



THIRTEENTH ITEM ON THE AGENDA

Evaluations**(d) Independent evaluation of the ILO's
country programme of support to
Ukraine: 2000–06****I. Introduction**

1. Consistent with its policy and strategy concerning independent evaluations of ILO country programmes, the ILO has evaluated its programme of support to Ukraine.¹ This report presents findings and recommendations of the independent evaluation, conducted in early 2007. The report is based on a desk-based portfolio review of projects and other documentation, detailed interviews with key international and national constituents, development and implementing partners in Ukraine.
2. The purpose of the Ukraine country programme evaluation is to provide an independent assessment of approaches taken, progress being made against country-level strategies and outcomes, and to identify lessons learned to inform future strategy development and improve the effectiveness of the Decent Work Country Programme (DWCP) finalized in 2005.² The evaluation, which focuses on the ILO's programming approach and activities, includes recommendations to help focus outcomes and improve organizational effectiveness.
3. The evaluation was managed by the Evaluation Unit (EVAL) in close coordination with the ILO Europe Regional Office (RO) and the ILO Subregional Office (SRO) in Budapest. The evaluation team consisted of three persons: an external evaluator, an ILO evaluation officer and an ILO resource person from the Europe RO. The evaluation also benefited from the regular involvement of the national tripartite constituents, particularly in deciding the scope and process to be followed and providing information and their viewpoints to the evaluation team.

¹ This is a summary of the full evaluation report, which can be read at www.ilo.org/eval.

² For those countries where Decent Work Country Programmes are recently established, the evaluations review prior work as part of ILO support to the country in promoting decent work.

4. The country programme evaluation emphasized documenting experiences from Ukraine over the period 2000–06. The study involved a review of the full portfolio of project documentation including evaluations, interviews with ILO constituents, staff and external partners at global and national levels, and with those whom the ILO has targeted for support at project levels. Key aspects covered were:
- (a) the ILO's strategic positioning in Ukraine, its niche and comparative advantage;
 - (b) tripartite partnership and the ILO approach to developing a shared agenda;
 - (c) the focus and composition of the ILO programme;
 - (d) evidence of the direct and indirect results of the ILO's contributions;
 - (e) the efficiency and adequacy of ILO organizational arrangements; and
 - (f) knowledge management and sharing.

II. Country level strategy and programming framework

Situation in Ukraine

5. Ukraine has changed considerably since its independence in 1991. The period 2000–06 has been characterized by dynamic but volatile political changes which brought inconsistencies to the economic and social reforms undertaken over the same period. Financial stability, increasing investment flows, single-digit inflation and moderate fiscal balances have created a favourable environment for the development of the Decent Work Agenda regarding job opportunities and job quality.
6. The last years have witnessed a rapid rise in the number of working poor, a continued erosion of the social security system and deterioration in working conditions in such accident prone industries as construction and mining. The unemployment rate according to ILO definitions was 11.9 per cent of the labour force in 2005, with women representing a significant share. The share of employment in the informal economy has remained high, at 18.4 per cent of total employment the same year.
7. Since independence, Ukraine has passed several laws and regulations in the broad field of social dialogue and tripartism in order to regulate labour relations including the registration and functioning of employers' and workers' organizations. It has also established institutions for tripartite social dialogue at both the national and regional levels. However, despite these legal steps, social dialogue is still facing a number of challenges in its practical operation. On the one hand, the National Tripartite Socio-Economic Council is not yet functioning well while in the regions very few institutions for social dialogue are operating on a regular basis; on the other hand, social partners are facing enormous challenges of a structural and organizational nature including alleged problems of violation of freedom of association. Also, the modernization of the Labour Code has not been completed to date.

8. In response to the main socio-economic challenges facing the country, the Government has designed national strategies encompassing three broad policy areas linked to national action for decent work:
- (a) Labour: Create a conducive environment for job creation.
 - (b) Rural development: Boost productivity and land reform.
 - (c) Social protection: Reform pensions and strengthen social assistance programmes.

