de los avances de Red Solidaria cada dos años. En todo caso, se dispondrá anualmente de indicadores (salud, educación, infraestructuras,...) provenientes en de las encuestas anuales de hogares para propósitos múltiples.

Tunisia

- Programme d'appui à la réforme du système d'assurance maladie

No specific DWA actions or indicators are provided. According to the ROM 2008: 'La réforme de l'Assurance Maladie en Tunisie répondait à un besoin évident puisque dans les années 90 la couverture était en fait encore réservée aux employés du secteur public, avec une qualité des prestations insuffisante. Alors que beaucoup de pays, y compris parmi les plus développés, voient leurs régimes de protection sociale menacés, cette réforme s'attaquait à une tâche très délicate et ambitieuse. En particulier, les objectifs de la réforme (couverture universelle, amélioration de la qualité des soins et contrôle des coûts) pouvaient sembler hors de portée. Le programme avait été conçu comme un Fonds d'Ajustement Structurel, une formule aujourd'hui abandonnée au profit des Programmes d'Appui Sectoriel. Il s'agissait de conditionner le versement de 39,520,000 € à la réalisation de 20 « critères de performance » permettant de vérifier la mise en place de la réforme du système d'Assurance Maladie en Tunisie. Il n'est pas surprenant que la décision du gouvernement de mettre en place cette réforme ambitieuse et complète ait rencontré des difficultés considérables durant les années 2000 à 2005, au point qu'il a même semblé impossible de la réussir. Cependant, malgré les retards importants qui avaient fait craindre l'échec du programme, celui-ci a pu être recadré et reprogrammé début 2005, grâce déjà une renégociation d'ensemble qui a permis de rétablir la confiance, notamment entre la Commission européenne et les autorités tunisiennes. La reformulation du calendrier et l'engagement de toutes les parties prenantes ont permis à cette réforme ambitieuse de voir le jour courant 2007 et 2008, avec un appui très limité de l'assistance technique européenne. Les deux tranches prévues ont été versées mi 2006 et mi 2008, après des aménagements de bon sens de la matrice des critères de performance.'

POVERTY REDUCTION –ACP PROGRAMMES ANALYSISDominican Republic

- The financing agreement of the programme 'General budget support for poverty reduction' was signed on August 2006. The main objective was to enable the Government of the Dominican Republic to implement its Sustainable Development policies and strategies thereby reducing poverty, in an effective, efficient, and transparent way.

In order to achieve this objective, the programme focuses on three main purposes:

- Improved macroeconomic stability
- Increased effectiveness, efficiency and transparency in the use of public funds enhancing the capacity of Government to comply with social spending and investment plans.
- Increased means of GoDR to implement its Sustainable Development investment strategy, particularly for the health and education sectors.

The analysis of the financing agreement, its annexes and the intervention logical framework shows the lack of outcome indicators and any reference to issues relating to employment and labour market.

Jamaica

- The financing agreement of the 'Poverty Reduction Programme' in Jamaica was signed on December 2000. The overall objective of the project was to alleviate poverty by improving living conditions in poor communities. In order to achieve this goal, the PRP provides access in poor communities to quality basic infrastructure and services, especially in the field of sanitation, water and health. Moreover, it aims to enhance the participation of poor communities 'associations and individual members in their own development by strengthening their administrative capacity and by associating them closely with the implementation of Jamaica social Investment Fund projects. The analysis of the financing agreement, its annexes and the intervention logical framework shows the lack of outcome indicators and any direct reference to issues relating to employment and labour market. However, it can be stated that to a limited extent the second project purpose should ultimately have an impact on the inclusion of poor groups and associations into the labour market. In fact, by increasing the participation in relevant levels of decision making, poor vulnerable groups should be able to better access not only social infrastructures but working opportunities as well.
- The financing agreement of the 'Poverty Reduction Programme II' was signed in June 2006. The overall objective of the programme is poverty alleviation through sustainable growth. By demonstrating community-level approaches that work, and by exchanging information amongst and helping to coordinate the different sub-projects, PRP II should strengthen the cohesion, efficiency and effectiveness of all relevant interventions. In order to achieve this overall objective, PRP II aims to reduce the level and incidence of poverty in communities across Jamaica, to improve capacity of poor communities to participate in their own development, to increase access to basic infrastructure and services, to improve the capacity of NGOs to support and facilitate communities and community-based organizations, to improve the capacity of the social development commission to assist and support communities. Again, although there are not specific actions relating to employment and labour market, within the second purpose, the PRP II provides at least 15 training programmes and workshops to foster communities' capacity building.

Mali

- The financing agreement of the FAS was signed on December 1999. This programme of structural adjustment aimed to strengthen government financial viability and to foster economic growth with the ultimate goal of poverty reduction. In order to achieve this objective, the FAS rested on actions targeting the growth rate increase, the inflation rate decrease, the global deficit reduction, and the investment rate increase. Moreover, the FAS intended to support the implementation of national reforms in the area of: health education and transport. The analysis of the financing agreement and its annexes shows the lack of any reference to issues relating to employment and labour market.

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| | <ul style="list-style-type: none"> • The financing agreement of the 'programme pluriannuel d'appui budgétaire au cadre stratégique de lutte contre la pauvreté 2003-2007' was signed on December 2003. It aims to support the national CSLP (Cadre Stratégique pour la Croissance et la Réduction de la Pauvreté), which identifies three main priority areas: i) institutional development and governance strengthening, ii) human resources development and access to basic social services, iii) infrastructure development and support to productive sectors. In terms of employment and labour market issues, the financing agreement provides a clear reference to human resources development. In this regard, a deeper look into the description of the programme reveals that the ultimate goal should be a rise in the number of students accessing vocational training programs. More specifically, it is stated that in 2003, it is expected that at least 32% of the students admitted to secondary education access vocational training¹³⁷. • The financing agreement of the programme 'contrat OMD pour le Mali - PPAB 2' was signed on March 2009. The overall objective is to enhance growth and reduce poverty while contributing to the achievement of the MDGs in Mali. In order to achieve this goal, three main priority areas are identified: i) quality of health services, ii) basic education, iii) public finance management. The analysis of the financing agreement, its annexes and the intervention logical framework shows the lack of outcome indicators and any reference to issues relating to employment and labour market. <p><u>Niger</u></p> <ul style="list-style-type: none"> • The financing agreement of the 'programme pluriannuel d'appui à la réduction de la pauvreté 2003-2005' was signed on November 2003. The programme aims to support the implementation of the national poverty reduction strategy, which entails four main axes of interventions: i) improve macroeconomic stability, ii) to facilitate poor groups' access to social services (education and health); capacity building and good governance; iii) development of productive sectors. The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market. • The financing agreement of the programme 'Appui au dispositif national de prévention et de gestion des crises alimentaires' was signed on July 2007. This programme aims to support the national alert mechanism for prevention and management of food crisis. The main goal is to contribute toward rural poverty reduction before 2015. There are three main areas of intervention: i) support to the alert and prevention mechanism, ii) support to the mechanism in charge of crisis management, iii) support to the dialogue mechanism. The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market. • Le projet 'Programme d'appui à la décentralisation et au développement local dans la région d'Agadez' se situe dans le |
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¹³⁷The FA does not provide additional information on the subject (eg. Activities, type of vocational training, geographical coverage, etc...).

cadre de la politique de décentralisation qui s'est traduite en 2004 par l'élection des premiers conseils municipaux dans les 265 communes du pays. Il devrait contribuer au développement local des deux départements d'Arlit et de Tchirozerine où les besoins sont très importants. Dans la mesure où l'expérience avait pu être capitalisée, la conception de l'intervention prend en compte les enseignements des différents projets du même type financés par la CE et notamment celles du programme de coopération décentralisée (PCD II) qui s'est achevé en 2007. Un des points forts du projet, comme le montre le cadre logique clair annexé à la convention de financement (CF), est l'association i) d'actions de renforcement des capacités des communes et des services déconcentrés, ii) d'un fonds de subventions pour des investissements communaux dans des services de proximité (1,5 M€) et iii) d'un fonds pour supporter des microprojets portés par les acteurs du développement (1,25 M€) correspondant à des services concédés par la commune. Il devrait permettre un apprentissage de la bonne gouvernance par les conseils municipaux dans le respect des procédures nationales et en utilisant les plans de développement communaux (PDC). The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market. (source: ROM)

South Africa

- The financing agreement of the programme 'Innovation for Poverty Alleviation (SBS to DST)' was signed on March 2008. The overall objective is to contribute to the Department of Science and Technology's policy and strategy of using science and technology for reducing poverty through job creation, SME development, economic growth and the improvement of the quality life. In order to achieve this overall goal, the programme targets the following areas: i) creating sustainable livelihoods, ii) social services and infrastructure, iii) high impact health initiatives, iv) human capital development, v) ICTs for access to government services and S&T in rural areas, and vi) technology and knowledge transfer.
In terms of ESI issues, there is a clear link to human capital development activities whose ultimate goal is to increase the participation of youth from disadvantaged backgrounds in higher learning and employment in science, engineering and technology careers. Moreover, it aims to increase the numbers of South Africans with tertiary education qualifications in science and engineering, particularly with research degrees. Three main indicators of performance are provided in this area, namely: support for internships, support for science centers and FabLabs in poor communities, and training and development for SBS staff in management, evaluation and monitoring.
- The financing agreement of the programme 'Water for Growth and Development' was signed in March 2008. The programme aims to sustain South African growth and development within the framework of the National Water Resource Strategy. Expected results are: i) stakeholder collaboration in place and focused on sustainable water management for all south Africans, ii) catchment management agencies established and operational, iii) municipalities proficient in their designated water resource management and water services roles, iv) DWAF strengthened and capacitated in providing policy direction, regulation and support to the water sector, v) civil society organizations able to provide training and support to, and advocacy in the water sector, vi) review of alternative financing mechanisms for sustainable delivery of water services and water resource management, vii) water service providers operating in an

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| | | <p>effective and efficient manner, viii) sustainable ecosystem based IWRM contributing to social development. The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market.</p> <p><u>Tanzania</u></p> <ul style="list-style-type: none"> • The financing agreement of the programme '<u>Poverty Reduction Budget Support 01</u>' was signed on October 2001. The programme provides budget support and associated technical assistance to support enhanced economic growth and poverty reduction. Specifically, over the three year period, annual GDP growth is targeted to accelerate from about 5.2 % to 6%. At a sector level, growth in the industrial and service sectors is particularly important. The capacity of the poor to benefit from growth is promoted through a set of measures focused in particular on health and education. Education policy focuses especially on increases in primary school enrolment and reductions in primary dropout rates. In terms of issues relating to employment and labour market, the financing agreement down not provide any reference to this sectors neither outcome indicators. • The financing agreement of the programme '<u>Poverty Reduction Budget Support 02</u>' was signed on November 2003. The programme provides budget support and associated technical assistance to support enhanced economic growth and poverty reduction. Specifically, 7% annual GDP growth in the medium term is expected to provide the basis for reducing the proportion of the population living in absolute poverty by half in 2010, compared to the 2000 level. The PRS priority sectors are: education (notably at primary school level), health (primary health care); agriculture (research and extension), roads (in the rural areas); water, judiciary, and HIV/AIDS. The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market. • The financing agreement of the programme '<u>Poverty Reduction Budget Support 03</u>' was signed on September 2006. The programme provides budget support and associated technical assistance to sustain Tanzania's efforts towards reducing poverty and enhance economic growth. In order to achieve this goal, the programmes focuses on three main priorities: i) the need to sustain macro-economic stability that favors a broad-based economic growth, ii) the need to support improvements in service delivery especially in health and education, iii) and the need to sustain progress in public finance management. Although the analysis of the financing agreement shows the lack of outcome indicators and any components in the programme relating to employment and labour market, among the cross cutting issues it is mentioned that child labour is an area of major concern, in particular in rural areas. Challenges remain for sectors to effectively integrate child labour concerns in their sector strategies in the NSGRP context. <p><u>Uganda</u></p> <ul style="list-style-type: none"> • The financing agreement of the '<u>fourth poverty alleviation budgetary support</u>' programme was signed on March 2001. It aimed at creating a stable macroeconomic environment. In order to achieve this goal, the key areas of interventions |
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were: primary education, primary health care, rural water and sanitation, rural feeder roads and agricultural extension. The analysis of the financing agreement shows the lack of outcome indicators and any reference to issues relating to employment and labour market.

- The financing agreement of the ‘fifth poverty alleviation budgetary support’ programme was signed on June 2005. This programme supports the implementation of the long-term strategy of development (poverty eradication action plan- peap) objectives and its related reform programme. In addition to providing external resources for the execution of the national budget and the maintenance of macroeconomic of stability, the programme supports the implementation of Uganda’s poverty reduction reforms, with a particular emphasis on improving public service delivery and public finance management. Specifically, the programme rests on five main pillars: i) economic management, ii) production, competitiveness, and incomes, iii) security, conflict-resolution, and disaster management, iv) governance, v) human development. This last area of intervention could fall under the spectrum of ESI issues. However, a deeper look at the programme characteristics shows that within human development, key priorities are primary and secondary education, with a particular focus on quality, health outcomes, population growth, and adult literacy.

Conclusions

The analysis of the financing agreements of 15 budget support programmes targeting poverty reduction shows a rather weak correlation to issues relating to employment and labour market. As shown in Fig. 68, 28% of the selected BS programmes include among their objectives and or actions issues relating to E & LM while 73% of them do not provide any reference to these sectors. Out the seven countries taken into account, three of them provide and/or forecast in their programmes interventions in the field of ESI, namely Jamaica , Mali and South Africa. In Jamaica, the Poverty Reduction Programme provides among its ultimate goals, the inclusion of poor groups and associations into the labour market. Moreover, in order to reduce the level and incidence of poverty in communities across Jamaica, the second Poverty Reduction Programme provides at least 15 training programmes and workshops to foster communities’ capacity building. This is in line with the national poverty reduction strategic plan, which envisages among its outcomes the promotion of poor’s social inclusion. In Mali, the ‘programme pluriannuel d'appui budgétaire au cadre stratégique de lutte contre la pauvreté 2003-2007’ identifies human resources development as one of the priority areas. Specifically, it aims to increase the number of students accessing vocational training programmes. It is worth noting that in the national poverty reduction strategy, employment-training are deemed as priority areas of intervention within the social sector pillar. In South Africa, human capital development is considered a targeted area as well. The programme ‘Innovation for Poverty Alleviation (SBS to DST)’ aims to increase the participation of youth from disadvantaged backgrounds in higher learning and employment in science, engineering and technology careers. Moreover, it aims to increase the numbers of South Africans with tertiary education qualifications in science and engineering, particularly with research degrees.

Among the 73% of the total interventions targeting non ESI areas, health and basic (primary) education prove to be the key sectors. As a matter of fact, most of the BS programmes analyzed include among their targets: access to basic social services, basic education, quality of health services. Other significant issues taken into account are: public finance

management, governance, transport and natural resources management.

7.1.4. EVIDENCE IN THE LATEST CSP OF SELECTED COUNTRIES, SINCE 2006 - OF POSITIVE LINK BETWEEN COUNTRY COMMITMENT TO THE DWA AND RELATED INTERNATIONAL CONVENTIONS AND TYPE AND BUDGET OF PROJECTS SUPPORTED BY THE EC IN THIS AREA

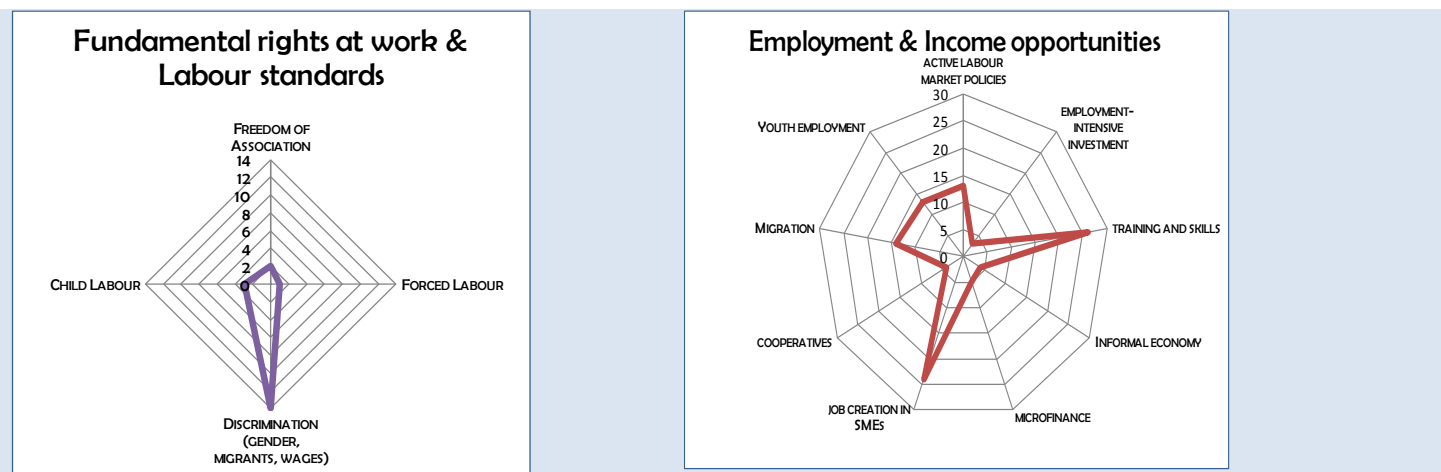
See also JC 1.1, I. 1.1.3.

