

## Draft Minutes of Meeting

### European Pillar of Social Rights: challenges and opportunities for the Western Balkan economies

#### Regional webinar

19 November 2020

On November 19, 2020, the RCC's Employment and Social Affairs Platform 2 (ESAP2) project together with the EC's Directorate-General for Employment, Social Affairs and Inclusion, organised a regional online meeting entitled "European Pillar of Social Rights: challenges and opportunities for the Western Balkan economies".

The meeting brought together representatives of Ministries of Labour, Ministries of Education and Ministries of Finance from the Western Balkans, as well as representatives of the European Training Foundation (ETF) and the International Labour Organization (ILO).

The aim of the meeting was to promote the European Pillar of Social Rights by presenting the findings to a wide range of national stakeholders. This meeting also served as a first contribution to the strengthening of the EU dialogue with the Western Balkans with a view to promoting the implementation of the Pillar objectives.

**Ms. Tanja Mišević**, RCC Deputy Secretary General, opened the regional meeting by saying that Western Balkan societies fall short in many socio-economic aspects. RCC, together with our partners – governments in the region, European Union (EU) and many others, work to reduce this gap between the region and the EU. The Common Regional Market, recently adopted in Sofia, is a plan on how to overcome these challenges by boosting trade, investments, digitalisation, connectivity, etc. In these unprecedented times of uncertainty, caused by the COVID 19 pandemic, social rights are more important than ever, and need to be addressed immediately, since these are basic livelihood topics: jobs, wages, access to education, inclusion of vulnerable social groups, health care, access to water and sanitation, etc.

Inequality in the Western Balkans is high: the ratio of average income of the richest 20% of the population to the average income of the poorest 20% of the population ranges between 6.2 and 8.6, higher than the 5.2 average in the EU. Inequality disproportionately affects women, youth, Roma or persons with disabilities and these issues should be addressed as a matter of priority.

The issue to be addressed is how the governments of the Western Balkans can help improve the lives of citizens and support more inclusive and fairer societies, especially for youth. The region needs to



This project is funded by the EU

find a way to make it more attractive for our young people to stay here and not leave, as brain drain is becoming ever bigger problem in the Western Balkans Six.

**Mr. Marcus Pilgrim**, Director of the International Labour Organisation (ILO), Office for Central and Eastern Europe, discussed the role that social dialogue has played in finding responses to the pandemic. The first part of his presentation was a refresher on the importance of social dialogue while in the second part he used the pandemic as case to analyse to what extent the social partners were involved in the WB when designing the concrete policy responses.

The key assumption for social dialogue to matter for economic and social progress is that its potential benefits are higher than the costs, adding also the time factor as important, as social dialogue takes time, and quick reactions are much needed in crisis. He presented the country assessments of the labour market impact of the pandemic in WB economies. The impacts are higher if trade unions are autonomous, organised at industry level as no internal competition in the union movement. The effects are higher in case of so called dual system where the labour councils at the enterprise level are focused on proactivity, crises, innovations and the sectoral level is dealing with the conflicting topic of wages. Similar results are at national and sectoral level. There is no empirical evidence for the WB on link between the social dialogue and the economic social progress.

In spring 2020, ILO initiated in-depth national assessments of the labour market impact of the pandemic in the WB. The traditional indicators for the labour market such as unemployment, employment, inactivity didn't show the real situation. Therefore, ILO introduced an indicator which is a short-term alternative and it measures the number of working hours lost. During the spring lockdown the number of working hours lost significantly increased. Generally speaking the social dialogue didn't take place in the WB. There are some exceptions like the North Macedonia.

At the end Mr. Pilgrim highlighted the topics for social dialogue on the responses to the pandemic such as to target better and diversify, to use ALMPs, particularly for certain categories and in the spirit of intergenerational solidarity, to experiment with non-contributory unemployment assistance or relax eligibility criteria for UB, to extend access to certain forms of protection such as new poor/new vulnerable, to adjust labour legislation.

**Mr. Jordi Curell Gotor**, Director, Directorate General for Employment, Social Affairs and Inclusion, European Commission, reminded the attendees about the initiatives undertaken so far within the EPSR. He stressed the EPSR is also very important for the WB economies. However, a very strong commitment is needed from the public authorities as well as involvement of social partners. He highlighted two very important elements of the discussion. The first one refers to the method and that is the regional approach in exchanging best practices, information, experience, learning from each other. The second one is the importance of social dimension since the economy which does not fight inequalities would not function. The objective of the meeting is to strengthen the dialogue with WB in order to foster the implementation of EPSR, which is also part of EU economies. In that sense, he also mentioned the accession process. He pointed out that the Chapter 19 on Social Policy and Employment has been



This project is funded by the EU

already negotiated with Montenegro. They expect to start the negotiation process with Serbia soon. The Acquis Communautaire is a precondition for the accession process.