The ILO's evolving programming framework

9. For the period 1998–2001, the cooperation between the ILO and Ukraine was based on a set of agreed country objectives which served as an action plan through 2001. No official document followed, however, and ILO support was built on individual projects targeting technical support in agreed areas through regular consultations.
10. In 2004, initial steps were taken to develop a national programme for decent work in Ukraine, with the first DWCP being drafted in 2005, to cover the 2006–07 biennium. It was signed in March 2006.
11. In accordance with country priorities, the DWCP concentrates work in three areas: deepening the democratization process through strengthening social partners and social dialogue; promoting more and better employment opportunities for men and women; and aligning Ukraine with international and EU labour standards. Within the country there is a wide consensus among ILO constituents that the strategies directly support national development priorities and represent the outcome of a transparent and participatory tripartite process.
12. The ILO has worked to integrate its programming with UNDAF since 2001 when it became involved in the preparation and implementation of UNDAF Ukraine 2001–05 by implementing projects and activities in the field of better governance, development of social services and creation of proper legal frameworks.
13. Its current DWCP supports three of the four priority areas in the more recent UNDAF covering 2006–10. Despite a heavy work programme, the ILO national correspondent and project staff regularly participate in UN theme groups supporting specific UNDAF initiatives.
14. A breakdown of ILO programme interventions is provided in box 1,³ all of which were primarily supported through extra-budgetary technical cooperation. A summary of extra-budgetary resources over the studied period is provided in figure 1.

³ Detailed assessment of the effectiveness of these interventions is provided in the long report.

Box 1

ILO support group by 2006–07 DWCP priorities

Priority 1. Deepening the democratization process through strengthening social partners and social dialogue

Main interventions:

- Technical cooperation to promote labour law reform, effective and efficient functioning of labour inspection, and the practice of freedom of association and collective bargaining.
- Strengthening of the legal and institutional foundations of social dialogue at national and regional levels to secure an effective tripartite involvement in labour law reform, labour inspection systems development, and improved practices of freedom of association and collective bargaining.
- Equitable representation of women and men at all levels.

Main results:

- A draft Labour Code prepared with ILO support is ready for a second reading in Parliament.
- A law on social dialogue, prepared with the assistance of the ILO, was adopted by *Verkhovna Rada* in a second/final reading on 7 June 2007. However, more work would be needed to help Ukraine enforce this law once it comes into force. Public and more targeted awareness raised of the need for reform and consensus in labour relations.
- Improved practice towards better enforcement of labour law, and progress towards a sound legal framework for social dialogue through deepened legal knowledge.
- Labour inspection equipped with new computerized system for tracking labour rights violations.
- ILO projects became an important means for wider social debate and creative discussions between social partners and civil society, and a place where useful contacts were established and further activities planned.

Priority 2. Promotion of more and better employment opportunities for men and women

Main interventions:

- The introduction of flexible vocational training programmes for the unemployed and building of national capacities for their wide implementation through a large-scale national programme (1997–2005).
- Strengthening of social dialogue for employment policy development, targeting the National Tripartite Social and Economic Council for formulating employment policy with focus on flexicurity and to strengthening social partners in the field of negotiation with a focus on flexicurity.
- Tackling migration and human trafficking through employment, vocational training, and migration policy measures.

Main results:

- The modular training programme has been sustained and expanded. It has demonstrated its effectiveness in improving employability, job placement and business activities.
- Improved skills and attitudes among constituents towards negotiation around employment policy.
- High-level discussions to develop a comprehensive policy on labour migration, with focus on aspects related to reducing the scale of trafficking in women from the Ukraine.
- Wider public awareness of the negative effects and consequences of illegal employment outside the country.

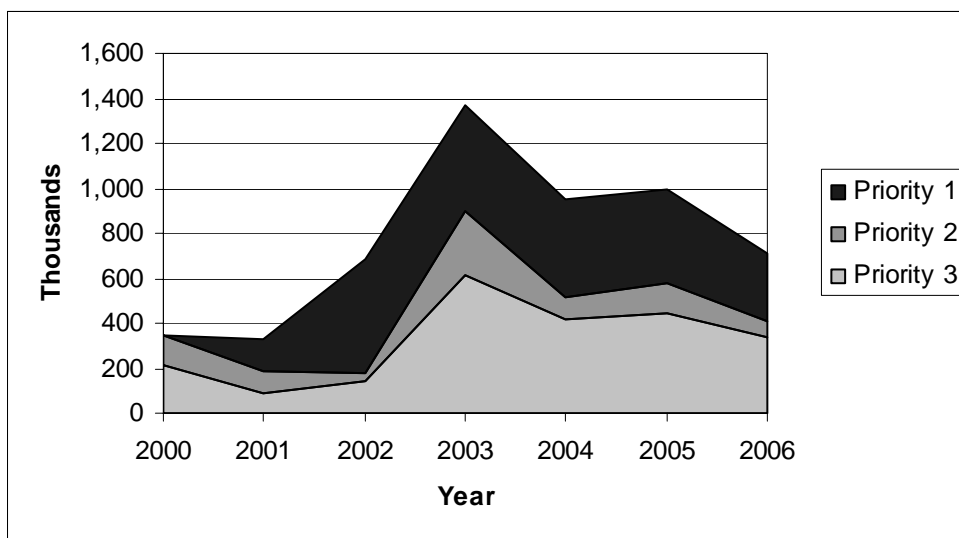
Priority 3. A closer alignment with European Union standards

Main interventions:

- Capacity building of tripartite constituents, judges and parliamentarians on freedom of association principles.
- Development and testing of socio-economic indicators in Ukraine.
- Harmonization of the national social protection legislation with the relevant European and ILO standards.