CSPs do not seem to include such kind of linkages. Whilst many countries have ratified ILO Conventions, particularly in Africa and Latin America, the CSPs do not refer to these. Reference to Decent Work can only be regarded as superficial in the sense it is an “add-on” e.g. the country background will typically have the heading “social situation employment and decent work” but very little substance in terms of what this actually means. DW as such is regarded as a cross cutting issue such as gender and in general is only given the superficial attention that is given to the latter.

Nevertheless, even if the concept of DW as such appears mainly since 2005, its strategic objectives were already present in EC cooperation since the beginning of the period.

In the figure below we can observe the number of National indicative programmes that deal with every single DW strategic objective.

FIGURE 61: DECENT WORK STRATEGIC OBJECTIVES', BY NUMBER OF NATIONAL INDICATIVE PROGRAMMES IN WHICH THEY ARE CONSIDERED, FROM 2000 ONWARDS



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| | | <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p>Social protection</p> </div> <div style="text-align: center;"> <p>Social dialogue</p> </div> </div> <p><i>Source: Own elaboration based on CSP's analysis</i></p> | |
| | <p>7.2. EC promotes the creation of an enabling environment to the introduction and application of DW principles</p> | <p>7.2.1 EXTENT TO WHICH EC PROGRAMMES IN THE AREA OF DWSC ADDRESS ISSUES OF INSTITUTIONAL STRENGTHENING AND LABOUR MARKET LEGISLATIVE FRAMEWORK (IN PARTICULAR WORKER RIGHTS, SOCIAL DIALOGUE AND WORKERS PROTECTION) I.E. THROUGH TA FOR LABOUR MARKET LEGISLATION, SETTING UP OR REINFORCING STATISTICAL CAPACITY, IMPROVING DIALOGUE BETWEEN RELEVANT MINISTRIES, PROMOTING DIALOGUE BETWEEN GOVERNMENT AND SOCIAL PARTNERS ON LABOUR RELATED ISSUES.</p> <p>SYNTHESIS: <i>The answer to this indicator rests on three main sources: the results of the inventory, the analysis of all the available documentation for a sample of 9 selected projects in 8 countries, and the results of the field mission.</i></p> <p><i>According to the results of the INVENTORY, EC allocation to interventions in support of core labour standards amounts to 61 M, around 1.16% of the total; support to institutional strengthening in the field of labour governance has received approximately 20M, almost 0.4% of the total amount. Social dialogue has received 2 M, which is less than 0.1% of the total.</i></p> <p>THE FIELD MISSION</p> <p><i>showed that in Jordan special labour market governance issues have been covered under the umbrella of broader EC interventions. For instance, the support to the ratification of C.87 on Freedom of Association was mobilized through the implementation of the Action Plan when an Inter- Ministerial Committee urged the Prime Minister to consider its ratification. The project 'Jordanian Labour Empowerment through Labour Rights Education and Capacity Building': provides of a labour rights development package, a labour rights training workshop, a review of the labour legislation, seminar for leadership of the General Federation of Trade Unions. In Vietnam, the EC is persistently supporting through the PRSO policy dialogue the revisions to the Labour Code since 2006 which will improve the current mechanisms for dispute resolution at the enterprise level which are ill adapted to address labour discontent. The project 'Empowerment of Workers and Trade Unions' specifically aims at strengthening the capacities of the Vietnamese trade unions to identify, articulate and organize the needs and interests of the most vulnerable sectors of the new industrial working force. Moreover,</i></p> | |

the trade integration project MUTRAP should facilitate meeting the WTO accession conditions of creating a level playing field by raising the level of minimum wages in the domestic sector to that of the enterprises of the foreign investment sector which is now in the former one-half of the level of the latter (with between 50 to 60 percent of those earning minimum wages being women or youth). In Morocco, the project 'Appui Institutionnel à la Circulation de Personnes' aims to improve the legal movement of persons for work purposes between the EU and Morocco. Specifically, it intends to reinforce the capacity of the national agency and to train officials on the migration legislative framework.

The ANALYSIS OF 9 SELECTED INTERVENTIONS IN 8 COUNTRIES

shows that overall EC programmes in the area of DWSC address issues of institutional strengthening and labour market legislative framework. For instance, in Bangladesh, among the target groups of the project 'Empowerment of Adolescent Girls' there are policy makers and opinion leaders, NGOs In particular, partner NGO's and MOWCA staff both at national and sub-national level will be considered as indirect beneficiaries as the project has planned activities to further strengthen their capacity. They will be sensitised on gender issues, life skills and community involvement.

In China, social security has for a long time not been a national priority. The European Union-China Social Security intends to support the transition to a sustainable social security system in China which guarantees accessible, adequate and affordable social security benefits to all Chinese citizens. In particular, the project includes two relevant DWA objectives which can be summarised as follows: i) Strengthen institutional capacity for social security policy development and administration on issues of coverage and access, financial sustainability, management and administration (in particular for pensions, health & unemployment insurance; ii) To provide technical assistance to help strengthen institutional capacity for social security policy implementation and administration at the sub-national level in 6 selected provinces with a view to achieving improvements of national significance that are replicable in other provinces.

In Egypt, the Social Development and Civil Society: Children at Risk Programme specifically aims at enhancing the capacity of NGO's to effectively contribute to social development. In this particular area, the programme purposes is 'the NGO sector is strengthened and can operate in a more facilitative environment'.

In terms of capacity building, expected results are: i) the capacity to rehabilitate street children with a focus on health and providing income generating skills and opportunities is improved; ii) The awareness of the occupational health and safety conditions of working children is increased and these conditions are improved; iii) The capacity of the participating civil society organisations to deliver services to the targeted groups of children at risk is improved; iv) dialogue between the Ministry of Social Solidarity's (MOSS) NGO departments and the non-governmental sector is improved. According to the project final evaluation, the greatest success of the capacity building component is in the area of NGO development. All NGOs reported the benefits gained from capacity building interventions (coaching, networking and training) organized by TAT, as well as the technical support to methodologies for disadvantaged children. There seems to be a consensus that TAT was most effective in training in administrative, procurement and NGO management matters, with clear evidence of the developed management abilities in all aspects, finance, reporting, planning, and in particular ability to address other funders. The impact on technical abilities has also proved effective. The NGOs perceived the input as a major factor in providing for their growth and self sustainability. Inputs to NGOs were well targeted.

In Ukraine, concerning institutional strengthening and labour market legislative framework, the specific objectives of the project 'Gender Equality in the World of Work' are: i) To enable governmental authorities and social partners (employers, trade unions) to promote, implement and monitor relevant international commitments, national legislation, policies and programmes for ensuring of gender equality and women's empowerment in the world of work (e.g. ILO conventions, Labour Code, Law on Ensuring Equal Rights and Opportunities of Men and Women (GEL), State Programme for Ensuring Gender Equality in Ukrainian Society up to 2010); ii) To improve the capacity of labour market institutions and social partners in developing and implementing gender-sensitive labour market policies, programmes and services; iii) To build the capacity of the Labour Inspection Service (LIS) and trade unions to effectively monitor gender equality provisions in the workplace and redress rights violations; iv) To contribute to women's economic empowerment, in particular through support of women's entrepreneurship

The total amount to the microsectors LG IB- LG SD- LG CLS is respectively:

TABLE 43: LG IB- LG SD- LG CLS COMMITMENTS

| | Commitment | % DWS | %DWS- Enlarged (with PR) |
|--------|---------------|-------|--------------------------------|
| LG CLS | 61,159,053.07 | 4.20% | 1.23% |
| LG IB | 20,231,896.76 | 1.39% | 0.41% |
| LG SD | 2,347,458.71 | 0.16% | 0.05% |

Source: Own elaboration based on the Inventory of EC ESI related interventions

The **FIELD PHASE** provides the following examples:

Jordan:

- Special labour market governance issues have been covered under the umbrella of broader EC interventions. For instance, the support to the ratification of C.87 on Freedom of Association was mobilised through the implementation of the Action Plan when an Inter- Ministerial Committee urged the Prime Minister to consider its ratification.

Jamaica:

- The ILO regional (all regions) executed child labour project TACKLE.

Vietnam:

- EC is relentlessly supporting through the PRSO policy dialogue the revisions to the Labour Code since 2006 which will improve the current mechanisms for dispute resolution at the enterprise level which are ill adapted to address labour discontent (as evidenced by a decline in number of wild cat strikes).

- The EC trade integration project MUTRAP should facilitate meeting the WTO accession conditions of creating a level playing field by raising the level of minimum wages in the domestic sector to that of the enterprises of the foreign investment sector which is now in the former one-half of the level of the latter (with between 50 to 60 percent of those earning minimum wages being women or youth).

Analysis of the financing agreements:

Overall, it can be stated that institutional strengthening and labour market legislative framework related issues are often addressed in the EC analysed interventions. Specifically, through the provision of labour rights trainings, social dialogue strengthening, trade unions' capacity building.

Jordan:

- Jordanian Labour Empowerment through Labour Rights Education and Capacity Building: the project provide the development of a labour rights development package, a labour rights training workshop, a review of the labour legislation, seminar for leadership of the General Federation of Trade Unions.
- Institutional strengthening of the ministry of labour - SAAP: no specific reference
- Strengthening the Capacity in Management, Leadership and Planning of the Ministry of Labour: no specific reference (capacity building does not refer to DWSC issues)

Morocco:

- Programme d'appui aux associations professionnelles II: the programme aims to reinforce, among others, the dialogue between the Government and the professional associations.
- Appui Institutionnel à la Circulation de Personnes: indeed this project aims to improve the legal movement of persons for work purposes between the EU and Morocco. Specifically, it intends to reinforce the capacity of the national agency and to train officials on the migration legislative framework.

Vietnam:

- Empowerment of Workers and Trade Unions in Vietnam: the overall objectives of the project are i) promoting an inclusive and empowered civil society in Vietnam, strengthening the ability of vulnerable social groups to make their conditions and needs understood and represented, ii) reinforcing the role of workers' organizations in contributing to decent work for all and to equitable growth, also through an effective social dialogue with employers' organizations and with local and national authorities, iii) facilitating the work of NSAs, fostering democratic principles and strengthening links between citizens and elected representatives, iv) addressing the gender bias in the labour market, in which women are particularly exposed to vulnerability, exploitation, discrimination and abuse. The specific objective is strengthening the capacities of the Vietnamese trade unions to identify, articulate and organize the needs and interests of the most vulnerable sectors of the new industrial working force.

ANALYSIS OF 9 SELECTED INTERVENTIONS IN 8 COUNTRIES:

- **Bangladesh, Empowerment of Adolescent Girls:**

The aim of the Kishori Abhijan project is to improve the quality of life of vulnerable adolescents, especially girls, in selected intervention sites.

The target groups:

- Primary target group – Adolescent girls
- Secondary target group – immediate family & community of the adolescent girls and the adolescent boys;
- Tertiary target group – policy makers and opinion leaders, NGOs

Partner NGO's and MOWCA staff both at national and sub-national level will be considered as indirect beneficiaries as the project has planned activities to further strengthen their capacity. They will be sensitised on gender issues, life skills and community involvement. Subsequently, it is expected that they will be contributing more effectively and efficiently in implementing project activities. MOWCA will also benefit from UNICEF's support and guidance concerning the development of the adolescent policy

- **Brazil, Urban social inclusion:**

A coerência com a problemática que se pretende ajudar a resolver, a coincidência com a política oficial da Prefeitura e a complementaridade com a intervenção de outros doadores confirmam a alta pertinência do Projeto. Os quatro resultados que este pretende alcançar são funcionais para o alcance do objetivo específico, dirigindo-se essencialmente para a valorização do capital humano (através do desenvolvimento pessoal e da capacitação profissional) e do capital social (defesa das famílias e fortalecimento das iniciativas comunitárias). Destaca-se o propósito de criar 10 Escritórios de Inclusão Social (EIS) nas principais zonas do Centro, onde se registra uma alta densidade de população marginalizada. Os Escritórios servirão como pólos para atuar nos pontos nevrálgicos da marginalização urbana, oferecendo à população-meta vários serviços, mas atuando com uma ótica de desenvolvimento e não de assistência.

- **China, EU-China social security reform co-operation project**

Social security has for a long time not been a national priority in China. Social needs for health and old age were supposedly taken care of within the huge factory plants of the communist era. Local government and party officials were managing independently these issues. No policy coordination or even use of social security standards appeared necessary. The EUCSS (European Union-China Social Security) project arrived at a time of need in this search for modernization towards world best practices and for international recognition. EUCSS served both these objectives with its study tours