**Mr. Bernd Wild**, DG EMPL, talked about the European Pillar of Social Rights. The European Parliament, Council and the European Commission jointly proclaimed the European Pillar of Social Rights on 17 November 2017 at EU Social Summit in Gothenburg. It was fully endorsed and further developed under the new Commission. The Action Plan will follow in 2021.

The initiative sets out 20 principles aimed at delivering new and effective rights for citizens. The Social Pillar's key principles are structured around three categories: equal opportunities and access to the labour market, fair working conditions and adequate and sustainable social protection. The Pillar serves as the EU's compass for achieving better living and working conditions. Making sure that the Social Pillar's goals become reality is a shared responsibility between the EU institutions and EU Member States. Together, they monitor how the principles are put into practice through the "Social Scoreboard", a tool that tracks trends and performances in different thematic areas across EU countries.

In 2019, a proposal for a directive on work–life balance for parents and carers, was adopted. It introduced the paternal leave up to 10 days. The directive sets out to provide carers with additional leaves of absence in the interests of promoting a better work–life balance. The European Labour Authority was also established in 2019. The role of this body is to help improve cooperation between EU countries, coordinates joint inspections, carries out analyses and risk assessments on cross-border labour mobility issues and mediates disputes between EU countries. The seat of this authority shall be in Bratislava, Slovak Republic. In 2019, the Council adopted the Recommendation on Access to social protection for workers and the self-employed.

As regards recently adopted initiatives the Directive on Minimum Wages was adopted in 2020, which ensures that workers in the EU are protected by adequate minimum wages allowing for a decent living. The proposal also aims at promoting collective bargaining on wages in all Member States.

The European Commission has recognised the importance of short-time work for avoiding unemployment and supporting employees' wages while at the same time allowing companies to adapt working hours to the drop in demand. Therefore, SURE programme was adopted in 2020 in order to provide financial support to national short-time work and similar systems.

Also, Youth Guarantee was reinforced in 2020. A recommendation for more inclusive measures to boost youth employment was adopted. The new Youth Guarantee reaffirms the commitment of the EU member states to set up national schemes through which young people can receive an offer of employment, education, traineeship or apprenticeship within a period of four months of becoming unemployed or leaving formal education. At the same time, the recommendation extends the age limit for targeted young people from 25 to up to 29 years and provides for better inclusion of persons from vulnerable groups, such as NEETs, young women and people with disabilities.

Further initiatives in the pipeline are as follows:

- Improving working conditions of platform workers (2021)
- EU Disability Strategy (2021)



- A new Occupational Safety and Health strategy framework (2021)
- Action Plan on Social Economy (2021)
- Child Guarantee (2021)
- Initiative on individual learning accounts and micro credentials for new skills (2021)

Mr. Wild also spoke about why the European Pillar of Social Rights is important for the Western Balkans. There should be a political commitment of WB leaders. The assessment in the Economic Reform Programmes is used to produce the recommendations that also cover employment and education. National specific reforms are issued. The annual reporting is also in place since the beginning of the enlargement process. The implementation of Acquis Communautaire is a condition for accession. Inclusive, fair and knowledge based societies create sustainable growth.

Rolling out the European Pillar of Social Rights in the Western Balkans is also important from the economic point of view. The Western Balkan Ministers in charge of social policy committed in November 2018 to strengthen the social dimension of enlargement policy. WB Ministers adopted European Pillar of Social Rights as framework for social policy development in their countries. It was endorsed at WB Balkan Ministerial 2019, where the first review on the performance of the social rights took place. There are a lot of spin offs and follow up actions e.g. on Youth Policy in North Macedonia. EU marks funding to the social sector under IPA III.

**Mr. Nand Shani**, ESAP 2 Team Leader, said that the RCC's Employment and Social Affairs Platform 2 (ESAP 2) project prepared the Regional Overview of Western Balkan economies regarding the European Pillar of Social Right, which is based on six national reports from Western Balkan economies. A social scorecard was produced covering 15 headline indicators and 79 breakdown indicators.