- Addressing HIV/AIDS through workplace policies and programmes and development of a model of socio-economic impact of HIV/AIDS in Ukraine.
 - Targeted action against child labour, including national programmes to prevent the worst forms of child labour, and rehabilitate victims thereof.
- Main results:
- Better knowledge of freedom of association principles.
 - Acceptance by authorities of new measures linked to social income, labour costs, poverty and income inequality.
 - Model of socio-economic impact of HIV/AIDS in Ukraine developed and currently being updated and improved.
 - Targeted interventions for the education sector on HIV/AIDS prevention within the context of the world of work have opened plans for a comprehensive prevention programme in secondary schools, which includes workplace policies.
 - Heightened awareness, changed attitudes and improved institutional capacities towards eradicating the worst forms of child labour.
 - Enhanced policy and legal frameworks at national level to eradicate child labour; initial progress at local level in supporting multidisciplinary teams and peer educators, as well as rehabilitation services and employment opportunities.

Figure 1. ILO technical cooperation expenditures by priority area and year



15. Since independence in 1991, ILO activities in Ukraine have been well aligned with the country's priorities related to fundamental principles and rights at work, promotion of more and better jobs for men and women and in bringing about closer alignment with European Union standards. These in turn have been supported by technical cooperation, consultancy, advocacy in the areas of development of labour legislation, tripartite institutional and capacity building, vocational training, vocational rehabilitation of persons with disabilities and development of labour and social statistics, and developing systems for monitoring specific groups in the labour market – women and children.

III. Conclusions and recommendations

16. The evaluation of ILO activities in Ukraine from the point of view of decent work suggests the following main conclusions and recommendations.

The ILO's role and relevance in Ukraine

Main conclusions

17. National constituents as well as international partners unanimously confirm the adequacy of ILO presence in Ukraine and its very important niche: the tripartite structure that supports groups at their workplace, as well as the body of international labour standards which serve as an anchor for social and labour policies. They further indicate their high regard for the ILO, and their understanding and interest in its activities (also international and external partners). The Decent Work Agenda, however, could be more clearly outlined and advocated at multiple organizational levels, since this Agenda is not well known by local partners, international partners, or project participants.
18. The ILO has been flexible and responsive to demands during the period under review, but the very dynamic and unpredictable political changes have clearly tested its flexibility.

Recommendations for the ILO

- The decent work approach as a coherent framework should be given more emphasis in future, as well as better dissemination through more Ukrainian-language information (including the ILO DWCP web site in Ukraine). The main aim should be to increase awareness among a larger circle of players at different levels.
- More attention should be paid to long-term strategic support that may help solve today's pressing issues but also unveil future horizons for social and labour development. This holds true for skills development, vocational training, and methodologies for forecasting social and labour developments, or other areas where ILO has good knowledge and well recognized expertise.
- The Decent Work Agenda should continue to be the focus of ILO activities in Ukraine and the scope of topics should be expanded to include social insurance and social protection and labour market flexibility.

The role and effectiveness of the national tripartite constituents in promoting decent work

Main conclusions

19. Tripartite participation and partnership in promoting decent work has been somewhat erratic and internal problems have interfered with the consolidation of the social partners around the Decent Work agenda, with highly varied levels of activity at national development planning forums and networks. The still unresolved issues surrounding criteria for representativity of both trade unions and employers' organizations is one clear factor. The position of the State as an employer somewhat confuses their role as an independent tripartite body with the result that trade unions were often over-represented and employers under-represented. Several employers' organizations have hesitated to fully engage in the DWCP because they did not participate in the programme design. Both trade

unions and employers are, to a certain extent, passive regarding the Decent Work Agenda in that they rely mainly on the ILO's initiatives.

Recommendations for the ILO

- The ILO should encourage the more active involvement of employers' organizations and trade unions in decent work by providing more information about what other European Union countries do in this respect.
- The ILO can develop activities for attracting all employers, including in the small and medium-sized enterprise sector, to participate in the decent work dialogue.
- The ILO should target capacity development for social dialogue at branch and enterprise levels.