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| | | <p>and round tables, allowing Chinese and international experts to meet, exchange their knowledge, and recognize each others. EUCSS thus served as a showcase for China's modernization quest.</p> <p>According to the Financing Agreement, the overall objective of the project is to support the transition to a sustainable social security system in China which guarantees accessible, adequate and affordable social security benefits to all Chinese citizens. This overall objective is in line with the short and medium-term objectives of the Chinese government in that it will seek to improve the existing social security system provisions through policy development and capacity building.</p> <p>The project includes two specific objectives which can be summarised as follows:</p> <ul style="list-style-type: none"> ▪ <u>Strengthen institutional capacity for social security policy development and administration</u> on issues of coverage and access, financial sustainability, management and administration (in particular for pensions, health & unemployment insurance. ▪ To <u>provide technical assistance to help strengthen institutional capacity</u> for social security policy implementation and administration at the sub-national level in 6 selected provinces with a view to achieving improvements of national significance that are replicable in other provinces. <p>To improve the legal basis for the operation of social security. The development of the legal framework needs to be taken forward more quickly especially core laws and regulations - the "Social Insurance Law", "Basic Old-Age Insurance Principles" and "Managing Principles of Social Security Funds". At the same time, emphasis will be placed of creating greater public awareness of social security, including the rights and responsibilities of employers to contribute in full and on time, the rights of migrant workers to participate in social insurance, and the responsibilities of local officials to account to contributors and beneficiaries for their management of social security schemes.</p> <p>Social Insurance Law – It is expected that the Social Insurance Law will be promulgated during the first half of 2010. A second draft of the law will be produced some time during the 3rd quarter of 2009 and Component 1 will provide comments and proposed amendments to the 2nd draft and any future drafts. In addition we intend to provide comments on related aspects of the Social welfare law when this is published. We shall also contribute to the development of general regulations for the SI law, having already received specific requests from Pensions, Unemployment and Work Injury departments</p> <p>Pensions. Component 1 will seek to have input into the Government's major review of the pension system particularly from the perspective of supporting the development of a new style rural pensions and pension portability in order to work towards the establishment of a comprehensive and joined up pension system covering rural and urban areas by 2020. We will look to work with other international institutions including the World Bank, ILO and Australia.</p> |
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| | | <p>Raising Pooling Level – Component 1 is already participating in work on how best to raise the pooling levels, and we see this as key area, particularly in the areas of medical insurance, and pensions. We will continue to work on strengthening financial governance with specific regard to fraud and internal control.</p> <p>Capacity Building – particular attention is being paid to the development of a policy evaluation and performance management framework based, in part, on EU Commission methodology. The Professionalisation of social insurance staff is a high priority for MoHRSS and component 1 will continue to develop and implement its Human Resource Strategy and will provide a feasibility study for the introduction of a joint EU-China Master in Public Administration programme to be held at the Social Insurance Capacity Building Centre but accredited by both EU and China academic institutions.</p> <ul style="list-style-type: none"> • <u>Egypt, social development and civil society: children at risk</u> <p>The Social Development and Civil Society: Children at Risk Programme – in short: “Children at Risk Programme” – specifically aims at enhance the capacity of NGO’s to contribute effectively to social development. In this particular area, the FA gives the programme purposes as ‘The NGO sector is strengthened and can operate in a more facilitative environment’.</p> <p>In terms of capacity building, the FA expected results are:</p> <ul style="list-style-type: none"> - The capacity to rehabilitate street children with a focus on health and providing income generating skills and opportunities is improved - The awareness of the occupational health and safety conditions of working children is increased and these conditions are improved - The capacity of the participating civil society organisations to deliver services to the targeted groups of children at risk is improved - Dialogue between the Ministry of Social Solidarity’s (MOSS) NGO departments and the non-governmental sector is improved <p>The CaR programme builds on and extends a number of NCCM pilot activities. It comprises three separate components. The Girls’ Education Initiative (GEI);the Female Genital Mutilation (FGM) Free Village Model Project; the Grant Facilities (GF) component was designed to extend, strengthen and coordinate the work of national and international NGOs in their support of children at risk, in particular street children, working children and disabled children (6 million Euros). Overall the programme fits NCCM’s mandate to bring together representatives and organisations of civil society, private and government organisations in support of the disadvantaged child.</p> |
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| | <p>The three components are supported by a capacity building component, comprising external technical assistance (TA) which is managed by GTZ (2,551,220 Euro). The technical assistance component provides capacity building for NCCM, the Ministry of Social Solidarity (MoSS) in charge of NGOs, and the different NGOs of the Grant Facility. A team of three (later four) long term experts and short term experts (STE) is fielded by GTZ.</p> <p>The grant for capacity building is 2,551,220 Euros. The three components discussed above (Sections 2.1, 2.2 and 2.3) are supported by a Technical Assistance Team (TAT) which is managed by GTZ. It is tasked with building the capacity of NCCM, the Ministry of Social Solidarity (MoSS) and grant awarded NGOs. The team consists of three (later four) long term consultants which are the team leader, a finance and a procurement consultant, and, at a later date, a capacity building coordinator. In the future more effort may be made from the onset of the programme to engage and maintain regular communication with employers to ensure the development of corporate social responsibilities. Some 600 days of input has been given by short term international experts and around 1200 days of input by national consultants. This is a very high level of input.</p> <p>The major tasks in capacity building have been to identify needs and provide carefully targeted expertise. The number of inputs, the number of short term experts has been very large and the number of different consultants considerable. There has also been considerable programme of outsourced training. Associated logistics have been heavy.</p> <p>Main findings on:</p> <ul style="list-style-type: none"> • the Grant Facility Component <p>The Grant Facility approach has proved effective in shifting the paradigm of some NGOs from providers of a charitable social service to proactive organisations implementing community-based approaches. Selected NGOs have developed their capacity to a marked extent. Because of its impact the final evaluation team recommends that a second round of GF should be implemented. However the programme has been difficult to administer, and a number of adjustments should be made</p> <ul style="list-style-type: none"> • Capacity Building <p>Capacity building for NCCM</p> <p>There have a number of examples of useful transfer of skills within the context of CaR. One example is the work of the 'Support to the Management of the Grant Facility' consultant. 90 out of 106 days of the consultant's were given to individual coaching and consequently systems and tools were developed for managing the GF more effectively and efficiently.</p> <p>A number of models of capacity building were in operation and include individual coaching, outsourced courses and TAT supplied training courses. However there is a distinction between the strengthening of project related skills and the institutional development of NCCM as an organisation. The institutional development consultant's reports include some insightful comments on the relationships and structures within the commission, but do not offer a complete road map</p> |
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| | <p>towards organizational or institutional development. We also note that the input was terminated by the chairperson of the Steering Committee. TAT reports contain references to the poor take up of training opportunities offered by the TAT to NCCM members. Pressure of work participants at central level is given as a reason for poor take up as potential participants found it difficult to be released for capacity development events. However, above profile also suggests that the activity was not prioritised by management staff, suggesting at least in part, in a new programme a different approach may be considered.</p> <p><i>Capacity building in MoSS</i></p> <p>The logical frameworks of Oct 2005 and Sept 2008 record two results referring to building capacity of MoSS, the first, 'Capacity is built in NCCM, MoSS and NGOs, the second, 'The dialogue between the NGOs and MoSS and other key agencies to enable networking in a facilitative environment is enhanced'.</p> <p>In relation to the second result, project visits to rural Egypt revealed that MoSS staff had responded effectively to dialogue with NGOs and were spoken of as responsive and helpful. There are examples of MoSS/NGO co-operation in micro finance and income generation programmes at Governorate level. However it is unclear to the team what the pre programme level of dialogue was and what actions would count as improvements. On the whole it is wise to avoid such generalised outcomes. In a future programme more specific results, supported by measurable indicators may be more supportive to programme implementation.</p> <p>In relation to the first result, MoSS officials at Governorate and District level received skills training in computing and financial management amongst other skills. These were well received. Office equipment was also provided. A detailed needs assessment was undertaken of the NGO department during the inception period, but the agency did not prove responsive, eg it failed to send suitably senior officials to training sessions.</p> <p><i>Capacity building for NGOs</i></p> <p>The greatest success of the TAT is in the area of NGO development. All NGOs reported the benefits gained from capacity building interventions (coaching, networking and training) organized by TAT, as well as the technical support to methodologies for disadvantaged children. There seems to be a consensus that TAT was most effective in training in administrative, procurement and NGO management matters, with clear evidence of the developed management abilities in all aspects, finance, reporting, planning, and in particular ability to address other funders. The impact on technical abilities has also proved effective. The NGOs perceived the input as a major factor in providing for their growth and self sustainability. Inputs to NGOs were well targeted. However, personnel of all NGOs comment that the output would have been more effective if the input had started at an earlier stage in the project, a lesson learned that may be taken into account in future project planning. The TAT input has developed a model of intervention that may provide the basis of new rounds of planning.</p> <p>In those new planning rounds capacity building for NGOs may be disassociated from the institutional development of NCCM, as they require different approaches. While there may be some overlap at central level, this would be more than</p> |
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| | <p>compensated for by more focused programmes of intervention. <i>(source: Final Evaluation)</i></p> <ul style="list-style-type: none"> <p><u>Egypt, support to social development</u></p> <p>The overall objective of the project is to contribute to poverty reduction and socio-economic development through activities supporting employment creation and income generation for the poor. This will contribute to stronger economic and social cohesion. The project's purpose is to enhance the living standards of citizens in geographic areas with major concentrations of poverty. The programme aims at local area development by which the SFD will concentrate its efforts on a small area to combine the effects of individual projects and have a higher impact.</p> <p>The third component of the project foresees '<u>Capacity building of SFD and support to local stakeholders</u>. SFD will create the conditions for a successful implementation, establishing a project coordination team at Headquarters, appointing a responsible at each regional office, and establishing LAD platforms and project implementation units. SFD's project coordination team and regional offices will receive extensive training and on the job counseling by the TA. Main items for the training are: Lad approach, participatory rapid approach, project cycle management, communication strategies and training to function as a trainer for the local participants. The specific training activities will be jointly agreed and detailed in the Overall and Annual Work Plans. The LAD Platforms in each governorate and its member organizations or institutions will receive necessary support by TA and SFD. This support will consist of information, a number of training and on request consultancy on issues related to LAD. The specific training activities will be jointly agreed and detailed in the Overall and Annual work plans.</p> <p><u>El Salvador, Prevención Social de la Violencia y de la Delincuencia Juvenil en el Salvador (PROJOVENES)</u></p> <p>The main objective is to reduce youth violence and delinquency, improving citizen security in the main urban areas of San Salvador. Reduce by 50% number of young offenders. The specific goal is 'increased quantity and quality of opportunities for 50.000 young people (10 – 25 year old) at social risk in San Salvador Metropolitan Area.</p> <p>Concerning institutional strengthening and labour market legislative framework, the expected result is</p> <ul style="list-style-type: none"> - Institutional Approach: strengthen management and coordination capacities of local, regional and national institutions with competences in juvenile delinquency prevention. <p>The main activities:</p> <ul style="list-style-type: none"> - Create a team for intervention with young offenders (2 programs). - Provide psychologists for primary and secondary schools (30 programs). - Promote and support Centers providing integrated services for young people. (14 programs). - Promote and support cultural and sport facilities (9 programs). - Promote access to employment workshops and training schemes for young people (24 workshops and 8 training |
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| | | <p>programs).</p> <ul style="list-style-type: none"> - Support interventions with young people involved in street gangs (maras) (8 programs). - Promote and support interventions with young people at special risk. (5 programs). - Training for the staff of institutions working in related areas of intervention. (6 programs). - Research into characteristics of young people at risk (actual status + evolution) - Support awareness actions. <p><i>(Evaluation of EC cooperation with El Salvador)</i></p> <p>PROJOVENES I, demonstrated that prevention through creating opportunities for the youth in their communities and improving the physical environment could be a very effective way to combat social violence and crime, especially when the repressive policies have failed to improve the situation. The effectiveness of such an approach has been recognised by the new government which is working out a new strategy against violence. The three key components of this new strategy will be prevention, rehabilitation and institutional coordination. PROJOVENES I has also proven that the involvement of municipalities, as the entity of the state closest to the population, plays a crucial role in guaranteeing the sustainability of such programme. PROJOVENES I has contributed to the reduction of violence in 57 supported communities although its impact is not measurable at national level and its impact on education has been insignificant. <i>(Mid Term Review of the Country Strategy of 2007-2013 and National Indicative Programme 2011-2013)</i></p> <ul style="list-style-type: none"> • <u>Ukraine, Gender Equality in the World of Work</u> <p>The project aims to build the capacity of Ukrainian authorities and social partners in ensuring respect for national and international gender equality commitments in the world of work, in progressively eliminating gender biases in employment policies and sexual harassment at the workplace, and in creating a supportive environment for women's economic empowerment and women's entrepreneurship</p> <p>Concerning institutional strengthening and labour market legislative framework, the specific objectives of the action are:</p> <ul style="list-style-type: none"> - To enable governmental authorities and social partners (employers, trade unions) to promote, implement and monitor relevant international commitments, national legislation, policies and programmes for ensuring of gender equality and women's empowerment in the world of work (e.g. ILO conventions, Labour Code, Law on Ensuring Equal Rights and Opportunities of Men and Women (GEL), State Programme for Ensuring Gender Equality in Ukrainian Society up to 2010). - To improve the capacity of labour market institutions and social partners in developing and implementing gender-sensitive labour market policies, programmes and services. - To build the capacity of the Labour Inspection Service (LIS) and trade unions to effectively monitor gender |
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| | <p>equality provisions in the workplace and redress rights violations.</p> <ul style="list-style-type: none"> - To contribute to women's economic empowerment, in particular through support of women's entrepreneurship <p>Concerning institutional strengthening and labour market legislative framework, the action is designed to achieve the following results:</p> <ul style="list-style-type: none"> - Baseline information on the state of implementation of gender equality legislation, policies and programmes in the field of employment accumulated, recommendations for changes formulated, capacity building needs of project stakeholders established - Capacity of the Interagency Council on Family, Gender Equality, Demographic Development and Countering Human Trafficking increased to promote enforcement of women's rights in the workplace and to monitor implementation of gender-related legislation and policies - Strategies and procedures of the Public Employment Services (PES) to improve gender equality in the provision of employment and training services designed and implemented - Capacity of Labour Inspection Services (LIS) to verify and promote the effective application of gender equality legislation at work developed - Capacities of trade unions increased to advocate for women's rights at the workplace, and to assist women to redress rights violations - Commitment and capacity of employers from public and private sector strengthened to respect the principles of equal treatment and non-discrimination at the workplace <p>Concerning institutional strengthening and labour market legislative framework, the main activities envisaged are:</p> <ul style="list-style-type: none"> - Review baseline information on the state of implementation of gender equality legislation, policies and programmes in the field of employment, capacity building needs of project stakeholders and elaborate recommendations for changes - Increase capacity of the Interagency Council on Family, Gender Equality, Demographic Development and Countering Human Trafficking to promote enforcement of women's rights in the workplace and to monitor implementation of gender-related legislation and policies - Develop and implement strategies and procedures for the Public Employment Services (PES) to improve gender equality in the provision of employment and training services - Increase the capacity of Labour Inspection Services (LIS) to verify and promote the effective application of gender equality legislation at work - Support business training institutions in developing and implementing programmes in support of women's entrepreneurship |
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| | <ul style="list-style-type: none"> -Increase capacities of trade unions to advocate for women's rights at the workplace, and to assist women to redress rights violations -Strengthen commitment and capacity of employers from public and private sector to respect the principles of equal treatment and non-discrimination at the workplace (<i>source:Description of the Action</i>) <p>• <u>South Africa, Urban Renewal Programme in the Eastern Cape Province</u></p> <p>The programme, known as the 'EU SPSP, overall objective (OO) is improving the quality of life of marginalised communities within the framework of urban renewal programme. The ultimate beneficiaries in this case would be the two presidential nodes, Mdantsane in Buffalo City Municipality (BCM) and Motherwell in Nelson Mandela Bay Municipality (NMBM). Decision on the projects to use the funds for is based on the two nodes and their respective municipalities' service delivery budget implementation plans (SDBIPs).</p> <p>The strategy emphasised the need <u>to strengthen the capacity of communities and individuals</u> to participate in development processes, engage more with the spheres of government. This formed the basis for the proposed sector policy support programme, which is seen as the main vehicle for assistance. (<i>source: MidTerm Review</i>)</p> <p>The "sector" being supported is urban renewal in the two nodes, while the policy that is supported is Integrated Development Programmes (IDPs) poverty alleviation strategy. Eventually NMBMM has extended the Motherwell Programme to Wells Estate and has started a new renewal programme in Helenvale (Ward 13), a relatively small area in the northern part of the NMBMM. Both Mdantsane and Motherwell were planned as townships during the apartheid times as townships to keep black population out of the towns. MURPs are based on both, a programme-based and an area-based approach.</p> <p>Objectives and strategies constituting their wider policy frame are expressed in the IDPs of the two Municipalities concerned. There is a great emphasis on the coordination among the different tiers of the administration; this makes this Programme an important tool <u>to help transition of powers and responsibilities into newly structured institutions at local level</u>.</p> <p>Seven key result areas (KRAs) have been identified, concerning: improvements in the areas of local economic development, human settlements, social development, public participation, programming and coordination of service delivery, municipal management and – through the Technical Support Facility (TSF) – support to the functions of national and provincial URPS, inter-governmental relations and dissemination of learning. (source: Project Synopsis)</p> <p>• <u>Mali, centre d'information et de gestion des migrations (cigem)</u></p> <p>According to the FA, l'objectif global du projet est la définition et la mise en oeuvre d'une politique migratoire malienne adaptée aux dynamiques nationales, régionales et internationales en constante évolution, mettant un accent particulier sur le lien entre migrations et développement.</p> |
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| | <p>L'objectif spécifique est la mise en place d'un Centre d'Information et de Gestion des Migration (CIGEM), qui aura pour missions :</p> <ul style="list-style-type: none"> - l'amélioration de la connaissance des phénomènes migratoires - l'accueil, l'information, l'orientation et l'accompagnement des migrants potentiels et des migrants de retour - l'information sur les conditions juridiques de la migration et la sensibilisation de la population pour la prévention de la migration clandestine - la valorisation du capital humain, financier et technique des Maliens de l'extérieur, y compris le monitoring des transferts de fonds entre les pays d'accueil et le Mali, et l'analyse de mesures pour réduire les coûts de transaction et pour augmenter l'impact de ces transferts sur développement du Mali <p>Le service de recherche, de réflexion et d'analyse et d'appui à la communication. Les missions de ce service sont :</p> <ul style="list-style-type: none"> - D'appuyer le gouvernement malien dans la connaissance du phénomène migratoire - D'assister les instances gouvernementales maliennes à explorer et négocier des opportunités de migration légale dans la sous région, en Europe et dans les autres pays, <p>Le résultat sera le renforcement des capacités nationales en termes de production, gestion et analyse de données sur le phénomène migratoire</p> <p>Le Centre assurera également le renforcement des organismes de tutelle (MMEIA, DGME, ANPE, HCME etc.), qui pourront bénéficier de formations appropriées, d'équipements et de moyens de fonctionnement leur permettant d'améliorer et d'élargir leurs interventions.</p> <p>En termes de résultats dans le renforcement des organismes de tutelle,</p> <ul style="list-style-type: none"> - la DGME bénéficie des moyens qui permettent de mieux assurer l'accueil des migrants refoulés qui bénéficient maintenant d'un plus large soutien et d'une orientation à leur retour - le MMEIA, la DGME, le HCME ainsi que les organismes de tutelle pour l'emploi et la formation professionnelle (ANPE, FAFPA etc..) sont mieux équipés (ressources humaines, équipement et information) pour assumer leur rôle. - Les organismes de tutelle communiquent et travaillent avec des organisations partenaires en Europe et dans d'autres pays tiers. Ils disposent des informations et des ressources nécessaires pour négocier des accords de migration et en assurer le suivi. <p>7.2.2 EC PROGRAMMES IN LABOUR GOVERNANCE INCLUDE SPECIFIC ACTIONS IN FAVOR OF EMPOWERMENT OF SOCIAL ACTORS AND TO INCREASE THEIR PARTICIPATION IN THE DIALOGUE OVER THE APPLICATION OF THE DECENT WORK PRINCIPLES, AND IN PARTICULAR WORKERS' RIGHTS AND WORKERS PROTECTION</p> <p><i>SYNTHESIS: The answer to this indicator rests on the analysis of 8 selected projects in 4 countries, and the results of the field mission.</i></p> |
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The information collected during the field visits allows asserting that overall EC programmes in Labour Governance include specific actions in favor of empowerment of social actors and to increase their participation in the social dialogue. In Jordan, for example, the EC has supported a Social Dialogue project in cooperation with the MoL and the International Organization for Migration (IOM) for reinforcing the capacities of the social partners to practice social dialogue in Jordan (first phase 2001, second phase 2004) establishing legal framework for social dialogue (Economic and Social Council and Trilateral Committee for Labour Affairs), developing the labour legislations in conformity with the international standards of labour, and raising the capacities of the labour inspectors. Furthermore, the EC Conditionality Matrix of Indicators for disbursement of EC sectoral budget support to E-TVET reforms (2009-2013) specifies the enhancement of social dialogue through an operational ECOSOC and Tri-partite Committee. In Vietnam, EC support the empowerment of trade unions, which will positively affect compliance of Vietnam's labour regulations (trade unions in enterprises employing 5 workers or more).