Mr. Shani presented the main findings of the Regional Overview. It shows that important challenges remain in education systems which need to be aligned with labour market needs. Adult participation in formal and non-formal education and training should also be increased. There is still inequality between men and women in the labour market with regard of participation, employment and wages. Ensuring equal opportunities, especially for marginalised groups, remains an important challenge. The Western Balkans cope with the unfavourable labour market outcomes, particularly for vulnerable groups (37% of the total working age population is inactive, youth unemployment is 32%). Informal employment constitutes a substantial share of employment in all Western Balkan economies, estimated to range from 18% to around 30%. Wage levels in the Western Balkans are still low by European standards. Social dialogue is underdeveloped and ineffective. There is room for improvement in the area of health and safety at work in terms of implementation and institutional capacity. Children are disproportionately exposed to poverty in the Western Balkans. Although improving, preschool education coverage is still low. Better coordination among the different social protection programmes is needed in order to ensure complementarity towards job creation and poverty reduction. The rate of unemployed persons receiving unemployment benefits is very low. The coverage of the poor with social



This project is funded by the EU

assistance programmes is low due to restrictive eligibility criteria and high poverty rates. The pension coverage rate is high in most Western Balkan economies. Public spending on health is low and often declining throughout the region. The participation of persons with disabilities in the labour market is very small. The major type of support service to people with disabilities is the residential institutional care. Long-term care is unavailable and unaffordable to a large number of elderly people. Homeless people are often not recognised as a special category of persons in need, and data on housing needs are often incomplete. Access to water, sanitation and electricity is high throughout the region, with some exceptions in remote areas. Public transport is not available in many municipalities. Internet access has improved significantly in recent years in the WB. Digital skills are moderately developed. Access to financial services is improving, albeit far from universal, especially for certain groups of population.

Mr. Shani also spoke about the next steps from the ESAP perspective, such as to set up an annual process of monitoring progress in the implementation of the 20 principles of the EPSR: this entails further improvement of data collection and harmonization across the region. Also, there is a need to develop a compendium of good practices and promote mutual learning and support within the region and with the EU.

**Ms. Ada Huibregtse**, Chief Technical Advisor, ILO Office for Central and Eastern Europe, Employment and Social Affairs Platform, stressed the importance of social dialogue, as one of 20 principles of EPSR and an indispensable instrument which creates policies that account for a diverse interest of social partners. She also talked about the current state of social dialogue in Western Balkans. All WB economies have the legal infrastructure which enables the existence and functioning of social dialogue. They also ratified ILO conventions as basis for social dialogue and collective bargaining. SDIs have a broad legal mandate to address a wide range of economic and social issues. All WB economies established the institutions and mechanisms for tripartite social dialogue. A tripartite social dialogue is more prominent than collective bargaining. Governments have a somewhat poor understanding of their role and commitment of policy- and law-makers to tri-partite dialogue is weak. There is lack of engagement of senior level officials and institutions. Social dialogue institutions have limited institutional resources, which includes human, financial, or skills resources, technical capacity of their staff, organisational and technical capacity of social partners. The relationship between unions and employers' organizations is often at an impasse. There is a low level of trust among tripartite actors, poor utilisation of social dialogue and insufficient capacities of SDIs and members. As regards the approach to strengthening social dialogue, there is a need for a change of attitude and a compromising mind-set among tripartite actors. Also there should be a political will or understanding and acceptance of the role of social dialogue among policy- and law-makers. ESAP Project is taking the approach of self-improvement of social dialogue institutions. This approach focuses on increasing the effectiveness and efficiency, strengthening SDI standing committees, conducting the capacity building activities, facilitating external expertise from academia and think tanks, allocating the budget, improving efficiency and management. Also, they should introduce a performance monitoring system, which will have clear, focused and feasible objectives, identify and address the bottlenecks, as well as generate, collect,



This project is funded by the EU

manage and utilise knowledge. All this with the aim of increasing the SDI competitive advantage over other policy institutions or actors because SDI, given that its performance is improved, its capacity improved, will not only generate the high quality policy recommendations but these policies will have a consensus of broad social and economic constituents or STRADA. ILO hopes to transfer SDIs and partners that are part of it into influential players in developing public policy.

The ETF representatives, **Ms. Cristina Mereuta**, Labour Market Specialist, and **Ms. Lida Kita**, Specialist in VET and Social Inclusion - Country Coordinator Serbia, Turkey and Israel, talked about the skills for the labour market: current situation and the way forward.

**Ms. Kita** said that ETF completed the report analysing youth in WB and Turkey. She pointed out that there have been a lot of progress and achievements. There is also a lot of peer learning among economies. Even in the situation of pandemic there is a great exchange among economies. There are many innovative policies as a result of pandemic. All WB economies increase the number of university students. However, there is no link between the diploma and skills obtained and a career path. There are a lot of young persons from marginalized groups who feel left out, especially during this period.

**Ms. Mereuta** talked about the impact of COVID-19, the risk and opportunity factors. As regards the impacts the poverty, inequalities, polarisation increased. Education was discontinued, there is a risk of drop out, the learning is less practical, there are increased mismatches due to labour demand shifts. As regards the opportunities, new forms of work are arising, and there is potential for strengthening public and private sector cooperation, civil society contribution and possibility to shape the education of tomorrow.

