

**SECTOR "EDUCATION, EMPLOYMENT AND SOCIAL POLICY"****Minutes of the 5th Meeting of the Sector Working Group (SWG)**

Venue: Conference Hall, Government of the Republic of North Macedonia, Ilindenska bb
Date: 19 December 2019, Thursday

Introductory Statements

- The Minister of Labour and Social Policy, Ms. Carovska, welcomed the participants and informed about the implementation of the conclusions from 4th SWG meeting held on 20.9.2019.
 - o MLSP in cooperation with MES prepared the draft Revised ESRP 2022, which was submitted to the SWG members for discussion during the 5th meeting. The revised ESRP 2022 was foreseen to be adopted by the Government by the end of 2019.
 - o Two line ministries finalised the Performance Assessment Framework (PAF) which was submitted to the SWG members for discussion during the 5th meeting. The list of PAF indicators encompassed relevant indicators for measurement of progress in the sector.
 - o MLSP and MES organized a meeting with CSOs on 11.11.2019. Mechanisms to improve the CSO involvement in the SWG were discussed to ensure their contribution in the new policy cycle and the programming after 2020.
 - o A SWG for Roma integration was established. The first meeting was organized on 6.12.2019, under the auspices of the Minister of Labour and Social Policy and the Minister without Portfolio responsible for Roma issues. The new SWG will help to apply the sector approach in addressing strategic issues related to the Roma in the country.
 - o In relation to the revision of the Single Projects Pipeline for the social sector, while the MES proposed new investment project, the MLSP assessed the present investment projects as relevant since they corresponded to the on-going investments in kindergarten financed from the national budget and WB loan.
- 1. The Minister of Education and Science, Mr. Ademi, expressed his gratitude to donor community, civil society organisation and national institutions for their support for EU integration of the country and emphasized that this SWG could be seen as participatory process. In the previous period, the MES has undertaken activities for amending the Law on Secondary Vocation Education by envisaging the establishment and functioning of 3 regional VET centres in the existing VET Secondary Schools ('Kiro Burnaz' Kumanovo, 'Mosha Pijade' Tetovo and 'Vancho Pitoshevski' Ohrid). In a view of setting solid basis for the forthcoming IPA II actions and based on ETF analysis, an internal working group was established for development and implementation of sustainable financing model of VET centres. Additionally, in the frame of the Skills Development and Innovation Support project specialized equipment was procured for vocational schools for graphic and hospitality-tourism qualifications in addition to previously procured equipment for the qualifications agriculture, veterinary and fisheries, law and economics and construction and geodesy. Regarding the Law on Primary Education and Law on teachers and school support staff in primary and secondary education a working groups for preparation of bylaws were established, i.e. Rulebook for career development of teachers, Guideline for professional development of teachers, Concept for Inclusive Education and Concept for extracurricular activities. In this regard, activities in relation to the implementation of the new Law on Primary Education started – teachers in sports have been engaged and financing of new employments for teachers have been improved related to implementation of the provision for decreased number of students per class. A total of 295 education and personal assistants have been engaged for providing inclusion of the students with disabilities in the teaching process. Regarding the Law on Higher Education, in the final stage is the establishment of the Agency for Quality Assurance in Higher Education. In relation to the OECD research study "Reviews of Evaluation and Assessment in Education: North Macedonia", for which an Action Plan has been prepared, a possibility for amendments of the Strategy for Education 2018-



2025 is under consideration. All the actions implemented and PAF indicators in the educational sector ensure solid basis for further reforms and advancements.

- The Head of Cooperation in the EU Delegation, Mr. Bertolini, highlighted the importance for having an opportunity to look into measurements and standards defined with PAF list of indicators and update on revised ESRP 2022. He acknowledged the continuous work and progress of EESP SWG which was ahead of other sectors in implementation of sector based approach and identification of needs and targets. Further, all the actions planned require great efforts from relevant institutions. In relation to IPA 2019 programming, he informed that the EU and the Member States approved the two action programmes, i.e. the 'EU for Youth' for support of implementation of youth guarantee and VET centres and 'EU for Inclusion' for support different actions for inclusion of people with disabilities in university educational system, deinstitutionalization and Roma inclusion. As soon as the Financial Agreement is forwarded by the EU services, the Government was expected to start with implementation in 2020. This SWG is expected to start prioritizing IPA III financial assistance (2021-2027). He thanked to all the donors for having more efficient donor coordination and emphasized that it led to better complementarily and synergies of actions supported. Key role rests with national intuitions; their guidance is essential for more advanced donor coordination.