In Ukraine, one of the areas for dialogue envisaged by the EU-Ukraine Association agenda is 'further strengthen efforts, including through exchanges of best practices, to promote the full enjoyment of trade union rights and core labour standards based on International Labour Organization Conventions, and promote the effective use of collective bargaining'.

The ANALYSIS OF 8 SELECTED INTERVENTIONS IN 4 COUNTRIES confirms that to a certain extent EC analysed programmes include specific actions in favor of empowerment of social actors and to increase social dialogue. Specifically, actions to empower worker associations and encourage their participation in the dialogue with the government. In Jordan, the project 'Jordanian Labour Empowerment through Labour Rights Education and Capacity Building' provides a labour rights training workshop, a review of the labour legislation, seminar for leadership of the General Federation of Trade Unions. In Morocco, the 'Appui Institutionnel à la Circulation de Personnes' project specifically aims to reinforce the capacity of the national agency in charge of managing the legal movement of persons for work purposes between the EU and Morocco. Specific trainings on the migration legislative framework, and, hence, on workers' labour rights are provided. In particular, the project envisages the strengthening of the ANAPEC, the national agency for employment and skills promotion, and training sessions for migrants. In Vietnam, thanks to the project 'Empowerment of Workers and Trade Unions', grassroots workers will have a more clear understanding of their conditions and rights and they will be encouraged to be active part in their own representation and organization. The PLA will allow testing more participatory forms of workers organization, in which grassroots workers are encouraged to represent their needs and constraints and to propose solutions for improvement. In this sense, strengthening the representative role of the trade unions implies helping the unions to become a more effective conduit for bringing grassroots voices to the policy level. In Mali, the project 'centre d'information et de gestion des migrations (cigem)' will ultimately empower social actors working in the field of migration, building capacity and skills in terms of migrant working rights and protection.

FIELD MISSION RESULTS:

The field phase provides with the following examples:

Jordan:

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| | | <p>Social partnership tends to be confused with professional associations or corporative bodies such as Chambers. The EC has supported a <u>Social Dialogue project</u> in cooperation with the MoL and the International Organization for Migration (IOM) for reinforcing the capacities of the social partners to practice social dialogue in Jordan (first phase 2001, second phase 2004) establishing legal framework for social dialogue (Economic and Social Council and Trilateral Committee for Labour Affairs), developing the labour legislations in conformity with the international standards of labour, and raising the capacities of the labour inspectors.</p> <p>Furthermore, the EC Conditionality Matrix of Indicators for disbursement of <u>EC sectoral budget support to E-TVET reforms</u> (2009-2013) specifies the enhancement of social dialogue through an operational ECOSOC and Tri-partite Committee</p> <p>Vietnam:</p> <p><u>Compliance of Vietnam's labour regulations</u> (trade unions in enterprises employing 5 workers or more) will improve with EC support to empowerment of trade unions. According to VGCL while 90 percent of SOEs have trade unions only one-third of private enterprises and one-half of the foreign invested companies have a trade union with a representative right to bargain for the workers.</p> <p>Ukraine:</p> <p>The EU-Ukraine Association Agenda states, under the heading 'Ensuring Respect for Trade Union Rights and Core Labour Standards' as an element of Freedom of Expression, Assembly and Association', that one of the areas for dialogue and corporation is 'further strengthen efforts, including through exchanges of best practices, to promote the full enjoyment of trade union rights and core labour standards based on International Labour Organization Conventions, and promote the effective use of collective bargaining'.</p> <p><u>ANALYSIS OF 8 SELECTED INTERVENTIONS IN 4 COUNTRIES:</u></p> <p><i>Overall, it can be stated that EC analysed programmes include specific actions in favor of empowerment of social actors and to increase social dialogue. Specifically, actions to empower worker associations and encourage their participation in the dialogue with the government.</i></p> <p>➤ <i>Jordan:</i></p> <ul style="list-style-type: none"> • <u>Jordanian Labour Empowerment through Labour Rights Education and Capacity Building</u>: the project provides a labour rights training workshop, a review of the labour legislation, seminar for leadership of the General Federation of Trade Unions. • <u>Institutional strengthening of the ministry of labour - SAAP</u>: no specific reference • <u>Strengthening the Capacity in Management, Leadership and Planning of the Ministry of Labour</u>: no specific reference |
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| | | <p>➤ Morocco:</p> <ul style="list-style-type: none"> • <u>Programme d'appui aux associations professionnelles</u> : According to the project synopsis, 'Le projet vise à accroître la compétitivité et la capacité de mise à niveau des entreprises, particulièrement dans les secteurs exposés aux difficultés qui seront engendrées par la suppression des frontières économiques. Ses objectifs spécifiques sont respectivement de renforcer la capacité opérationnelle des associations professionnelles pour la fourniture de services à leurs membres, de créer une dynamique d'amélioration de la représentativité des associations professionnelles et d'accroissement de leurs ressources, leur donnant les moyens de leur développement ultérieur. Par ailleurs, le projet apportera son appui à l'élaboration des stratégies de développement des associations professionnelles candidates, se traduisant par des programmes globaux. Enfin, le projet réalise une analyse diagnostic du milieu associatif professionnel, considérée comme une activité d'accompagnement des actions menées dans le programme et d'intérêt général des associations professionnelles bénéficiaires. Le projet est géré par une UGP dotée de l'assistance technique, sur une période globale de 42 mois et effective de réalisation de 30 mois. L'objectif est de soutenir une population d'environ 30 associations professionnelles. <p>En développant son appui aux associations professionnelles par une démarche participative de celles-ci et en intervenant directement dans le développement de leur capacité opérationnelle, le PAAP contribue d'une manière pragmatique à la professionnalisation des structures intermédiaires dont la présence et l'action sont indispensables dans le processus de la mise à niveau de l'économie nationale. Les AP renforcés par le PAAP peuvent ainsi intervenir avec bien plus d'efficacité en faveur de l'accroissement de la compétitivité de ses entreprises adhérentes, y compris dans le domaine de la militance par le dialogue à la fois avec la CGEM et le Gouvernement. Grâce à l'autonomie de son action et de son positionnement institutionnel, le PAAP a su s'adapter à tous les facteurs externes et, aussi, développer une démarche proactive et de mise en synergie avec d'autres projets, qu'ils soient européens (EME, PAIGAM, etc.) ou amenés par d'autres bailleurs de fonds (coopération bilatérale et multilatérale).</p> <ul style="list-style-type: none"> • <u>Programme d'appui aux associations professionnelles II</u> : no specific reference. The programme aims to the empowerment of associations and to increase their participation in the dialogue with the government, but not in terms of DW issues but for economic purposes. • <u>Appui Institutionnel à la Circulation de Personnes</u>: the project specifically aims to reinforce the capacity of the national agency in charge of managing the legal movement of persons for work purposes between the EU and Morocco. Specific trainings on the migration legislative framework, and, hence, on workers' labour rights are provided. As reported in the FA: ' Composantes et activités: <ul style="list-style-type: none"> i) Renforcement et spécialisation de l'ANAPEC : Les activités prévues comportent (a) la spécialisation de l'ANAPEC par la création de structures et de fonctions, (b) la création et l'exécution d'un plan de formation interne et (c) la création d'un service d'appui au retour et à l'investissement. ii) Formation des candidats à la migration : On prévoit la réalisation (1) d'ateliers de sensibilisation, (2) de formations de base, (3) de formations techniques et (4) d'actions de facilitation de reconnaissance des diplômes. |
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| | | <p>Les formations et les ateliers feront l'objet d'une convention avec un agent, public ou privé, de formation.</p> <p>➤ <u>Vietnam, Empowerment of Workers and Trade Unions in Vietnam</u></p> <p>the 'Participatory learning and Action' activities will allow grassroots workers to have a more clear understanding of their conditions and rights and it will encourage them to be active part in their won representation and organization. The PLA will allow testing more participatory forms of workers organization, in which grassroots workers are encouraged to represent their needs and constraints and to propose solutions for improvement. In this sense, strengthening the representative role of the trade unions implies helping the unions to become a more effective conduit for bringing grassroots voices to the policy level.</p> <p>• <u>Mali, centre d'information et de gestion des migrations (cigem)</u></p> <p>According to the FA, l'objectif global du projet est la définition et la mise en oeuvre d'une politique migratoire malienne adaptée aux dynamiques nationales, régionales et internationales en constante évolution, mettant un accent particulier sur le lien entre migrations et développement.</p> <p>L'objectif spécifique est la mise en place d'un Centre d'Information et de Gestion des Migration (CIGEM), qui aura pour missions :</p> <ul style="list-style-type: none"> - l'amélioration de la connaissance des phénomènes migratoires - l'accueil, l'information, l'orientation et l'accompagnement des migrants potentiels et des migrants de retour - l'information sur les conditions juridiques de la migration et la sensibilisation de la population pour la prévention de la migration clandestine - la valorisation du capital humain, financier et technique des Maliens de l'extérieur, y compris le monitoring des transferts de fonds entre les pays d'accueil et le Mali, et l'analyse de mesures pour réduire les coûts de transaction et pour augmenter l'impact de ces transferts sur développement du Mali <p>Le service de recherche, de réflexion et d'analyse et d'appui à la communication Les missions de ce service sont :</p> <ul style="list-style-type: none"> - D'appuyer le gouvernement malien dans la connaissance du phénomène migratoire - D'assister les instances gouvernementales maliennes à explorer et négocier des opportunités de migration légale dans la sous région, en Europe et dans les autres pays, <p>Le résultat sera le renforcement des capacités nationales en termes de production, gestion et analyse de données sur le phénomène migratoire</p> <p>Le Centre assurera également le renforcement des organismes de tutelle (MMEIA, DGME, ANPE, HCME etc.), qui pourront bénéficier de formations appropriées, d'équipements et de moyens de fonctionnement leur permettant d'améliorer et d'élargir leurs interventions.</p> |
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- En termes de résultats dans le renforcement des organismes de tutelle,
- la DGME bénéficie des moyens qui permettent de mieux assurer l'accueil des migrants refoulés qui bénéficient maintenant d'un plus large soutien et d'une orientation à leur retour
 - le MMEIA, la DGME, le HCME ainsi que les organismes de tutelle pour l'emploi et la formation professionnelle (ANPE, FAFPA etc..) sont mieux équipés (ressources humaines, équipement et information) pour assumer leur rôle.
 - Les organismes de tutelle communiquent et travaillent avec des organisations partenaires en Europe et dans d'autres pays tiers. Ils disposent des informations et des ressources nécessaires pour négocier des accords de migration et en assurer le suivi

7.2.3 EC PROGRAMMES ON LABOUR GOVERNANCE INCLUDE MEASURES TO ADDRESS THE IMPACT ON WORKERS' RIGHTS AND PROTECTION OF TRADE AND REGIONAL INTEGRATION AGREEMENTS WITH THE EU

***SYNTHESIS:** The answer to this indicator rests on the analysis of 14 selected projects in 4 countries. Overall, it can be stated that EC analysed programmes do not include specific measures to address the impact on workers' rights and protection of trade and regional integration agreements with the EU. Over 14 projects scrutinized, only 2 of them take into account this kind of issues. In Morocco, for example, the 'Programme d'appui aux associations professionnelles II' includes among its objectives, the strengthening of professional associations in order to enable them to better cope with the effects of the AA and help them to exploit its benefits. The other example is provided by the project 'multilateral trade assistance project-MUTRAP' in Vietnam. This project aims to assist Viet Nam to implement the SEDP and the Post-WTO Action Plan for sustained pro-poor economic growth through stronger integration into the global trading system. In particular, the project intends to strengthen the capacity of the Ministry of Industry and Trade (MOIT) to further implement and develop Vietnam's trade and economic integration strategy.*

➤ **Jordan:**

Support to Social dialogue, development of labour legislation and raising the capacities of labour inspections

Jordanian Labour Empowerment through Labour Rights Education and Capacity Building: no specific reference

Institutional strengthening of the ministry of labour - SAAP: no specific reference

Strengthening the Capacity in Management, Leadership and Planning of the Ministry of Labour: no specific reference

➤ **Morocco:**

Programme d'appui aux associations professionnelles II: among its objectives, this programmes aims to reinforce professional associations in order to enable them to better cope with the effects of the AA and exploit it's the benefits.

EC support to workers' organizations: aims to reinforce the rights to defend trade union claims while reinforcing trade union capacities (in terms of training). On one hand, there is a training component; on the other hand, there is a

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| | <p>‘sensibilization’ component, which aims to involve more people, to make people more aware of social protection issues and working rights.</p> <p><u>Appui Institutionnel à la Circulation de Personnes</u>: no specific reference</p> <p><u>Appui à l'indh - initiative nationale de développement humain</u>: no specific reference</p> <p><u>Programme d'appui aux associations professionnelles</u> : According to the project synopsis, 'Le projet vise à accroître la compétitivité et la capacité de mise à niveau des entreprises, particulièrement dans les secteurs exposés aux difficultés qui seront engendrées par la suppression des frontières économiques. Ses objectifs spécifiques sont respectivement de renforcer la capacité opérationnelle des associations professionnelles pour la fourniture de services à leurs membres, de créer une dynamique d'amélioration de la représentativité des associations professionnelles et d'accroissement de leurs ressources, leur donnant les moyens de leur développement ultérieur. Par ailleurs, le projet apportera son appui à l'élaboration des stratégies de développement des associations professionnelles candidates, se traduisant par des programmes globaux. Enfin, le projet réalise une analyse diagnostic du milieu associatif professionnel, considérée comme une activité d'accompagnement des actions menées dans le programme et d'intérêt général des associations professionnelles bénéficiaires. Le projet est géré par une UGP dotée de l'assistance technique, sur une période globale de 42 mois et effective de réalisation de 30 mois. L'objectif est de soutenir une population d'environ 30 associations professionnelles.</p> <p>En développant son appui aux associations professionnelles par une démarche participative de celles-ci et en intervenant directement dans le développement de leur capacité opérationnelle, le PAAP contribue d'une manière pragmatique à la professionnalisation des structures intermédiaires dont la présence et l'action sont indispensables dans le processus de la mise à niveau de l'économie nationale. Les AP renforcés par le PAAP peuvent ainsi intervenir avec bien plus d'efficacité en faveur de l'accroissement de la compétitivité de ses entreprises adhérentes, y compris dans le domaine de la militance par le dialogue à la fois avec la CGEM et le Gouvernement. Grâce à l'autonomie de son action et de son positionnement institutionnel, le PAAP a su s'adapter à tous les facteurs externes et, aussi, développer une démarche proactive et de mise en synergie avec d'autres projets, qu'ils soient européens (EME, PAIGAM, etc.) ou amenés par d'autres bailleurs de fonds (coopération bilatérale et multilatérale). (source : ROM 2008)</p> <p>➤ Vietnam:</p> <p>Minimum wages via the EC trade integration project MUTRAP mentioned under JC 7.2 Indicator 7.2.1.</p> <p>Development of labour legislation (Labour Code)</p> <p>Pensions via EC support to Labor Code</p> <p>Empowerment of Workers and Trade Unions in Vietnam: no specific reference</p> |
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- **Mali, centre d'information et de gestion des migrations (cigem)**

According to the FA, l'objectif global du projet est la définition et la mise en oeuvre d'une politique migratoire malienne adaptée aux dynamiques nationales, régionales et internationales en constante évolution, mettant un accent particulier sur le lien entre migrations et développement.

L'objectif spécifique est la mise en place d'un Centre d'Information et de Gestion des Migration (CIGEM), qui aura pour missions :

- l'amélioration de la connaissance des phénomènes migratoires
- l'accueil, l'information, l'orientation et l'accompagnement des migrants potentiels et des migrants de retour
- l'information sur les conditions juridiques de la migration et la sensibilisation de la population pour la prévention de la migration clandestine
- la valorisation du capital humain, financier et technique des Maliens de l'extérieur, y compris le monitoring des transferts de fonds entre les pays d'accueil et le Mali, et l'analyse de mesures pour réduire les coûts de transaction et pour augmenter l'impact de ces transferts sur développement du Mali

Le service de recherche, de réflexion et d'analyse et d'appui à la communication Les missions de ce service sont :

- D'appuyer le gouvernement malien dans la connaissance du phénomène migratoire
- D'assister les instances gouvernementales maliennes à explorer et négocier des opportunités de migration légale dans la sous région, en Europe et dans les autres pays,

Le résultat sera le renforcement des capacités nationales en termes de production, gestion et analyse de données sur le phénomène migratoire

Le Centre assurera également le renforcement des organismes de tutelle (MMEIA, DGME, ANPE, HCME etc.), qui pourront bénéficier de formations appropriées, d'équipements et de moyens de fonctionnement leur permettant d'améliorer et d'élargir leurs interventions.