When it comes to priorities for guiding the recovery efforts and preparing for a different socio-economic paradigm, in line with the principles of the European Pillar of Social Rights, they are as follows: development or more decisive implementation of national strategies to foster digital transition with clear skills development components, adapting education and training systems to the new needs of digital economies and societies, and opening them to all citizens of all ages, innovative partnerships and balanced regulatory models for supporting sustainable "new forms of work", social protection with universal coverage, and reducing inequalities and vulnerabilities, strategic investment in digital transformation and combating climate change.

When it comes to skills dimension of crisis management and recovery agenda they should include the provision of incentives for skills development programmes for all in need of upskilling or reskilling. It should be invested in digital services and training of public services staff, address areas of vulnerability with accurate information to shape targeted policies. Also, education and training, and transition to work for the COVID- 19 generation should be supported. There is a need to invest in digital services and to train public service staff to cope with this new paradigm. Millions of students experience limited access to practical training and apprenticeships, companies have fewer resources to invest in young people. There should be upskilling and efficient measures to help transition into employment.



This project is funded by the EU

Since the financial packages and health care measures have a high cost, this can limit the availability of funding for investment, human capital development, innovation and other development incentives.

Ms. Mereuta concluded by emphasizing the need for enhanced cooperation not only when it comes to labour legislation but also the skills so to have common information when designing the policies.

**Ms. Daria Duilović**, Head of Department for Coordination of Education Policy, BiH Ministry of Civil Affairs, said that BiH is a very complex state and that the Ministry of Civil Affairs has a coordinating role in all issues regulated by the EPSR. This includes the education, employment, social protection, health, etc. Referring to the review on performance of BiH regarding EPSR, Ms. Duilović pointed out that it is not fair to describe BiH education system as very bad. She is disappointed that nobody has consulted their department within the Ministry of Civil Affairs while updating the document. The education reform is not one time event. It takes a lot of time and it is a continuous process. The focus is placed on two key areas and these are learning outcomes and key or life competences. BiH follows the former EU approach to education. This means that focus in education should be on education for employment, education that would raise the employability and skills of young people. The only thing recognized in the mentioned review is that BiH got new pre-school education strategy two years ago and that significantly increased number of children in pre-school education. BiH has adopted this year a new entrepreneurial learning strategy for the next 10 years covering all levels and types of education. BiH is just about to adopt the new VET strategy as it was required by the European Commission. Ms. Duilović underlined the fact that in the case of BiH she agreed with the detected lack of skills mismatch with the labour market. However, there is another huge problem that cannot be addressed by education and training only and that is that there is no real labour market demand. She briefly touched upon PISA results. They are similar in all WB economies and show that without changing of the educational paradigm, learning and training, teaching, learning outcomes and key competencies, the children and youth will continue to face a lack of demand. There is a need to critically think, to become digitally competent, entrepreneurial competent, etc. The pandemic caused a huge setback for the education reforms, for schooling system because it resulted in further division of vulnerable groups, led to further digital division, etc. The crisis affects mainly the high school and university students since there is no longer a school practice to develop certain skills and competencies, especially in VET education.

As a conclusion, Ms. Duilović emphasized the importance of mini Schengen and full activation of the Berlin process as a unique opportunity for WS six to follow the experiences of Visegrad Group before they joined the EU. In light of the EPSR, Ms. Duilović proposed to RCC and colleagues from EU to concentrate the cooperation in the WB region on education, training, things like brain circulation, mutual recognition, regulated professions, quality assurance. There are some attempts and initial activities in higher education. However, there is a greater need for activities in vocational education. Ms. Duilović ended by saying that BiH is unfortunately too much donor driven when it comes to reforms within EPSR. However, the good thing is that BiH is also very much EU accession driven.



This project is funded by the EU

**Mr. Xhavit Rexhaj**, Deputy Minister of the Ministry of Education in Kosovo\*, reflected on the current situation in Kosovo\* with regard to the ESPR review report made in 2020. There are mid-term and long-term developments but they are severely affected because funds and budgets have to be reallocated to some other more priorities areas due to the pandemic. The education system is underperforming in Kosovo\*. The problem is not only the low level of inclusion of children in pre-school education. According to the PISA report the pre-school education is also of a poor quality. As a result of the pandemic a lot of new thing aroused. There is some kind of transformation due to Covid-19 pandemic, such as democratisation of system, parents are to much larger extent part of education system, children are more responsible members in the education system as a result of distance learning. Other transformations are the imposed digitalisation, curriculum and number of classes reduction, growing and deepening disparities, change of the playground since teachers find themselves more now in the digital world learning how to work online. As a result of the pandemic the curricula is being compressed. Digital versions of textbooks and digital materials became very important. There is also a need for teacher training to be able to work on line. The learning environment has changed since Zoom has become a classroom. In the process of changes there is also need to provide for the pillar of social rights. The education system can help that by increasing the inclusion and improving early childhood education in particular in VET. In the last 4-5 months they have been creating the conditions for students to be able to attend school. The task forces have been established and funds have been allocated for that purpose. They have a very good cooperation with the National Institute for Public Health. Teachers are working double shifts, however they are not complaining.