I session – Revised Employment and Social Reform Programme 2022 (ESRP 2022)

- Ms. Slavkoska, IPA Coordinator in MLSP, recalled that the preparation of the Revised ESRP 2022 has started in June – July and was expected to be finalized until the end of 2019. The ESRP is strategic document for the sector and a basis for utilization of IPA; the national authorities committed to adjust and revise the ESRP to extent its timeframe until 2022. With experts support by the ILO and EUD, the revised ESRP was drafted encompassing a review of the socio-economic situation and implementation of reforms. The ILO expert rendered his support in crafting the document, especially in updating the contextual information and upgrading the indicators. She informed that the policy objectives remain largely unchanged, expect the objectives related to the social protection reforms. However, measures and activities were revised to reflect the social reforms, youth guarantee and non-formal economy. New target values for the indicators were defined for the year 2022; some new indicators were introduced as well. Revision of the ESRP was participatory: all relevant department and institutions contributed. The Committee for Employment and Labour Market Policies (which is a permanent body of the Economic-Social Council) had reviewed the draft document and recommended the Economic and Social Council to adopt it on its next session. The draft document was presented to the CSOs representatives held on 12.12.2019. SWG members were invited to comment the draft Revised ESRP 2022 during the meeting.
- Mr. Petreski, ILO expert explained that the main changes were made to the socio-economic context (chapter 1), indicators and measures reflecting the changes and reforms in the three pillars of the ESRP (1. Labour Market and Employment, 2. Human Capital and Skills and 3. Social Inclusion and Social Protection). For each pillar the social and economic situation was updated (looking backward) and the challenges/priorities were (re)stated (chapter 2). Relevant statistical data and institutional, legal and policy framework was for each pillar was adjusted accordingly. Special attention was paid to ensure that the objectives and indicators are aligned with the national strategies in the respective areas. The priorities and the way they were structured remained largely unchanged, having in mind that the purpose was to revise the document and not to create a new one. The objectives are presented in chapter 3, which focuses on changes and improvements of situation (looking forward). No substantial modification were made to the objectives as with the priorities in the previous chapter. Important differences were made with regards to the indicators, which in the ESRP were structured as headline, outcome and process indicators. The headline indicators are limited in number and they will mirror all key interventions in each of the three pillars. Moreover, outcome and process indicators were attached to each objective. The whole work on indicators and especially targets setting was based on a joint work with the MLSP (especially the unit responsible for labour market forecasting). For relevant indicators a reference was made to the UN Sustainable Development Goals indicators and that is to indicate that all other institutions should use the same target values as they are defined in the Revised ESRP 2022.



In relation to the first pillar Labour market and employment of Revised ESRP 2022, the objectives remain unchanged. Main changes were made regarding the youth guarantee (objective 1) and Strategy for Formalisation of Informal Economy 2018-2022 (objective 2). There are three headline indicators: Employment rate 15+, Employment rate of women and Youth employment rate. The target values for 2022 were set on the basis of the labour market forecasting model of the MLSP and opinion of the expert. The outcome indicators were in the area of employment and unemployment and were linked to the objectives. The NEET rate is an important new indicator linked to the Youth Guarantee. One indicator is linked to the informal economy and two indicators to trade unions membership (unionization).

In relation to the second pillar on Human Capital and Skills, the three objectives remain. New headline indicator was introduced - UN Human Development Index, having in mind the latest data for 2019. Outcome indicators: share of persons 30-34 with completed high education, rate of pupils with special needs in regular primary education, early school leavers, indicators linked to vocational education and life- long learning, employment rate of recent graduates, etc. Only one indicator is consistent with the SDG indicators.

The most significant changes were made in the third pillar on Social Inclusion and Protection due the on-going reforms in social protection system. For example, the first objective "Increasing the effectiveness and efficiency of the social assistance system" is a new objective, given that one of the key priorities of the Government was to revise the social protection. Next objective is improving the accessibility of social protection services, Support to the deinstitutionalisation (which takes into account the major progress achieved thus far), Promoting Roma Social Inclusion and there are two objectives for further development of the systems of pension and health security. Poverty rate is the headline indicator (corresponds to the indicator of the SDG objective number 1.2.1). There are new outcome indicators linked to the social protection system, its coverage, absolute poverty rate, outcome-based indicators for Roma and sustainability of pension system.