En termes de résultats dans le renforcement des organismes de tutelle,

- la DGME bénéficie des moyens qui permettent de mieux assurer l'accueil des migrants refoulés qui bénéficient maintenant d'un plus large soutien et d'une orientation à leur retour
- le MMEIA, la DGME, le HCME ainsi que les organismes de tutelle pour l'emploi et la formation professionnelle (ANPE, FAFPA etc..) sont mieux équipés (ressources humaines, équipement et information) pour assumer leur rôle.
- Les organismes de tutelle communiquent et travaillent avec des organisations partenaires en Europe et dans d'autres pays tiers. Ils disposent des informations et des ressources nécessaires pour négocier des accords de migration et en assurer le suivi

7.2.4 EVIDENCE OF LINK IN SELECTED COUNTRIES BETWEEN AMOUNT OF TOTAL BILATERAL SUPPORT AND DEGREE OF COUNTRY COMPLIANCE WITH INTERNATIONAL COMMITMENTS ON DECENT WORK

TABLE 44: EC ESI COMMITMENTS VS. ILO CONVENTIONS' RATIFICATION IN THE 20 SELECTED COUNTRIES

| Country | Total | Freedom of association and collective bargaining | of and | Elimination of forced and compulsory labour | Elimination of discrimination in respect of employment and occupation | Abolition of child labour | | | |
|--------------------|-----------|--|------------|---|---|---------------------------|------------|------------|------------|
| | | Conv. 87 | Conv. 98 | Conv. 29 | Conv. 105 | Conv. 100 | Conv. 111 | Conv. 138 | Conv. 182 |
| Armenia | 27,56M€ | 02/01/2006 | 12/11/2003 | 17/12/200 | 11/12/2004 | 29/07/1994 | 29/07/1994 | 27/01/2006 | 02/01/200 |
| Bangladesh | 109,8 M€ | 22/06/1972 | 22/06/1972 | 22/06/1972 | 22/06/1972 | 28/01/1998 | 22/06/1972 | | 12/03/2001 |
| Brazil | 32,63 M€ | | 18/11/1952 | 25/04/1957 | 11/06/1965 | 25/04/195 | 21/11/1965 | 28/06/2001 | 02/02/2000 |
| China | 28,65 M€ | | | | | 02/11/1990 | 12/01/2006 | 28/04/1999 | 08/07/2002 |
| Dominican Republic | 62,47 M€ | 05/12/1956 | 21/09/1953 | 05/12/1956 | 23/06/1958 | 22/09/1953 | 13/07/1964 | 15/06/1999 | 15/11/2000 |
| Egypt | 307,89 M€ | 06/11/1957 | 03/07/1954 | 20/11/1955 | 23/10/1958 | 26/07/1960 | 10/05/1960 | 01/06/1999 | 06/01/2002 |
| El Salvador | 56,65 M€ | 06/09/200 | 06/09/2006 | 15/06/1995 | 18/11/1958 | 12/10/200 | 15/06/1995 | 23/01/1996 | 12/10/2000 |
| Jamaica | 124,35 M€ | 26/12/1962 | 26/12/1962 | 27/12/1962 | 26/12/1962 | 14/01/1975 | 10/01/1975 | 13/10/2003 | 13/10/2003 |
| Jordan | 166,31 M€ | | 12/12/1968 | 06/01/1966 | 31/03/1958 | 22/09/1966 | 04/07/1963 | 23/03/1998 | 20/04/2000 |
| Kyrgyzstan | 8,23 M€ | 31/03/1992 | 31/03/1992 | 31/03/1992 | 18/02/1999 | 31/03/1992 | 31/03/1992 | 31/03/199 | 11/05/2004 |
| Mali | 371 M€ | 22/09/1960 | 02/01/1964 | 22/09/1960 | 28/05/196 | 12/07/1968 | 02/01/1964 | 11/03/2002 | 14/07/2000 |
| Morocco | 442,73 M€ | | 20/05/1957 | 20/05/1957 | 01/12/1966 | 11/05/1979 | 27/03/1963 | 06/01/2000 | 26/01/2001 |
| Niger | 244,3 M€ | 27/02/1961 | 23/03/1962 | 27/02/1961 | 23/03/1962 | 09/08/1966 | 23/03/1962 | 04/11/1978 | 23/10/2000 |
| Russia | 51,29 M€ | 10/08/19 | 10/08/1956 | 23/06/1956 | 02/07/1998 | 30/04/1956 | 04/05/1961 | 03/05/1979 | 25/03/2003 |
| South Africa | 450 M€ | 19/02/1996 | 19/02/1996 | 05/03/1997 | 05/03/1997 | 30/03/2000 | 05/03/1997 | 30/03/2000 | 07/06/2000 |
| Tanzania | 282,29 M€ | 18/01/2000 | 30/01/1962 | 30/01/196 | 30/01/1962 | 26/02/2002 | 26/02/2002 | 16/12/1998 | 12/09/2001 |
| Tunisia | 353,8 M€ | 18/06/1957 | 15/05/1957 | 17/12/1962 | 12/01/1959 | 11/10/1968 | 14/09/1959 | 19/10/1995 | 28/02/2000 |
| Uganda | 249,5 M€ | 02/06/2005 | 04/06/1963 | 04/06/1963 | 04/06/1963 | 02/06/2005 | 02/06/2005 | 25/03/2003 | 21/06/2001 |
| Ukraine | 25,19 M€ | 14/09/195 | 14/09/1956 | 10/08/1956 | 04/12/200 | 10/08/1956 | 04/08/1961 | 03/05/1979 | 14/12/2000 |

| | | | | | | | | | |
|---------|----------|---|--|------------|---|------------|------------|------------|------------|
| | | 6 | | | 0 | | | | 0 |
| Vietnam | 78,54 M€ | | | 05/03/2007 | | 07/10/1997 | 07/10/1997 | 24/06/2003 | 19/12/2000 |

Source: Own elaboration based on the Inventory of EC ESI related interventions and ILO website

7.2.5 PERCENTAGE OF FINANCING COMMITMENT FOR PROJECTS IN LABOUR GOVERNANCE OVER THE REST OF THE AREA OF DWSC AND OVER THE TOTAL COOPERATION IN ESI RELATED ISSUES BY COUNTRY, AND IN RELATION TO DEGREE OF COUNTRY ECONOMIC AND INDUSTRIAL DEVELOPMENT

Percentage of financing commitment for projects in labour governance over the rest of the area of DWSC and over the total cooperation in ESI related issues by country:

TABLE 45: LABOUR GOVERNANCE COMMITMENTS OVER THE REST OF DWS AND OVERALL ESI COMMITMENTS

| | LG | ESI | ESI-Enlarged |
|------------------------------|---------------|---------------|------------------|
| Morocco | 14,766,688.68 | 69,037,075.15 | 442,738,224.20 |
| Mali | 10,000,000.00 | 10,000,000.00 | 371,037,615.59 |
| Russia | 7,857,799.53 | 30,816,503.69 | 51,298,357.87 |
| Pakistan | 5,000,000.00 | 5,562,500.00 | 6,862,500.00 |
| Moldova | 3,794,665.38 | 21,205,349.40 | 26,836,833.28 |
| Zambia | 1,600,000.00 | 3,297,059.26 | 210,059,059.26 |
| China | 1,040,000.00 | 21,038,450.00 | 28,651,667.62 |
| Cape Verde | 1,000,000.00 | 1,000,000.00 | 9,800,000.00 |
| Tajikistan | 745,092.32 | 11,782,528.38 | 20,973,481.88 |
| Nicaragua | 507,375.00 | 5,625,862.00 | 109,213,593.00 |
| Israel | 500,811.08 | 1,244,698.08 | 1,244,698.08 |
| Colombia | 500,037.48 | 10,700,037.48 | 10,700,037.48 |
| Vietnam | 496,593.59 | 10,496,593.59 | 78,541,593.59 |
| Jordan | 432,725.43 | 1,500,098.69 | 166,314,098.69 |
| Occupied Palestine Territory | | | 1,142,198,482.04 |
| Ukraine | 378,554.61 | 13,111,544.27 | 25,192,738.36 |
| Kenya | 200,000.00 | 200,000.00 | 201,715,409.51 |

TABLE 46: LABOUR GOVERNANCE COMMITMENTS OVER THE REST OF DWS AND OVERALL ESI COMMITMENTS, IN %

| Country | % LG/ DWS | % LG/ ESI | % LG/ ESI-Enl. |
|------------|-----------|-----------|----------------|
| Morocco | 90.82% | 21.39% | 3.34% |
| Mali | 100.00% | 100.00% | 2.70% |
| Russia | 32.44% | 25.50% | 15.32% |
| Pakistan | 100.00% | 89.89% | 72.86% |
| Moldova | 21.50% | 17.89% | 14.14% |
| Zambia | 59.88% | 48.53% | 0.76% |
| China | 4.94% | 4.94% | 3.63% |
| Cape Verde | 100.00% | 100.00% | 10.20% |
| Tajikistan | 8.88% | 6.32% | 3.55% |
| Nicaragua | 9.02% | 9.02% | 0.46% |
| Israel | 56.08% | 40.24% | 40.24% |
| Colombia | 4.67% | 4.67% | 4.67% |
| Vietnam | 100.00% | 4.73% | 0.63% |
| Jordan | 43.04% | 28.85% | 0.26% |
| OPT | 0.05% | 0.04% | 0.04% |
| Ukraine | 5.15% | 2.89% | 1.50% |
| Kenya | 100.00% | 100.00% | 0.10% |
| Kyrgyzstan | 15.82% | 3.12% | 1.83% |
| Bolivia | 100.00% | 100.00% | 1.89% |

| | | | | | | | |
|------------|----------------------|----------------------|----------------------|--------------------|--------------|--------------|--------------|
| Kyrgyzstan | 151,019.79 | 4,846,950.73 | 8,231,311.43 | Grand Total | 5.34% | 4.19% | 1.70% |
| Bolivia | 132,000.00 | 132,000.00 | 6,972,000.00 | | | | |
| | 49,503,712.00 | 1,181,538,066 | 2,918,581,701 | | | | |

Source: Own elaboration based on the Inventory of EC ESI related interventions

TABLE 47: LABOUR GOVERNANCE COMMITMENTS BY INCOME DEVELOPMENT LEVEL

| | High Income | Low Income | Lower-Middle-Income | Upper-Middle Income |
|--------|-------------|---------------|---------------------|---------------------|
| LG CLS | | 11,600,000.00 | 15,794,758.43 | 194,958.10 |
| LG IB | 500,811.08 | 1,096,112.11 | 11,154,245.17 | 7,480,728.40 |
| LG SD | | 496,593.59 | 503,354.61 | 682,150.51 |

Source: Own elaboration based on the Inventory of EC ESI related interventions

7.3. EC contribution to change in quality of work and inclusion in work market of specific groups at country level

7.3.1 NUMBER OF COUNTRIES SUPPORTED BY THE EC IN DWSC RELATED ISSUES THAT HAVE ADOPTED AND IMPLEMENTED INTERNATIONAL COMMITMENTS ON DECENT WORK

TABLE 48: DWS COMMITMENTS VS. ILO CONVENTIONS' RATIFICATION IN THE 20 SELECTED COUNTRIES

| Country | Total | Freedom of association and collective bargaining | | Elimination of forced and compulsory labour | | Elimination of discrimination in respect of employment and occupation | | Abolition of child labour | |
|--------------------|----------|--|------------|---|------------|---|------------|---------------------------|------------|
| | | Conv. 87 | Conv. 98 | Conv. 29 | Conv. 105 | Conv. 100 | Conv. 111 | Conv. 138 | Conv. 182 |
| Armenia | | 02/01/2006 | 12/11/2003 | 17/12/2004 | 17/12/2004 | 29/07/1994 | 29/07/1994 | 27/01/2006 | 02/01/2006 |
| Bangladesh | 6□,8 Me | 22/06/1972 | 22/06/1972 | 22/□6/1972 | 22/06/1972 | 28/01/1998 | 22/06/1972 | | 12/03/2001 |
| Brazil | 7,5 Me | | 18/11/1952 | 25/04/1957 | 18/06/1965 | 25/04/1957 | 26/11/1965 | 28/06/2001 | 02/02/2000 |
| China | 21 Me | | | | | 02/11/1990 | 12/01/2006 | 28/04/1999 | 08/08/2002 |
| Dominican Republic | 38 Me | 05/12/1956 | 22/09/1953 | 0□/12/1956 | 23/06/1958 | 22/09/1953 | 13/07/1964 | 15/06/1999 | 15/11/2000 |
| Egypt | 39,66 Me | 06/11/1957 | 03/07/1954 | 29/11/1955 | 23/10/1958 | 26/07/1960 | 10/05/1960 | 09/06/1999 | 06/05/2002 |
| El Salvador | 46,65 Me | 06/0□/2006 | 06/09/2006 | 15/06/199 | □8/11/1958 | 12/10/2000 | 15/06/1995 | 23/01/1996 | 12/10/2000 |
| Jamaica | 15 Me | 26/12/1962 | 26/12/1962 | 26/12/1962 | 26/12/1962 | 14/01/1975 | 10/01/1975 | 13/10/2003 | 13/10/2003 |
| Jordan | 31 Me | | 12/12/1968 | 06/06/1966 | 31/03/1958 | 22/09/1966 | 04/07/1963 | □3/03/1998 | 20/04/2000 |

| | | | | | | | | | |
|--------------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|
| Kyrghistan | 0,95 Me | 31/03/1992 | 31/03/1992 | 31/03/1992 | 18/02/1999 | 31/03/1992 | 31/03/1992 | 31/03/1992 | 11/05/2004 |
| Mali | 337,44 Me | 22/09/1960 | 02/03/1964 | 22/09/1960 | 28/05/1962 | 12/07/1968 | 02/03/1964 | 11/03/2002 | 14/07/2000 |
| Morocco | 76,25 Me | | 20/05/1957 | 20/05/1957 | 01/12/1 | 01/05/1979 | 27/03/1963 | 06/01/200 | 26/01/2001 |
| Niger | 183,77 Me | 27/02/1961 | 23/03/1962 | 27/02/1961 | 23/03/1962 | 09/08/1966 | 23/03/1962 | 04/12/1978 | 23/10/2000 |
| Russia | 24,22 Me | 10/08/1956 | 10/08/1956 | 23/06/1956 | 02/07/1998 | 30/04/1956 | 04/05/196 | 03/05/1979 | 25/03/2003 |
| South Africa | 167 Me | 19/02/1996 | 10/02/1996 | 05/03/1997 | 05/03/1997 | 30/03/2000 | 05/03/1997 | 30/03/2000 | 07/06/2000 |
| Tanzania | 260 97 Me | 18/04/2000 | 30/01/1962 | 30/01/1962 | 30/01/1962 | 26/02/2002 | 26/02/2002 | 16/12/1998 | 12/09/2001 |
| Tunisia | 40 Me | 08/06/1957 | 15/05/1957 | 10/02/1962 | 12/01/1959 | 11/10/1968 | 14/09/1959 | 19/10/1995 | 28/02/2000 |
| Uganda | 162,5 Me | 02/06/2005 | 04/06/1963 | 04/06/1963 | 04/06/1963 | 02/06/2005 | 02/06/2005 | 25/03/2003 | 21/06/2001 |
| Ukraine | 7,34 Me | 14/09/1956 | 14/09/1956 | 10/08/1956 | 14/12/2000 | 10/08/1956 | 04/08/1961 | 03/01/1979 | 14/12/2000 |
| Vietnam | 58,49Me | | | 05/03/2007 | | 07/10/1997 | 07/10/1997 | 24/06/2003 | 19/12/2000 |

Source: Own elaboration based on the Inventory of EC ESI related interventions and ILO website

7.3.2 EC HAS EXPRESSIVELY SUPPORTED INTRODUCTION AND/OR APPLICATION OF SPECIFIC LEGISLATION AGAINST FORCED LABOUR, CHILD LABOUR, DISCRIMINATION AT WORK

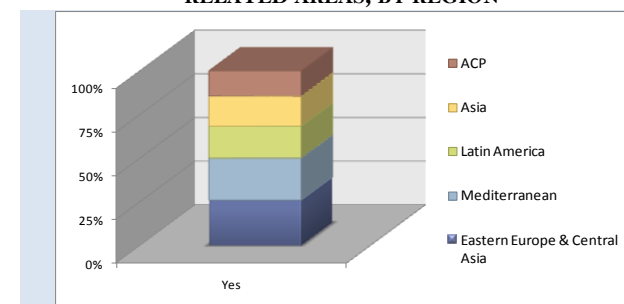
Overall, according to EUD officials, the EC has expressively supported the introduction and/or application of specific legislation in the areas hereafter in 18,5% of the countries targeted by the survey.

In 61% of the countries the EC did not supported the introduction and/or application of specific legislation. 20% of EUD officials were not able to respond whether in their respective countries the EC supported the introduction and/or application of specific legislation.

Eastern Europe & Central Asia and the Mediterranean are the regions in which the EC seems to have played a more important role in this regard.