When it comes to the mid-term goals there is a need to expand early childhood education to 50%. Kosovo\* has the lowest inclusion in education of age group 0 - 5 in Europe. The government is working on the strategy to ensure higher level of employment of VET students through the work based learning experiences. There are some good practices in centres for competencies.

**Mr. Anton Gojani**, Coordinator for Quality Assurance and Higher Education, Aligning Education and Training with Labour Market Needs – ALLED Phase II Project, explained that the project is working on two levels, at the school level and at the system level. The application of all digital and smart tools needs to be aligned with all evidence-based policy making, with the new skills agenda as approved in 2020. Mr. Gojani emphasised the two key topics. One of them is the Skills Barometer, which is an instrument that the project is working on together with the Kosovo\* Chamber of Commerce in order to apply the demand driven skills foresight. The idea is to have a systematic approach towards the harmonisation of supply and demand side in education through conducting a regular and systematic skills barometer. This goes along with the full application which is the first priority of “Pact for Skills” of the EU skills agenda.

The second key topic is the Labour Market Barometer. The idea is to focus on inter-operability, block chain technology, internet, which enables to have a real time and comprehensive data on

---

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence



This project is funded by the EU

education and labour market. The solution is going to be open for public in December 2020. In a simplified scheme this is how Kosovo\* will go smart through the evidence based policy making process.

**Ms. Ljiljana Pavlović**, Association of Employers of Serbia, emphasized that the Republic of Serbia has decided to build a social model based on the European social model. It also agreed to use the European Pillar of Social Rights to further promote reforms in the social sector and align labour markets and social protection systems with those in the EU. The key driver of further development of social and economic rights is social dialogue. During 2019, the Republic of Serbia significantly improved the legislative framework. The involvement of social partners in the dialogue in Serbia is not sufficiently developed. Even after two decades of existence, the Social and Economic Council of Serbia has failed to impose itself as the basic form of establishing a dialogue between the authorities and representative trade unions and employers' organisations. There are still very current policies aimed at achieving a unified and fair access to basic and currently important social services and improving the social protection system, but also education of the workforce and employment with special care for vulnerable categories of persons who are less represented and have more difficult access to labor market.

Republic of Serbia is recording employment growth despite the current crisis, which is seen as a result of economic measures and direct financial incentives of the Government of the Republic of Serbia. However, the crisis has seriously affected certain economic sectors such as tourism and catering, where there is a threat of layoffs and closures. The reaction of the social partners is recognised in the initiatives and proposals for the recovery of these industries in order to preserve jobs and to recover and re-establish the company's business. New circumstances dictate special attention when it comes to hard-to-employ categories of persons. Currently, work is underway on the development of the Employment Strategy as well as on the development of the National Action Plan for Employment, within which priority is given to subsidizing hard-to-employ categories of persons. The funds allocated so far were small and accounted for less than 0.08% of the budget. A new programme "My first salary" has been initiated, which aims to encourage the employment of young people without work experience. Education is key to ensuring equal opportunities and access to the labour market.

Ms. Pavlović emphasized some positive aspects of the crisis caused by the COVID-19, such as the fact that the pandemic has accelerated a slow bureaucracy and administration and forced them to act immediately, to mitigate rigid procedures and systems. Many institutions have accelerated their business by switching to digital platforms. Challenging times opened up space for a number of innovative solutions. Teleworking enabled employees to do their work from different locations. Persons who would be prevented from performing work in a typical employment relationship, e.g. people with disabilities, single mothers and others, in this way were given the opportunity to exercise the right to work that would otherwise be impossible. Developments in terms of education and its quality that will follow the labour market demands are necessary. It is also necessary, with more budget allocations, to help include in the labour market all vulnerable categories, including women and persons with disabilities, persons over the age of 50, Roma and persons with low or no qualifications. A full-scale fight against the informal economy and undeclared work is necessary.



This project is funded by the EU

Social dialogue is the best way for a country to step out of a zone of high social and political risk, and finally take a firm step on the path leading to democracy and prosperity. Therefore, social dialogue, especially in the Western Balkan economies, has no alternative.