Major changes are with the measures. Each institution reviewed the measures, new measures were added, irrelevant or completed measures were removed or adjusted. Finally, the Revised ESRP 2022 provides information on the indicative budget necessary for implementation of the reforms.

- Ms. Prodanova, EUD Programme Manager noted the less ambitious target values for impact level employment and unemployed indicators compared to previous ESRP. Mr. Petreski explained that the revision of the indicators was guided by the current policies and what was achieved so far. Some indicators in ESRP 2020 were overestimated, but with the revision the intention was to be as realistic as possible.
- Mr. Lazovski, UNICEF representative, made a reference to the ambitious target of 16% of the relative poverty rate. He questioned the feasibility of the set target by 2022. Mr. Petreski confirmed the relevance of the comment. He explained that all social protection reforms, both the social assistance and the reformed social services are expected to reduce the poverty rate by 2022. However, there is a risk as there are policies that shift the median equivalent income upwards, which leaves more people below the poverty rate (set at 60% of the median equivalent income). Nevertheless, MLSP and the expert himself believe that the reforms have a potential to reduce the poverty rate to the proposed level. The target certainly reflects the ambitions of the policy makers. Minister Carovska, pointed out that it could be expected that the 16% poverty rate might not be achieved. However, all social benefits are planned to be adjusted annually and to follow the rise of the minimum wage. Hence, it could be expected that the poverty rate will further decrease.
- Mr. Vchkov, UN Women representative, stressed the need for segregation by sex of the outcome and process indicators of the Revised ESRP 2022. There are significant gender inequalities in all three areas. In addition, one of the SDG is gender equality and it should be taken into consideration in the implementation of the ESRP 2022. Gender-based statistics is key for creating gender-sensitive policy measures in the future. Mr. Petreski explained that the indicators are reflection of measures. There is



a gender specific objective in the Employment and Labour Market Pillar; hence the indicators in that segment are presented by sex. This was not the case with the other pillars. Ms. Carovska pointed out that the comment should be considered and where possible integrated.

- Ms. Boshovikj, FOSM representative, besides the written comments, proposed new indicators linked to the Comprehensive education strategy under second pillar and pointed out the need to have gender sensitive indicators. Ms. Popovska, IPA Coordinator in MES, explained that although not all indicators are enlisted, there are impact indicators that might be further elaborated and this was explained during the technical meetings.
- Ms. Bojane, UNDP Resident Representative, highlighted the effort to align the Revised ESRP 2022 with the realities in the country, but also with the priorities in the pre-accession and with the UN SDGs. She suggested when there are measures to support vulnerable populations, it is important to understand specific dimensions. For example, when we talk about women and we talk about women in employment, we can achieve increase in employment, but there are differences in amount paid (pay gaps), and then the differences will still persist. While it is important to adjust the indicators, it is important to unpack certain dimensions, so that we understand which specific actions should be taken. Statistics should be disaggregated as much as possible and further efforts should be put in that direction. Moreover, support should continue to the adult education and to training that equip adults with relevant labour market skills. She pointed out that those were general comments having in mind that she did not receive the draft document. MLSP representative explained that the draft document was currently only available in Macedonian language and as such it was circulated to the SWG members prior this meeting and published on the MLSP web-site.
- Ms. Dimovska, Director of National Agency for European Educational Programmes and Mobility, informed that in 2020 a report will be released on the situation of adult education in EU Member States, which will create a basis for crafting the future policy, especially in the context of IPA III financial perspective. Significant importance is attributed to the adult education in the Erasmus programme and greater financial allocations will be earmarked to support the adult education in the new financial perspective.