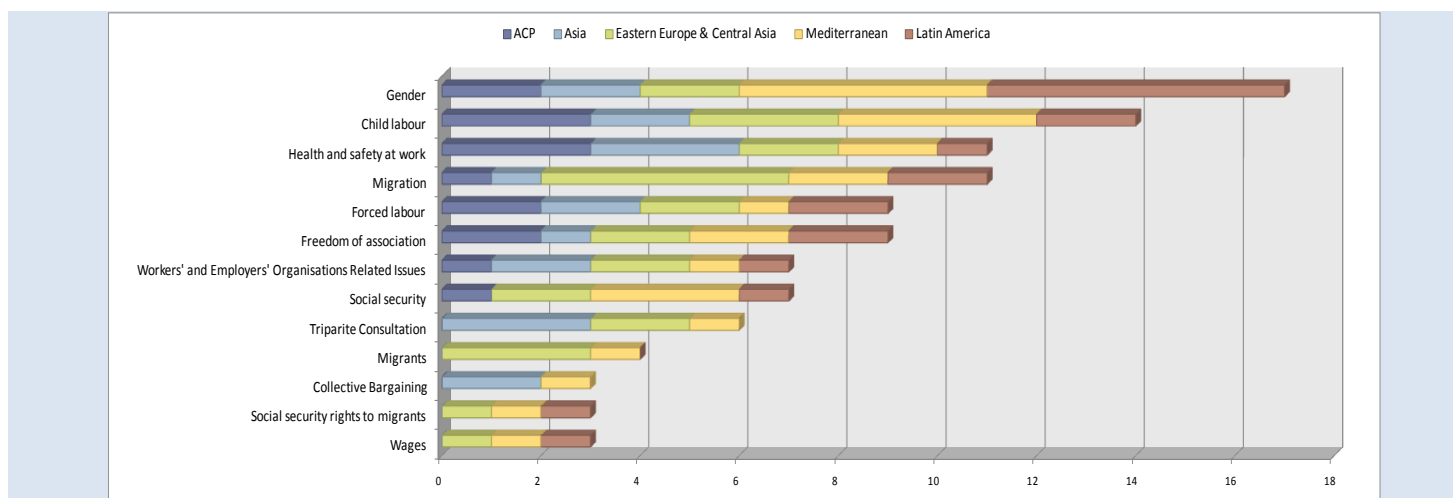
In the cases in which the EC has expressively supported the introduction and/or application of specific legislation, the areas covered, by order of importance and by region, are:

FIGURE 62: EUD'S PERCEPTION ON EC SUPPORT TO THE INTRODUCTION AND/OR APPLICATION OF SPECIFIC LEGISLATION IN DW STRATEGIC OBJECTIVES RELATED AREAS, BY REGION



Source: Worldwide Survey to EU Delegations

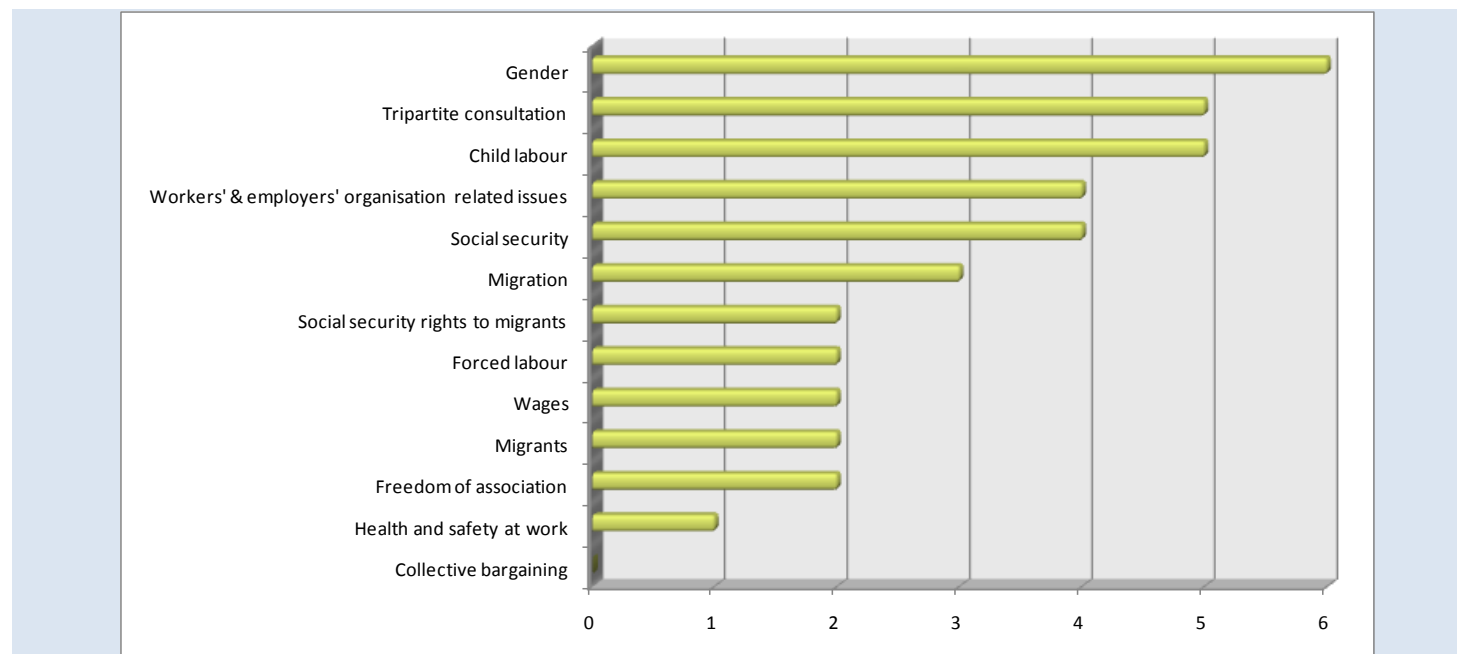
FIGURE 63: EC SUPPORT TO THE INTRODUCTION AND/OR APPLICATION OF SPECIFIC LEGISLATION IN DW STRATEGIC OBJECTIVES RELATED AREAS, BY AREAS AND BY REGION



Source: *Worldwide Survey to EU Delegations*

According to 27% of national counterparts coming from Ministries and Public Institutions, the EC has expressively supported the introduction and/or application of specific legislation in the above mentioned areas as follows. Gender and Child labour are also recognized by national counterparts as the areas in which the EC has been more successful in introducing legislation. Tripartite consultation, and Workers' & employers' organization related issues, are also two of the areas in which according to national officials the EC has had a role in introducing/applying legislation (these areas were in average less mentioned by EUD officials).

FIGURE 64: NATIONAL COUNTERPARTS' PERCEPTION ON EC SUPPORT TO THE INTRODUCTION AND/OR APPLICATION OF SPECIFIC LEGISLATION IN DW STRATEGIC OBJECTIVES RELATED AREAS, BY AREAS



Source: Survey to National counterparts (from Ministries & Public Institutions)

28% consider that the EC has not supported new legislation on these areas and 45% of them are not able to determine whether in their respective countries the EC supported the introduction and/or application of specific legislation.

In terms of concrete examples from the visited countries, it is worth mentioning the ILO regional (all regions) executed child labour project TACKLE that aims to contribute to the withdrawal of children engaged in child labour and to prevent further entry of children into employment by offering alternative education and training opportunities. The project also provides guidance to formulate new or improve existing legal and policy frameworks on child labour and education in the partner countries and to ensure their effective implementation and application.

According to the survey results, the Generalised System of Preferences, the GSP +, also facilitates the introduction and/or application of specific legislation.

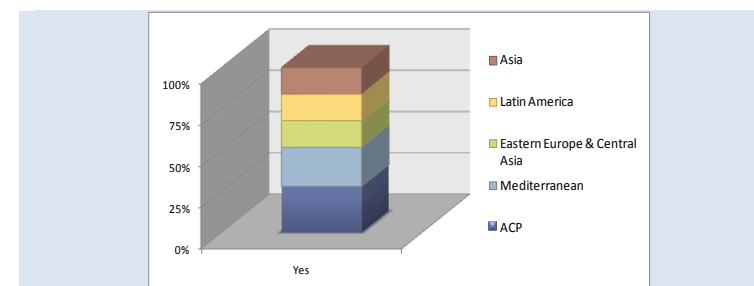
7.3.3 EC HAS EXPRESSIVELY SUPPORTED INTRODUCTION AND/OR APPLICATION OF MEASURES SUCH AS MINIMUM WAGE; MATERNITY LEAVE; HEALTH PROTECTION FOR WORKERS

The EC has expressly supported the introduction and/or application of specific measures in 18,5% of the countries targeted by the survey. In 59,5% of the countries the EC did not supported the introduction and/or application of specific measures. 22% of EUD officials were not able to respond whether in their respective countries the EC supported the introduction and/or application of specific measures.

While overall, the percentages are practically the same if compared with EC's role related to the introduction of specific legislation, the situation by region differs: ACP moves from the last to the first position, followed by the Mediterranean, which remains unchanged.

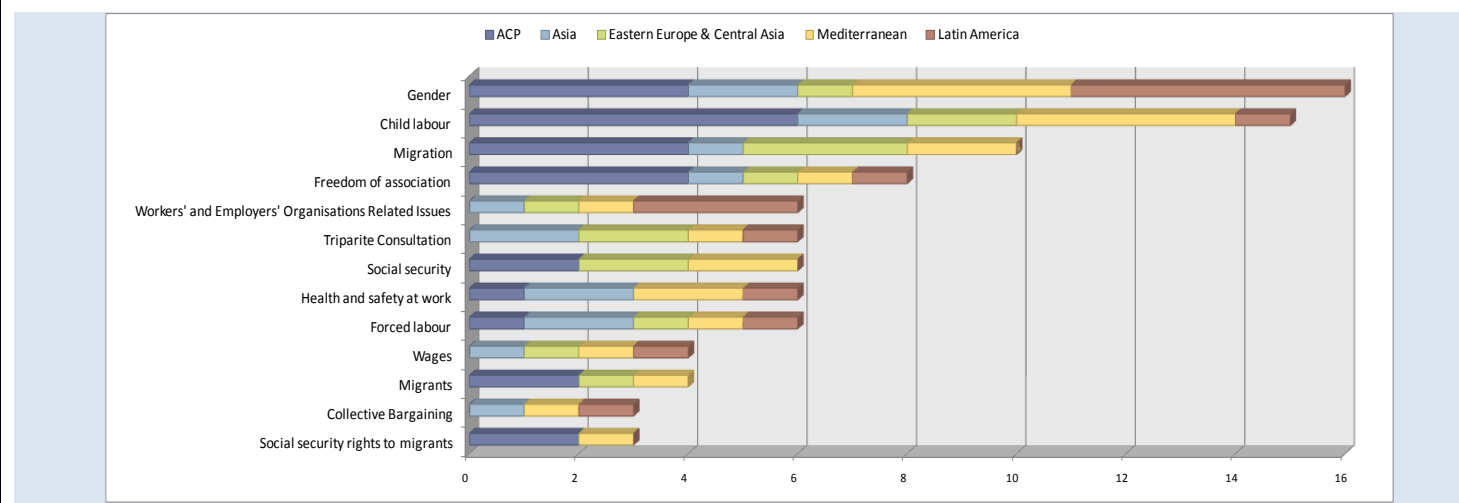
In the cases in which the EC has expressly supported the introduction and/or application of specific measures, the areas covered, by order of importance and by region, are:

FIGURE 65: EUD'S PERCEPTION ON EC SUPPORT TO THE INTRODUCTION AND/OR APPLICATION OF SPECIFIC MEASURES IN DW STRATEGIC OBJECTIVES RELATED AREAS, BY REGION



Source: Worldwide Survey to EU Delegations

FIGURE 66: EC SUPPORT TO THE INTRODUCTION AND/OR APPLICATION OF SPECIFIC MEASURES IN DW STRATEGIC OBJECTIVES RELATED AREAS, BY AREAS AND BY REGION



| | | |
|--|--|--|
| | | <p><i>Source: Worldwide Survey to EU Delegations</i></p> <p>Moreover, the field phase provides with the following example:</p> <p>Jordan:</p> <p>The <u>sectoral budget support for E-TVET reform 2009-2013</u> has specific performance indicators in Conditionality Matrix used for disbursement of the sector budget component, such as: (a) disincentives to the employment of women are reduced by the establishment of the Maternity Fund, (b) increase in public/private ratio of children in KG enables more economically vulnerable woman to join the labour force, (c) participation rate of women in formal sector of labour market increases and (d) increase in female employment decreases dependency ratio. The implementing agencies (notably the MoL, MOET and SSC) have accepted their responsibilities in line with the agreed time-frame and targets.</p> <p>Vietnam:</p> <p><u>EC support to the Labour Code</u> should improve the participation in compulsory pension program (covers a meagre 18 percent of the Labour force and over one-half of all firms registered under the Enterprise Law).</p> <p>See also JC 7.2 Indicators 7.2.1</p> <p>7.3.4 STAKEHOLDERS PERCEPTION ON EC CONTRIBUTION TO IMPROVEMENT OF LABOUR GOVERNANCE AND INSTITUTIONAL STRENGTHENING, INCLUDING CREATION OR EMPOWERMENT OF INSTITUTIONS AND ORGANIZATIONS PROMOTING SOCIAL DIALOGUE.</p> <p>See JC 5.2 Indicator 5.2.3.</p> <p>7.3.5 IN COUNTRY BENEFITING OF EC ASSISTANCE IN DWSC, NATIONAL STATISTICS ON EMPLOYMENT, RATE OF PARTICIPATION TO LABOUR FORCE, SHARE OF FORMAL EMPLOYMENT SHOW INCREASED PARTICIPATION IN LABOUR MARKET AND FORMAL EMPLOYMENT AND IN PARTICULAR OF MARGINALIZED AND VULNERABLE GROUPS</p> <p>The data needed to inform this indicator was not available.</p> <p>7.3.6 PERCEPTION OF STAKEHOLDERS IN SELECTED COUNTRIES THAT THE ACCESS TO BETTER PAID JOBS AND MORE STABLE JOBS FOR GIVEN MARGINALIZED OR VULNERABLE GROUPS HAS INCREASED AND THE EXTENT TO WHICH THIS CAN BE ATTRIBUTED TO THE EC PROGRAMMES</p> <p>See JC 5.2 Indicator 5.2.3.</p> |
| | 7.4 EC support to DWSC contributes to the MDG 1B | <p>7.4.1 EVIDENCE OF CHANGE, IN SELECTED COUNTRIES, IN THE FOLLOWING INDICATORS:</p> <ul style="list-style-type: none"> - GROWTH RATE OF GDP PER PERSON EMPLOYED - EMPLOYMENT-TO-POPULATION RATIO - PROPORTION OF EMPLOYED PEOPLE LIVING BELOW \$1 (PPP) PER DAY - PROPORTION OF OWN-ACCOUNT AND CONTRIBUTING FAMILY WORKERS IN TOTAL EMPLOYMENT |

This section provides an overview of the main trends in the labour market over the years 1999-2008. Unfortunately, the lack of reliable and consistent statistics over the period does not allow providing a broad and comprehensive understanding of each country context in terms of changes occurred in the labour market and in the area of social inclusion. In terms of employment, data are provided for the 'employment to population ratio', which measures the proportion of an economy's working-age population that is employed.