**Ms. Natasa Vukašinić**, Social Council Secretary of Montenegro, said that since the establishment of the Socio-Economic Council in February 2002, Montenegro has been designing and looking for a model of social dialogue that will best meet specific needs. Social dialogue is also contained in the Constitution of Montenegro, in Article 65. In December 2007, the Law on Social Council was adopted. The Social Council is an advisory body and includes collective bargaining and deliberations concerning the living and working conditions of employees and employers. It has 24 members, 8 from each of the social partners and the government. Social dialogue is needed more now than ever. The Ministry of Labour sends all regulations it passes to the Social Council. A vivid example of social dialogue is the negotiation of a new Labour Law, in which representatives of the social partners and the non-governmental sector participated equally. The European Social Charter is interwoven through this law. The Labour Law entered into force in January 2020 and due to the pandemic there is no realistic assessment of its impact. A general collective agreement is currently being worked on. However, due to the pandemic, some new parameters have emerged that need to be further agreed upon, such as distance work, distance learning and similar. The Labour Law also prescribes the minimum wage. One of the goals of the minimum wage is for families with the lowest incomes to be above the poverty line, but for those wages to be such as to preserve the functioning and operation of micro-enterprises where the largest number of employees with a minimum wage is. The minimum wage is currently 30-40% of the average wage in Montenegro. In mitigating the consequences of the pandemic, the Government of Montenegro has adopted 3 packages of measures. The social partners were also involved in the second package of measures related to the assistance to citizens and businesses.

A few days ago, MONSTAT, recognizing the huge impact of the pandemic in creating relevant policies, created an incentive of 60 indicators. According to the data presented by the economic activity of the young population aged 15-24, this population was significantly affected by the pandemic in the second quarter of 2020 and decreased by 34.3%. Then employment decreased by 8.6%, but the inactivity of the population also increased by 10.5% due to the inability to look for job. New working conditions due to the pandemic, such as work from home, complete closure of some activities, led to disruption of supply and demand for both goods and services, and thus reduced the income. Next year will be marked by a recession, bearing in mind that the Montenegrin economy is oriented towards tourism. Social rights will be a serious challenge in the times ahead.

Ms. Vukašinić ended by saying that the crisis has shown that preserving the macroeconomic system and the financial system is crucial to increasing resilience to economic shocks. This will depend on productivity growth, and social dialogue is definitely necessary for that.



This project is funded by the EU

**Ms. Irena Ivanovska**, Advisor for International Cooperation, Cabinet of the President of the Federation of Trade Union (SSM), Republic of North Macedonia, emphasized that the current health crisis has deepened the problems and challenges. Mankind has faced a series of negative consequences for human life and health, economic downturn, stagnation or a drastic reduction in certain economic and social activities. All this required a swift and decisive response from the states and governments.

In conditions of health crisis, social dialogue enabled the involvement of SSM in the creation of the measures and activities for maintaining the economic and social functioning of the state. The main goal of SSM was to keep jobs and not to leave any worker without income. All stakeholders must share the burden and challenges in order to create a better society. Since the beginning of the health crisis, SSM has been holding regular meetings with representatives of the Government and individual ministries.

Based on SSM initiatives, the following was provided: continuous financial support to the economy with priority of retaining jobs and payment of workers' salaries, more efficient care and protection for the citizens from the consequences of the infectious disease with special emphasis on the vulnerable categories of the population.

The proposals and initiatives of SSM were aimed at providing healthy and safe working conditions in companies, implementing an efficient educational process with full protection of the health of children and youth and promoting and organising the public health system in accordance with the world tendencies.

Many activities undertaken before the health crisis, aimed at promoting workers' rights, were stopped due to the imposed priorities. SSM is committed to continuing the social dialogue at all levels at the maximum possible pace in these complex conditions. In that sense, the social dialogue in the Republic of North Macedonia in this period continues in the direction of: Adoption of a new Law on Labor Relations, signing of general collective agreements both for public and private sector, signing and extension of the validity of the CA at branch level and employer's level, introduction of several retirement conditions in the Law on Pension and Disability Insurance, increase of the minimum wage, healthy and safe working conditions and Protection of workers who are ill, are in isolation or self-isolation due to COVID-19

Ms. Ivanovska concluded by saying that social dialogue is fulfilling its function. SSM is open for cooperation with the Government, the representatives of the employers, other trade unions, the NGOs, the academia, etc. in order to improve the position of the workers and the citizens in general. The health crisis has shown that results and efficiency can be achieved only with an integrated approach of all stakeholders in society.

**Mr. Gerti Janaqi**, General Director, Agency for Quality Assurance on Pre-university Education, Albania, talked about the reforms in the pre-university education system in Albania. The reforms started in 2013 and are based on different documents, National Strategy for Development and Integration 2015-2020, 2030 Agenda for Sustainable Development, Education and Training 2020, Key Competences for life-long learning, etc.