II session – Performance Assessment Framework (PAF) in the sector "Education, employment and social policy"

- Mr. Drago, Team Leader of the project "Support for the Management of the EU Funds", elaborated the process of preparation of the PAF framework for all sectors in the country. The lists of indicators were finalised in almost all sectors. He explained that the existing statistical data on EU and national level were basis for compiling the PAF indicators. The guiding notion was to set understandable, credible and reliable data for all sectors. More specifically, the PAF for the EESP sectors consists of 48 basic indicators; some indicators are segregated by gender. Each indicator is elaborated with a definition, estimation, denominator, nominator, how to do the calculation, benchmarks and data on EU level, source of data (EUROSTAT or SSO data) for the country, EU and Balkan region. SEA/NIPAC will inform the Government about the overall PAF process and the finalised list of indicators. However, line ministries will have possibility to introduce new indicators over time.

He presented the web-based platform (in development), which visualises the PAF indicators for all sectors. The responsibility for management of the system will stay with the NIPAC office. NIPAC office will be the administrator of the system. The system will be decentralised at the level of the line ministries. The line ministries should have responsibilities for following and entering data in the web-based platform. There is an intensive discussion with the State Statistical Office to establish a direct link between the platform and the State Statistical Office, so that the system will enable automatic update of data. The system will increase the understanding about the performance of the country compared to the EU Member States or Balkan region countries and thus it will also facilitate the choice of targets.



- Ms. Prodanova, EUD Programme Manager, emphasized the necessity of complete integration of the PAF indicators and the indicators in the Revised ESRP 2022. PAF should be seen as visualisation of what's happening with the policy in the country. Mr. Drago confirmed that the PAF indicators are substantially the same with the ESRP indicators, except for the ESRP process indicators. Ms. Slavkoska, MLSP added that the ESRP was the basis for development of the PAF indicators. However, the PAF is limited to the impact level indicators.
- Ms. Naceva, World Bank Senior Education Specialist, congratulated on the coherent framework of smart indicators, which enables access to validated statistical data. It will allow that funds are used for in-depth analysis of the available data and will bring the policy making to a new level. She acknowledged the solid selection of indicators. In the area of education, they cover the most important dimension of the education system: quality, accessibility and inclusiveness of the system. She made a comment regarding the relevance of the indicator "Number of students by classroom. OECD and WB analyses regarding the efficiency of expenditures and efficiency of the education system in general as well as the PISA and TIMSS reports clearly demonstrated that the number of students per classroom does not influence in any way the results of the students. She proposed to use "Number of trained teachers in a given year" as trainings of teachers clearly contribute to better outcomes and good quality of education. Furthermore, despite the importance of the EMIS for data gathering, the indicator related to the EMIS system is not a critical measure for the quality of education.

Regarding students' performance in international testing, Mrs. Naceva suggested to reformulate the indicators to "Improvement of the language, mathematical and scientific literacy of the students". Such formulation will explicitly demonstrate the intention of the country to improve the basic literacy of the students. PISA and PIRLS will feed the indicator.

Finally she suggested usage of "Percentage/share of all students undergoing practical training" instead of using absolute numbers.

Ms. Popovska, IPA Coordinator in MES confirmed that the comments will be taken in consideration and that the indicators could be further redefined. She also highlighted that besides gratitude, the support for introduction, analyses and use of PAF indicators would be welcomed and institutional capacities should be further strengthened.

Ms. Buleska, USAID Education Specialist, pointed out the importance of the inclusiveness of the education system and informed about the intention to submit written comments.

Mr. Bertolini, EUD Head of Cooperation, highlighted that the PAF is well developing and open process that could be improved further. It is important that the Government adopts the indicators as soon as possible. Additionally, the SWG for Roma integration will need to finalise the list of indicators relevant for Roma inclusion. Finally, Mr. Bertolini announced establishment of a SWG on Health and that certain actions in the health sector will be considered for support in the next financial perspective.

Conclusions

- Final version of Revised ESRP 2022 with its annexes after integrating the comments will be submitted for approval to the Government, and afterwards will be disseminated to the EU Delegation.
- Any comments to the PAF of indicators should be sent by 25th December. The list of indicators will be further subject to approval by the Government through SEA and the final list to be disseminated to the SWG members.
- Next SWG meeting for this sector shall be organised in February 2020.

Annexes:

Annex 1 Agenda



Annex 2	List of participants
Annex 3a	Presentation on Revised ESRP 2022
Annex 3b	Text of Revised ESRP 2022
Annex 3c	Table of indicators and benchmarks of Revised ESRP 2022
Annex 3d	Table of matrix of objective and measures of Revised ESRP 2022
Annex 4	PAF indicators of EESP sector

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