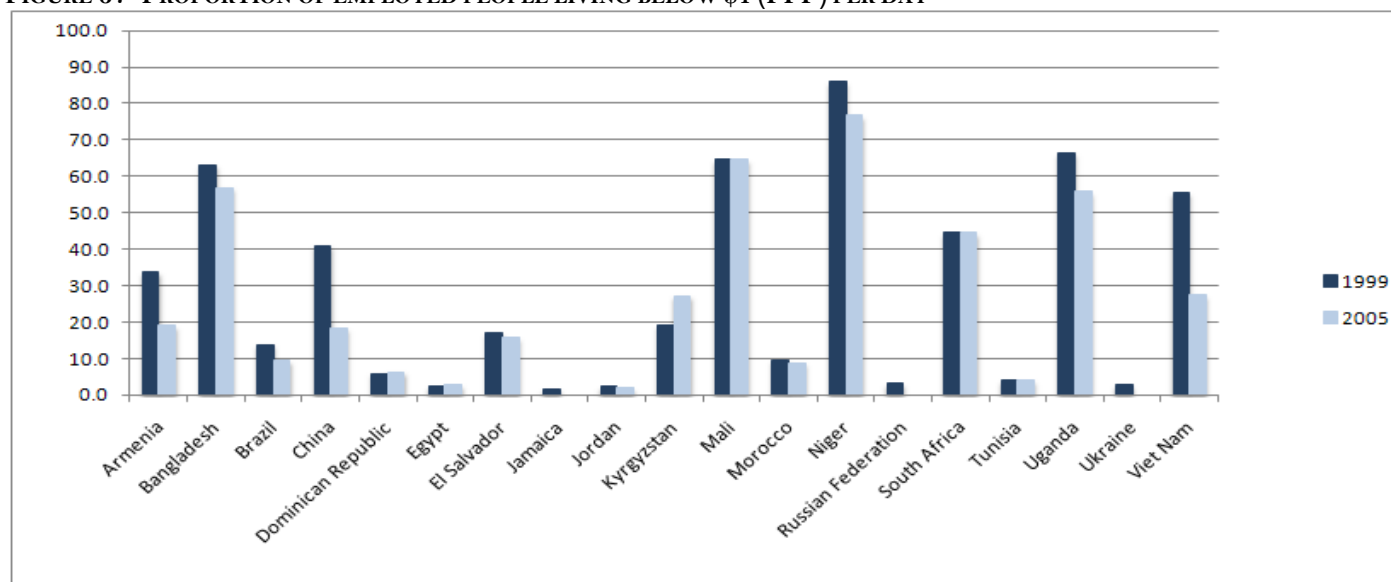
➤ **Proportion of employed people living below \$1 (PPP) per day:**

The proportion of employed persons living below \$1 (PPP) per day, or working poor, is the share of individuals who are employed, but nonetheless live in a household whose members are estimated to be living below the international poverty line of \$1.25 a day, measured at 2005 international prices, adjusted for purchasing power parity (PPP) (<http://unstats.un.org/unsd/mdg/>)

| Country | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Armenia | | | | | | 32.1 | | | 33.7 | | 19.9 | 26.8 | 18.9 | | | | |
| Bangladesh | | 59.7 | | | | 55.6 | | | | 63.2 | | | | | 56.9 | | |
| Brazil | | 16.2 | 15.7 | | 12.6 | 13.9 | 14.6 | | 13.8 | | 13.5 | 12.0 | 12.8 | 14.2 | 9.4 | 8.9 | 6.2 |
| China | | 73.1 | 61.4 | 67.5 | 62.0 | 41.8 | 54.4 | 54.7 | 41.0 | | | 32.6 | | | 18.3 | | |
| Dominican Republic | | 7.0 | | | | 8.3 | 9.3 | | | 5.9 | | | 8.2 | | 6.3 | 4.9 | |
| Egypt | | | | | 3.4 | | | | | 2.4 | | | | 2.7 | | | |
| El Salvador | | | | | 15.6 | 18.9 | 16.9 | 17.4 | | 17.0 | | 19.4 | 19.7 | | 15.6 | | |
| Jamaica | | | 5.0 | | | 2.3 | | | 1.7 | | | 0.0 | | 0.0 | | | |
| Jordan | | 4.4 | | | | | 2.3 | | | | | 1.8 | | | | 0.0 | |
| Kyrgyzstan | | | 23.6 | | | | | 40.0 | 19.2 | | | 44.2 | | 27.2 | | | |
| Mali | | | | 79.7 | | | | | | | 64.6 | | | | | 60.6 | |
| Morocco | 3.4 | | | | | | | | 9.5 | | 8.8 | | | | | | 3.4 |
| Niger | | 81.3 | | 85.9 | | | | | | | | | | | 76.6 | | |
| Russian Federation | | | 3.4 | | | 4.5 | | | 3.1 | | 1.1 | 0.0 | | | 0.0 | | |
| South Africa | | | 40.2 | | 31.8 | | | | | 44.4 | | | | | | | |
| Tunisia | | | | | 9.7 | | | | | 3.9 | | | | | | | |
| Uganda | | 77.0 | | | | 71.1 | | | 66.4 | | | 62.8 | | | 55.7 | | |
| Ukraine | | 0.0 | | | | 2.4 | | | 2.7 | | | 0.7 | | | 0.0 | | |
| Viet Nam | | | 71.5 | | | | | 55.5 | | | | 44.9 | | 27.3 | | 24.2 | |

The figure has been elaborated based on the table above. When not available, data for 1999 e 2005 have been taken from the first available year.

FIGURE 67- PROPORTION OF EMPLOYED PEOPLE LIVING BELOW \$1 (PPP) PER DAY



Source: UN stat, Data on MDGs ([HTTP://UNSTATS.UN.ORG/](http://unstats.un.org/))

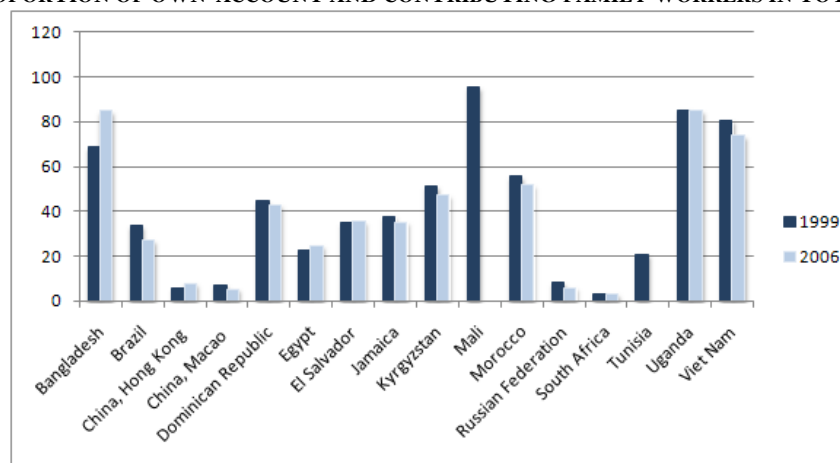
➤ **Proportion of own-account and contributing family workers in total employment** (not available for the whole set of countries)

Vulnerable employment is defined as the sum of the employment status groups of own-account workers and contributing family workers. Own-account workers are those workers who, working on their own account or with one or more partners, hold the type of jobs defined as a self-employment jobs (i.e. remuneration is directly dependent upon the profits derived from the goods and services produced), and have not engaged on a continuous basis any employees to work for them during the reference period. Contributing family workers, also known as unpaid family workers, are those workers who are self-employed, as own-account workers in a market-oriented establishment operated by a related person living in the same household. ([HTTP://UNSTATS.UN.ORG/UNSD/MDG/](http://unstats.un.org/unsd/mdg/))

| Country | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Bangladesh | | | | | 69.4 | | | | 68.9 | | | 83.1 | | 85 | | |
| Brazil | 35.6 | 35.4 | | 35.8 | 34.6 | | | | | 33.7 | 33.8 | 33.7 | 33 | 28.4 | 27.2 | |
| China, Hong Kong | | 5.5 | 5.3 | 5.4 | 5.3 | 5 | 5.2 | 5.7 | 5.7 | 6.8 | 7.8 | 7.7 | 7.7 | 7.7 | 7.8 | 7.1 |
| China, Macao | | | | | 7.3 | 6.4 | 6.3 | 7.3 | 8.4 | 7.8 | 7 | 7.5 | 8.1 | 6.4 | 5.5 | 5.2 |
| Dominican Republic | 40.8 | 38.6 | 36.5 | 38.1 | 36.3 | 42.7 | 43.5 | 44.6 | 40.6 | 41.6 | 42.9 | 42.6 | 40 | 42.7 | 43.1 | 42.4 |
| Egypt | | 28.3 | 26.8 | 26 | 23.3 | 25.2 | 24.2 | 22.9 | 22.9 | 20.6 | 22.4 | 24.3 | 26.2 | 25.3 | 24.8 | |
| El Salvador | | 34.5 | 37.1 | 36.6 | 37.6 | 37.3 | 37.7 | 34.9 | 37.4 | 38.3 | 39.3 | 36.7 | 35.7 | 38.8 | 35.5 | |
| Jamaica | 42 | 39.6 | 38.9 | 37.3 | 37.6 | 36.7 | 37.6 | 37.8 | 37.9 | 37.3 | 35.8 | 35.8 | 36.1 | 34.5 | 35.4 | |
| Kyrgyzstan | | | | | | | | | | | 51.5 | 51 | 49.8 | 48.5 | 47.3 | |
| Mali | | | 95.7 | | | | | | | | | | | | | |
| Morocco | | | 47.5 | | | | | 55.7 | 30 | 30.2 | 56 | 55.8 | 58.1 | 57.7 | 51.9 | 51.1 |
| Russian Federation | 0.8 | 1.1 | 1.6 | 2 | 2.2 | 2.9 | 2.9 | 8.2 | 7.7 | 6 | 6 | 5.8 | 5.9 | 6.2 | 6 | 5.8 |
| South Africa | | | | | | | | | | 3.5 | 4.4 | 3.1 | | | | 2.7 |
| Tunisia | | | 20.9 | | | | | | | | | | | | | |
| Uganda | | | | | | | | | | | 85.5 | 85.2 | | | | |
| Viet Nam | | | | | 82.1 | 81 | 78.6 | 80.9 | 80.1 | 77.5 | 78.3 | 77 | 73.9 | | | |

The figure has been elaborated based on the table above. When not available, data for 1999 e 2006 have been taken from the first available year.

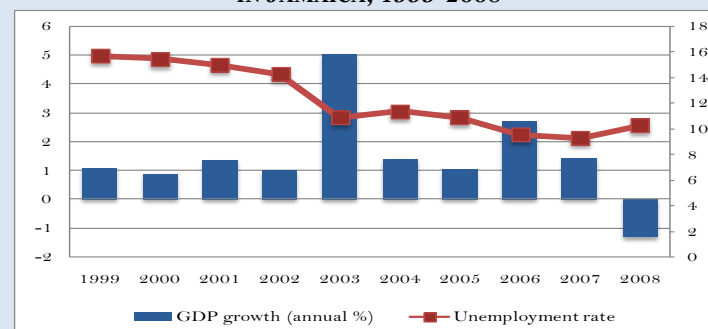
FIGURE 68- PROPORTION OF OWN-ACCOUNT AND CONTRIBUTING FAMILY WORKERS IN TOTAL EMPLOYMENT



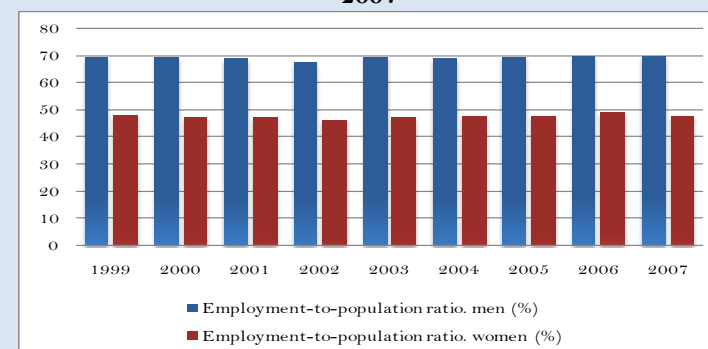
Source: UN stat, Data on MDGs ([HTTP://UNSTATS.UN.ORG/](http://unstats.un.org/))

Jamaica:

- As shown in Fig. 32, Jamaican economy has been growing in a rather constant way over the period considered, at an annual average of 1.45%. Such positive performance has been correlated to a declining unemployment rate. In fact, from 1999 to 2008 it fell of 5.40 percentage points. A rather interesting point is that women unemployment rate has declined more and faster than men unemployment rate, which have recorded respectively a total fall of 8.6 and 2.6 percentage points with an annual average decrease of 1.6% and 4.8%.
- Economic growth and declining unemployment have translated only to a limited extent into rising employment. In fact, the employment to population ratio has recorded an absolute decrease of 0.2 percentage points. Men labour force has achieved a 0.05 % annual average growth while the share of employed working-age women has decreased of 0.6 percentage points. A great share of the population is employed in the 'community, social and personal services' as well as in the 'Wholesale and Retail Trade and Restaurants and Hotels', which in 2008 employed respectively the 22% and 27 % of the working population. However, the number of people employed in the 'mining and quarrying' and 'transport and storage' sectors have been grew remarkably over the period considered, respectively of 95% and 43%.

FIGURE 69- ANNUAL REAL GDP GROWTH (%) & UNEMPLOYMENT RATE IN JAMAICA, 1999-2008

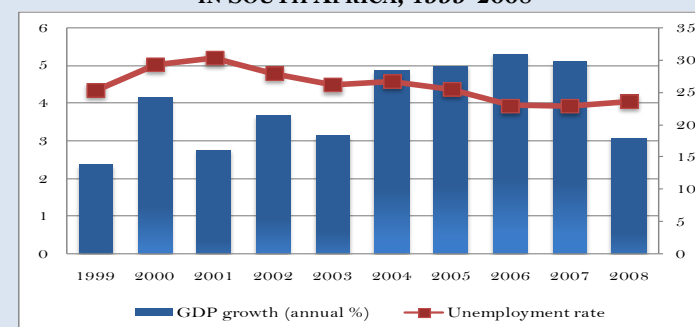
Source- World Bank; ILO, Laboursta

FIGURE 70- EMPLOYMENT TO POPULATION RATIO IN JAMAICA, %, 1999-2007

Source- Source- UN MDG

South Africa:

- The South African economy has experienced a rather positive performance over the years 1999-2008. As shown in Fig. 34, GDP has been growing at annual average of almost 4%, with peaks of more than 5% in 2005 and 2006. Positive growth translated to a certain extent into unemployment falls as unemployment rate shrank by 1.8 percentage points in the period considered. Despite these modest improvements, the country's unemployment rate of 23.6% remains very high
- As shown in Fig. 35, it is possible to outline two main trends in terms of employment to population ratio- a negative tendency from 1999 to 2003 followed by a positive reaction from 2004 on. Such performance applies both to men and women. However, although their percentage remains lower than man, the proportion of working age women has been growing more and faster than men (annual average of 1% vs. 0.03%). 'Financing, Insurance, Real Estate and Business Services' as well as the 'construction sector' have recorded the highest growth in terms of number of employed people (respectively + 37 % and +56%). However, 'Community, Social and Personal Services' and 'Wholesale and Retail Trade and Restaurants and Hotels' prove to be the most important economic activities in terms of workforce as they employ respectively almost 30% and 23% of the total labour force.

FIGURE 71- ANNUAL REAL GDP GROWTH (%) & UNEMPLOYMENT RATE IN SOUTH AFRICA, 1999-2008

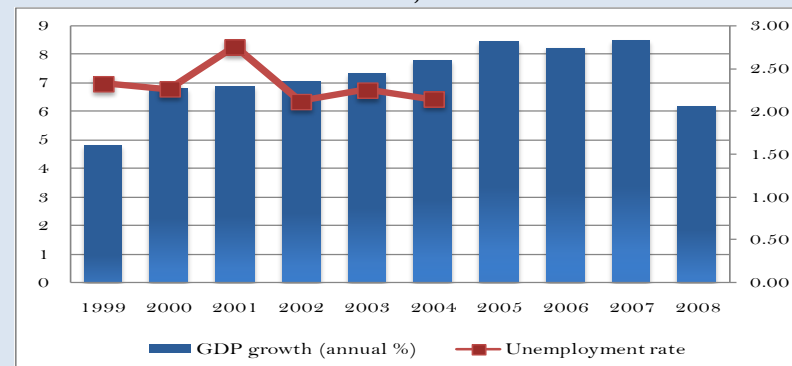
Source- World Bank; ILO, Laboursta

FIGURE 72- EMPLOYMENT TO POPULATION RATIO IN SOUTH AFRICA, %, 1999-2007

Source- Source- UN MDG

Vietnam:

- As shown in Fig. 36, Vietnam's economy has been growing in a rather constant way over the period considered, averaging an annual growth of around 7%. Peaks of over 8% growth were reached in the 2005-2007 period. Such positive performance has been correlated to a modest declining unemployment rate. As a matter of fact, from 1999 to 2004 it shrank by around 0.2 percentage points. A rather interesting point is that men unemployment rate has recorded a total fall of around 0.4 percentage points whereas the female unemployment rate has stayed constant (+0.04 from 1999 to 2004). In terms of unemployment distribution among age groups, it can be stated that unemployment has been decreasing remarkably among young people.
- The employment to population ratio has recorded an absolute decrease of 2.3 percentage points. Men labour force has recorded a decline of 1.8 percentage points while the share of employed working-age women has decreased of 2.8 percentage points. More than 50% of the population is employed in the agricultural activities, which have, however, lost around 3% of the original 1999's workforce. On the contrary, the number of employees has more than doubled in activities related to the construction sector and real estate/business.