This project is funded by the EU

Mr. Janaqi gave an overview of how the education system in Albania looks like. Two ministries competent for education are the Ministry of Education, Sport and Youth which cover the entire system of education and have 4 regional directories and 52 field offices in each municipality of Albania and the Ministry of Finance which covers the professional education or VET education together with all agencies responsible for this area. He also gave an overview on what has been done in the past 8 years. First they have conducted a reform of curriculum of the pre-school education. Their curriculum framework for pre-university education has been harmonized with the one in Kosovo\*. Therefore, the national framework is the same. It is a competence-based curriculum, which has been piloted for 8 years. 5000 teachers have been involved in national discussions on curriculum.

As regards professional development, there were several in-depth reforms in the period from 2013 to 2020. For example, the training modules offered for teachers have been standardized. They have also launched a new training scheme. The regional directories and field offices have been reconstructed by increasing the number of persons in field offices who cover the qualification of teachers.

As regards the professional qualification of teachers and school leadership they have established a new school of leadership. It is one of reforms that have been conducted in cooperation with the American Development Fund. It is a national body under Ministry of Education, Sport and Youth which has a mission to accredit the school directors and validate their licenses.

As regards assuring the inclusive education, a lot of reforms have been conducted from 2013 to 2020. However, a lot still needs to be done. They have at least 2069 teachers who work with children with disabilities. Multidisciplinary teams are working with the social security centres in order to improve the quality of inclusive education.

There was also a textbook reform with the aim to produce the quality based textbooks. The textbooks offered are from Oxford, Pearson, and Cambridge. The books are free for kids from 1<sup>st</sup> to 7<sup>th</sup> grade.

School as a community partnership or school as a community centre is another reform. It is a kind of initiative started in 2013 and as a result of that there are 360 schools which operate as community centres.

One of main problems is the politisation of teachers in schools. Therefore they have worked on restoring the teacher's dignity with the slogan "No politics in school". They created the new standards on recruiting teachers. After teachers complete the university and obtain the license they have to complete the national test. The teachers who score the highest score have the right to choose the place of their first employment. It is expected that as of 1st January 2021, the salary of teachers shall increase by 50%.

School evaluation has been a weak point. In 2013 there were 32 inspectors per 100 schools. They have increased the number of inspectors, revised the tool for internal and external evaluation and completed the document related to performance of education system.

Digitalisation of education system was initiated on 2013. However, efforts increased during the pandemic. They invested USD 3,5 million in 120 digital classes. The technology of infrastructure has



This project is funded by the EU

improved. Digitalisation of curriculum has completed. In addition to printed textbooks, digital textbooks and curricula are also available. The pandemic has increased the demand for online processes. The national TV station has offered its service for online school classes.

One of the biggest challenges is related to inclusion and equality in education. The level of inclusion in pre-school education is higher than in upper education. In some areas there is still resistance to the inclusion of children with disabilities. Roma and Egyptian communities are still the most vulnerable groups even though there are programmes like “No children behind”. Psychosocial services in educational institutions are not fully consolidated. The plan is to have in total 800 persons employed in this kind of system of psychosocial services. Number of students is decreasing in some areas due to migration processes. In spite of efforts the school infrastructure doesn’t meet best standards. There is no quantitative initial teacher training programme. Continuous professional development programme needs better approach, it needs to be revised, more flexible in terms of online teaching due to pandemic. Mastering the skills of life/long learning is another challenge because there is a lack of supportive resources in some areas, limited capacities for monitoring improvement of new curriculum especially during the pandemic. There is insufficient support by teachers to implement a new teaching strategy. As regards digitalisation of education, there is insufficient number of computers and other ICT appliances in schools. The rules that exist in schools should be revised since there is limited access to computers and lack of public IT services in school. Internet connection is available, but teachers are not sufficiently trained to integrate ICT in teaching.

**Mr. Mladen Frckovski**, Head of Labour Market Unit, Ministry of Labour and Social Policy, Republic of North Macedonia, briefed the audience on the essence of youth guarantee, results achieved as well as challenges encountered and offered some recommendations. Back in 2017 North Macedonia started the preparations for the introduction of youth guarantee in 2018. Prior to introduction of Youth Guarantee they had first to map the process for youth aged 15-29, to establish what level of education they have. Each WB economy has a capacity for this. The next stage is to create a plan for this process. Given that The North Macedonia is a small economy they used the examples from EU countries of similar size and similar number of population and that were successful in this process. They also looked at the success of Baltic countries such as Latvia, and they were seeking for the specificities within each of these countries and North Macedonia. Youth Guarantee has been created after establishing of the coordination body that included main stakeholders from state institutions, such as Ministry of Labour and Social Policy, Employment Agency, Ministry of Education and Science, Ministry of local self-governance and other institutions related to Ministry of Education and Science. They also had partners dealing with the adult education and they have been involved in this plan. This helped them to prepare the course of action. They used all information, data to map the situation particularly pertaining to NEET. They have selected the most vulnerable areas. Three municipalities were used as an example. The civil sector was included as well. It is important because NGOs working with youth are one of the pillars of youth guarantee in providing data for NEET. Youth Guarantee has 3 pillars. First pillar is so called “the second chance” where the main importance was given to the ministry of education and science which



This project is funded by the EU

entails that this ministry verifies short programmes from 6 months to 1 year for qualification or retraining of young people who completed the secondary education. Usually it is a grammar school. Their task is to re-engage them in the education system and in the period from 6 months to 1 year, acquire the competencies that are most in demand in the labour market. At the same time the Ministry of Education and Science should start verifying programmes within secondary vocational schools where the plan shall be implemented to go forward with the second pillar which relates to the field work. NGOs should get acquainted with the policies related to difficult to employ groups, NEET, and provide chances for those groups for education in municipalities where the plan shall be implemented. When it comes to field work it was important to select diverse NGOs such as umbrella organisations where you have more than 10 organisations that are present in each region. This is important because one might select 3 different regions. Prior to engaging people from NGOs they need to be trained. They have also prepared a promotional material containing the logo of youth guarantee all with the aim to promote the youth guarantee. Training was conducted by verified trainers. The final pillar is the actual completion of the plan where the youth centres were engaged in the selected municipalities where they took over the plan. They have prepared the plan on who the beneficiaries will be, whether these will be difficult to employ persons and prepared all documents and decisions. Basically they prepared the background material for beneficiaries. Also there are employers who want to participate in this process. The last stage is the application of measures. Some of them pertain to direct employment, other to acquisition of skills, training sessions, etc. They have decided to expand the implementation next year to the most vulnerable groups. They were also looking at things that need to improve in terms of field work. North Macedonia was quite successful in this effort. Both, the field workers and Ministry of Labour and Social Policy had a control over the results of activities, prepared the reports on monthly basis. All these were sent then to the ministry. This year they have an idea to further work on NEET. Since the field workers didn't have a chance to travel they increased the number of persons involved to 10000. It could be said that more than 20000 persons participated in this process. Speaking about youth guarantee it exceeded the expectations. North Macedonia is very motivated and will continue the youth guarantee. They have already prepared a new plan until 2022. They have planned in the next period to introduce it in legislation, to introduce the Law on Youth Guarantee and hope to continue working successfully.

**Mr. Nand Shani**, said that the youth guarantee is a topic which deserves another full event. RCC, under ESAP project is also mapping the situation in the WB. As of next year the plan is to bring all 6 economies to share the experience where the North Macedonia will take the leadership in sharing the progress they achieved which other economies will be following soon.

**Mr. Lluís Prats**, Head of Unit DG EMPL, thanked to all participants by saying that it was a very useful meeting where a lot of information has been shared. Despite the special circumstances the communication and sharing of experiences continue. He also thanked the RCC for organizing the meeting. He expressed gratitude for the support and mutual cooperation of the RCC and the ILO. The pillar is about the inclusiveness and a fair society. In other words it is about delivering a social Europe.



This project is funded by the EU

The pillar has become one of the EC core activities. The activities need to continue in this process. It is going to be complicated not only for WB economies but also for the European Union. The implementation of the pillar is going to take a lot of time. It is important that WB economies start on reflecting on how to do this. It is an ambitious project, however it is worthwhile to do it. WB economies should not be discouraged by the current situation but should look to the mid-term and prepare for the next crisis. Mr. Prats added that he is looking forward to continue the reform process in the WB. These reforms, although sometimes difficult and painful, are necessary. These kinds of events can contribute to inspiring each other to continue this process. IPA III follows and will open a lot of possibilities, for example a youth guarantee which is included in pilot projects. EC will continue to strengthen the political dialogue with WB governments and will continue to use pillar in its semester process. The 2021-2023 ERP will include again the Pillar of Social Rights. At the end Mr. Prats emphasized the importance of cooperation and exchange of experience among WB six economies.

**Mr. Nand Shani**, said that the Pillar of Social Rights is a political commitment and important milestone in the EU integration process for WB economies. It emphasizes the progress in implementing the principle, help improve the life of citizens, help improve the more inclusive and fair societies in the WB. Mr. Shani concluded by encouraging all attendees to use the Employment and Social Platform in the future for sharing more on the progress in implementation of these principles and for learning from each other.