FIGURE 73- ANNUAL REAL GDP GROWTH (%) & UNEMPLOYMENT RATE IN VIETNAM, 1999-2008

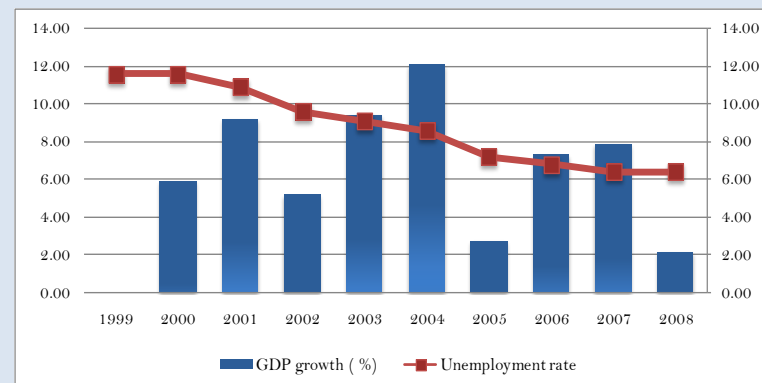
Source- World Bank; ILO, Laboursta

FIGURE 74- EMPLOYMENT TO POPULATION RATIO IN VIETNAM, %, 1999-2007

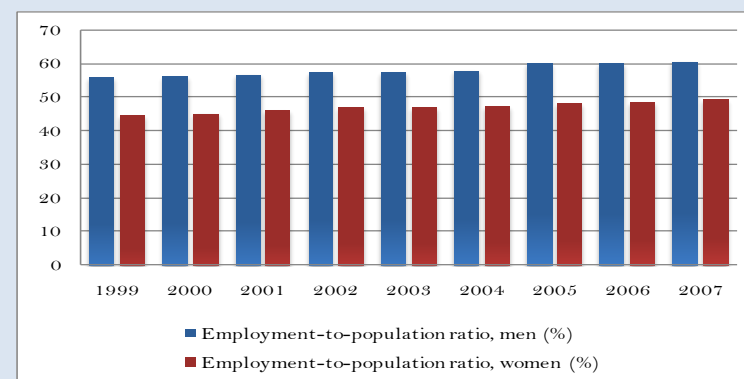
Source- Source- UN MDG

Ukraine:

- The economy has grown remarkably at an annual average rate of around 6 %. Improved market conditions have been associated to improvements in terms of unemployment level. As shown in Fig. 38, the unemployment rate has been diminishing sharply from 1998 to 2008, with an average annual fall of 6 %. This trend has been recorded both for women and men. However, it can be argued that women unemployment rate has declined slightly more than men unemployment rate, for which the average annual decrease has been respectively of 6.4% and 6.1%.
- According to available data, it can be stated that declining unemployment has been associated to rising employment for the whole period considered. The employment to population ratio has recorded an absolute increase of 5 percentage points, with an average annual growth of more than 1%. Such growth is backed by both men and women working groups. Nevertheless, as shown in Fig. 38, the proportion of working women has been growing slightly faster than men over the whole period at an annual average of 1.3%.

FIGURE 75- ANNUAL REAL GDP GROWTH (%) & UNEMPLOYMENT RATE IN UKRAINE, 1999-2008

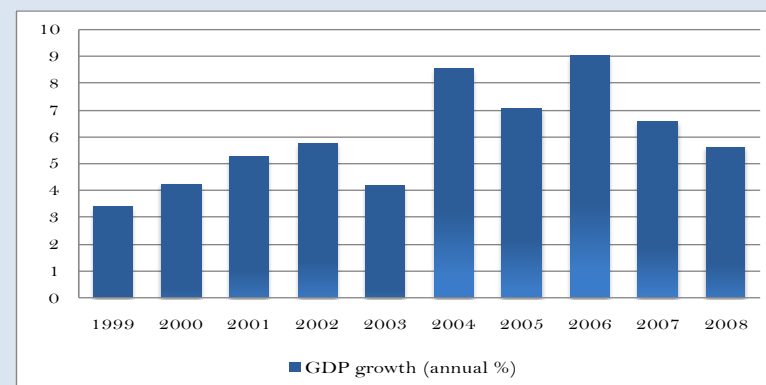
Source- World Bank; ILO, Laboursta

FIGURE 76- EMPLOYMENT TO POPULATION RATIO IN UKRAINE %, 1999-2007

Source- Source- UN MDG

Jordan:

- Jordan is one of the fastest growing economies in the Mediterranean area with growth averaging around 6 % percent since 1999. Both in 2004 and 2006, GDP growth reached a peak of 9%. Unfortunately, unavailable statistics do not allow observing if and to what extent this positive performance affected unemployment levels in the period considered. According to ILO, unemployment rates stand at around 15% with 56% of unemployed people below the age of 25 years.
- According to available data, it is possible to assert that continued economic growth has indeed not sufficiently translated into positive changes in the labour market, hence into job creation (at least not in the formal sector). The proportion of working age people that are employed has stayed almost the same over the period. The employment to men population ratio remained around 13% from 1999 to 2007 while the proportion of employed working age women increased of almost 2%.

FIGURE 77- ANNUAL REAL GDP GROWTH (%) & UNEMPLOYMENT RATE IN JORDAN, 1999-2008

Source- World Bank; ILO, Laboursta

FIGURE 78- EMPLOYMENT TO POPULATION RATIO IN JORDAN %, 1999-2007

Source- Source- UN MDG

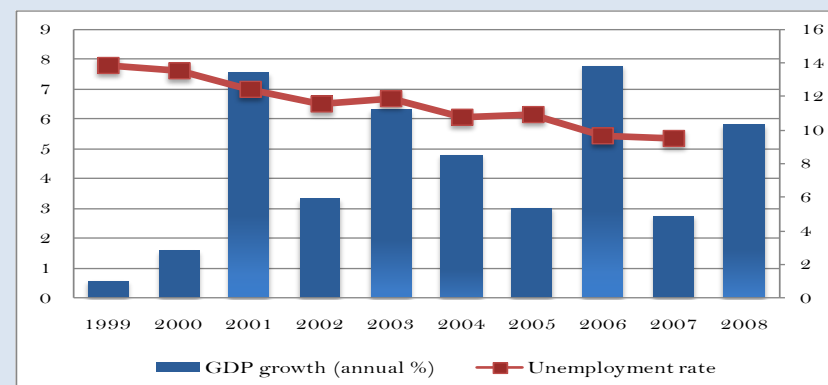
Morocco:

- As shown in Fig. 42, Moroccan economy has been on the rise for the whole period even though growth has not been constant. The growth rate followed a rather uneven path moving from 0.5% in 1999 to almost 8% in 2001, then down to 3% in 2005 and up to almost 6% in 2008.

This performance has been correlated to a declining unemployment rate. As a matter of fact, from 1999 to 2007 it fell of around 4 percentage points.

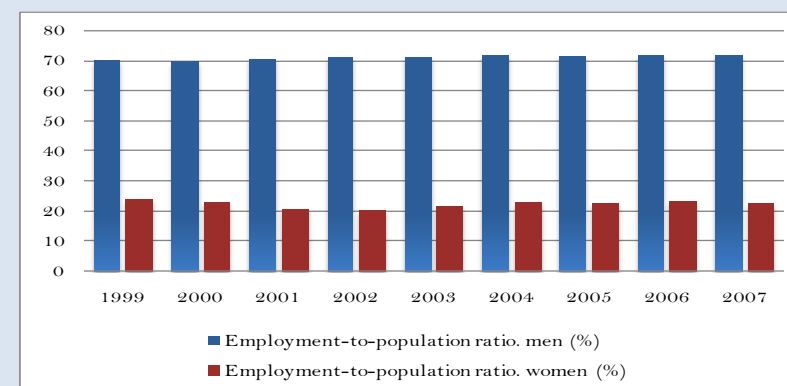
Economic growth and declining unemployment have not been associated to substantial improvements in the labour market. In fact, the employment to population ratio has recorded an absolute decrease of 0.2 percentage points, most of which can be ascribed to the years 1999-2001 (the rate shifted from 46% to 44%). As shown in Fig. 51, the proportion of employed working age persons has stayed almost the same over the period. Moreover, it is possible to outline a remarkable difference between men and women ratio. As a matter of fact, as reported by ILO, women faced several problems in the labour market such as wage discrimination, reduced access to on-the-job training, long working hours and poor working conditions. Women were also more likely to be in informal employment, accounting for 90 per cent of home workers.

FIGURE 79- ANNUAL REAL GDP GROWTH (%) & UNEMPLOYMENT RATE IN JORDAN, 1999-2008



Source- World Bank; ILO, Laboursta

FIGURE 80- EMPLOYMENT TO POPULATION RATIO IN JORDAN %, 1999-2007



Source- Source- UN MDG

| | | |
|--|---|---|
| | | <p>7.4.2 PERCEPTION OF KEY STAKEHOLDERS OF EC CONTRIBUTION TO MDG1B IN SELECTED COUNTRIES WHERE THE EC HAS FINANCED PROGRAMMES TO SUPPORT PRODUCTIVE EMPLOYMENT CREATION AND DW</p> <p><u>Source:</u> Survey to National counterparts (from Ministries & Public Institutions), Survey to National counterparts (Social partners & other non state actors), field visits</p> <p><u>Data collected for the indicator:</u></p> <p>See JC 5.2 Indicator 5.2.3.</p> |
| | <p>Sources of information :</p> <ul style="list-style-type: none"> ▪ CSP ▪ Project documents ▪ Project Inventory ▪ International commitments ▪ National legislation and statistics ▪ Interviews ▪ Focus groups ▪ Field visits ▪ Questionnaire <p>Methods :</p> <ul style="list-style-type: none"> ▪ Document analysis ▪ Inventory analysis ▪ Cross-country analysis ▪ Case studies ▪ Focus groups | |

ANNEX 8BIS: LIST OF PROJECTS ANALYSED FOR EQS 5-6-7**EQ 5**

1. Jamaica:EU BSP - SFA 2006:
2. Jamaica: EUBSP-SFA 2007:
3. Jamaica: EUBSP-SFA 2008:
4. Jamaica: Accompanying measures 2007 for sugar protocol countries:
5. Jamaica: Accompanying measures 2008 for sugar protocol countries
6. Jamaica: Accompanying measures 2006 for sugar protocol countries
7. Jamaica: Private sector development programme 'competitive Jamaica'
8. Jordan, Industrial modernization programme- ejada
9. Jordan, Structural Adjustment Facility III - SAF III
10. Jordan, Services modernization programme (smp)
11. Jordan, Support to enterprise and export development
12. Maroc, Appui à l'amélioration de la situation de l'emploi de la femme rurale et gestion durable de l'arganeraie dans le sud-ouest du Maroc (projet arganier
13. Maroc, Programme d'appui aux entreprises
14. Maroc, Appui à l'amélioration de la situation de l'emploi de la femme rurale et gestion durable de l'arganeraie dans le sud-ouest du Maroc (projet arganier) :
15. Maroc, Développement rural et participatif dans le moyen atlas central – Khenifra :
16. Maroc, Programme d'appui aux investissements et aux exportations : Programme d'ajustement structurel du secteur de l'eau
17. South Africa, Sector wide enterprise, employment and equity programme - sweep phase 2
18. South Africa, BLNS- Economic Integration Support Programme - Phase 1 (SACU) : no relevant indicators
19. South Africa, Sustainable Rural Development in the Eastern Cape (SURUDEC): no relevant indicators
20. South Africa, Private Sector Support Programme - Risk Capital Facility (RCF) - phase 1:
21. South Africa, Local Economic Development Support in Kwa-Zulu Natal Province
22. Brazil, Apoio à inserção internacional das pmes brasileiras
23. China, EU - China enterprise reform project
24. Dominican Republic, Programme d'appui aux petites entreprises
25. Egypt, Financial Investment and Sector Co-operation (SDF)-Social Component
26. Egypt, Financial Investment and Sector Co-operation –Rural Component
27. Egypt, Spinning and Weaving Sector Support Programme
28. El Salvador, Fortalecimiento de la Competitividad de la MYPE en El Salvador (FOMYPE
29. Niger, Programme d'appui a la securite alimentaire par la petite irrigation (asapi
30. Russia, E-skills for SMEs

31. Tanzania, Tanzania Annual Action Plan 2007 Accompanying Measures for Sugar
32. Tanzania, Trade Support and Agriculture Programme (TSAP)
33. Tunisia, FAS III
34. Tunisia, PMI
35. Tunisia, PAC I
36. Vietnam, Vppsp - Vietnam private sector support programme
37. Bangladesh, Proshika: towards a poverty free society:
38. Bangladesh, BRAC – Challenging the Frontiers of Poverty Reduction:

EQ 6

1. Morocco, Appui à la création d'emploi
2. Morocco, Appui au développement de la formation professionnelle dans les secteurs du tourisme, du textile et des nouvelles technologies de l'information et de la communication
3. Morocco, appui à l'indh - initiative nationale de développement humain
4. South Africa, TABEISA II: Technical and business education initiative in South Africa - Phase II
5. South Africa, 'Innovation for Poverty Alleviation (SBS to DST
6. South Africa, Water for Growth and Development'
7. South Africa, Programme to support pro-poor policy development in South Africa (psppd)
8. Vietnam, Labour market information system and HR development
9. Vietnam support to vietnam's poverty reduction and growth strategy under prsc-3
10. Vietnam EC support to the Vietnam National Administration of Tourism (VINAT
11. Armenia, 'Support to Poverty Reduction Strategy through the development of human resources as a result of a modern and efficient vocational education and training system'
12. Armenia, Support to the Development of an Integrated Vocational Education Training (VET) system in Armenia
13. Bangladesh, vulnerable group development for ultra-poor (vgdup)
14. Bangladesh, Proshika: towards a poverty free society
15. Bangladesh, BRAC – Challenging the Frontiers of Poverty Reduction:
16. Dominican Republic, Development of technical and professional Education in Dominican Republic
17. Dominican Republic, General budget support for poverty reduction'
18. Egypt, Education sector policy support programme (ESPSP)
19. El Salvador, programa de alivio a la pobreza en el salvador (papes)
20. Kyrgyz Republic, Addressing Social Consequences of Transition in the Ferghana Valley (UNDP
21. Niger, Appui a la formation professionnelle continue
22. Niger, programme pluriannuel d'appui a la réduction de la pauvreté 2003-2005'
23. Niger, Appui au dispositif national de prevention et de gestion des crises alimentaires

DRN- PARTICIP

24. Tanzania, tourism training programme
25. Tanzania, Poverty Reduction Budget Support 01'
26. Tanzania, Poverty Reduction Budget Support 02'
27. Tanzania, Poverty Reduction Budget Support 03'
28. Tunisia, programme d'appui à la réforme du système d'assurance maladie
29. Uganda, human resources for health
30. Uganda, fourth poverty alleviation budgetary support'
31. Uganda, fifth poverty alleviation budgetary support'
32. Jamaica, Poverty Reduction Programme'
33. Jamaica, Poverty Reduction Programme' II
34. Jordan, support to poverty reduction through local development
35. Jordan, EC support to the E-TVET reform 2009-2013
36. Jordan, Industrial Modernization Programme (IMP/EJADA)
37. Jordan, Enhancing Opportunities for Women in Economic Life
38. Mali, FAS
39. Mali, programme pluriannuel d'appui budgétaire au cadre stratégique de lutte contre la pauvreté 2003-2007'
40. Mali, contrat OMD pour le Mali - PPAB 2'
41. Ukraine, Strengthening Regional Vocational Education and Training
42. Russia, Vocational Training and Labour Resources in Kaliningrad

EQ 7

1. Bangladesh, empowerment of adolescent girls project
2. Bangladesh, Proshika: towards a poverty free society
3. Bangladesh, BRAC – Challenging the Frontiers of Poverty Reduction
4. Brazil, urban social inclusion
5. China, eu china social security reform co-operation project
6. Dominican Republic, budget support for poverty reduction
7. Egypt, social development and civil society: children at risk
8. Egypt, support to social development
9. El Salvador, Prevención Social de la Violencia y de la Delincuencia Juvenil en el Salvador (PROJOVENES)
10. El Salvador, programa de alivio a la pobreza en el salvador (papes)
11. Jamaica, Poverty Reduction Programme
12. Jamaica, Poverty Reduction Programme II
13. Jordan, 'Izdihar - Social Empowerment and Human Rights'
14. Jordan, Support of the JWU Shelter to provide: protection
15. Jordan, Support to poverty reduction through local development

16. Jordan, Jordanian Labour Empowerment through Labour Rights Education and Capacity Building
17. Jordan, Institutional strengthening of the ministry of labour – SAAP
18. Jordan, Strengthening the Capacity in Management, Leadership and Planning of the Ministry of Labour
19. Mali, centre d'information et de gestion des migrations (cigem)
20. Mali, contrat omd pour le mali - PPAB 2
21. Mali, FAS
22. Mali, programme pluriannuel d'appui budgétaire au cadre stratégique de lutte contre la pauvreté 2003-2007
23. Morocco, appui institutionnel à la circulation de personnes
24. Morocco, programme d'appui aux associations professionnelles ii
25. Morocco, appui aux associations professionnelles
26. Morocco, Appui au Développement Humain et à l'Intégration Sociale
27. Niger, Programme d'appui à la décentralisation et au développement local dans la région d'Agadèz
28. Niger, programme pluriannuel d'appui à la réduction de la pauvreté
29. Niger, Appui au dispositif national de prévention et de gestion des crises alimentaires
30. South Africa, Urban Renewal Programme in the Eastern Cape Province
31. South Africa, Innovation for Poverty Alleviation (SBS to DST)
32. South Africa, Water for Growth and Development'
33. Tanzania, prbs01 poverty reduction budget support programme
34. Tanzania, prbs02 poverty reduction budget support programme
35. Tanzania, prbs03 poverty reduction budget support programme 2006-2008
36. Tunisia, Programme d'appui à la réforme du système d'assurance maladie
37. Uganda, 4th poverty alleviation budget support (pabs v)
38. Uganda, 5th poverty alleviation budget support (pabs v)
39. Ukraine, Gender Equality in the World of Work
40. Vietnam, Support to Vietnam's poverty reduction and growth strategy under prsc 3
41. Vietnam, Support to Vietnam's poverty reduction and growth strategy under prsc 4
42. Vietnam, Support to Vietnam's poverty reduction and growth strategy under prsc 5
43. Vietnam, Poverty reduction support credit 6
44. Vietnam, Empowerment of Workers and Trade Unions in Vietnam
45. Multilateral Trade Policy Assistance Programme (MUTRAP)