The focus and coherence of the country programme's design and strategies

Main conclusions

20. Several generalizations can be made with regard to the ILO's technical interventions during the period 2000–06. First, the projects and activities have been directly or indirectly focused on the Decent Work Agenda – rights at the workplace, productive employment, social protection, voice and representation. Further, the DWCP (2006–07) reflects a consensus between the country and the ILO on decent work priorities and areas of cooperation. The expectations of the policy makers in Ukraine regarding ILO expertise and advocacy on labour legislation, social dialogue and tripartism were fully met; notwithstanding political confrontations between policy-makers. The DWCP, as well as ILO activities before 2006, displayed an effective balance between operational activities and advocacy and policy.
21. With regard to continuity, the DWCP is the continuation of previous successful cooperation and has built upon the achievements and lessons learned. However, to some extent projects are fragmented and detached from larger concerns of constituents and some pilot projects' achievements have not been sustained or replicated. This weak link between the projects brings into question the degree of continuity of ILO activities in Ukraine.

Recommendations for the ILO

- In the project design phase, approaches are needed that ensure continuity with previous and complementary interventions; more effort should be made to assess capacities of ILO partners to ensure sustainability of outcomes.
- Further progress is needed in working in partnership with ILO constituents and the UN at design and implementation stages.
- There is a need for more widespread and substantive discussions on results being achieved, better dissemination of results, and more regular feedback on ILO effectiveness. More attention should be given to the follow-up of completed projects and activities to enhance sustainability, by both the ILO and constituents.

Evidence of the direct and indirect use of the ILO contribution and support at national level

Main conclusions

22. The ILO's projects and activities in Ukraine during the period 2000–06 have defined clear outcomes and results against which they can be assessed. The performance reporting and the evaluations have addressed direct outcomes, but much of the validation has been at the output level. Beside the quantitative direct results there are a number of qualitative effects that are difficult to measure but have important impact on capacity building and infrastructure development for decent work. These are, for example, application of knowledge obtained during seminars, training courses and discussions; development of networks between the different specialists and institutions; and dialogue between opposition trade unions and members of different political parties.
23. Indirect results also affect the individual level – unemployed people having an improved employment status and professional opportunities. The prevention of HIV/AIDS at the workplace, apart from the economic effects, has a significant social impact on the entire society. The same is valid for child labour, which is a problem that concerns not only the people directly involved in these activities but also the society as a whole and its tolerance of violations of children's and human rights.
24. The ILO has influenced thinking and actions related to attitudes and policy changes, not only through the tripartite structures, but also by tapping into the wider civil society structures for discussions on key socio-economic issues.
25. ILO participation in UNDAF 2000–05 and 2006–10 has not, so far, led to higher visibility and closer programme links with the UNDAF plan. The ILO's work has remained somewhat separate despite the obvious UNDAF focus on areas related to decent work. Recent changes in the UNDAF approach are likely to improve the situation.

Recommendations for the ILO

- The ILO should better document outcome-level results, and develop a more regular dissemination strategy, involving publications in the Ukrainian language.
- While delivery of outputs to resources spent is impressive, the ILO should explore a more flexible resource approach that allows for re-distribution of resources during implementation to respond to changing situations or emerging opportunities.
- The ILO should further promote the positive experience of the pilot projects as a basis to mainstream initiatives more widely in the country, and to ensure that the feedback is used for further improvements.
- The ILO should use the mid-term review in 2008 to strengthen decent work as an important theme in UNDAF.

The efficiency and adequacy of organizational arrangements to deliver the ILO programmes in Ukraine

Main conclusions

26. The efficiency and adequacy of organizational arrangements to deliver the ILO programmes in Ukraine depend on many factors, among which the available resources and the extent of centralization of project performance have been quite important. The higher the centralization, the lower is the flexibility of work organization. Due to this, the Ukrainian experience points to the SRO as a more appropriate level for project coordination than headquarters technical units. There is still a need to consolidate ILO organizational practice in supporting DWCP, since internal capacities, while adequate, can be further strengthened. The role of the National Coordinator and the high calibre of ILO local staff has been of great importance for the ILO's successful work in Ukraine during the period under review.

Recommendations for the ILO

- The European region should consider extending the programming period of DWCPs from two to four or five years, and leave open the flexibility to align with UNDAF programming timelines.
- In collaboration with technical headquarters and national staff, the SRO can work on developing a more fully integrated workplan, resource plan and results matrix for the ILO's programme in Ukraine to cover the remaining period of 2007 and the new biennium 2008–09.
- There is a need for more efficient and effective monitoring of DWCP implementation.

Knowledge management and sharing

Main conclusions

27. During the period under review, ILO knowledge sharing was impressive, with more than 100 ILO publications translated and published in Ukrainian. Translation of the ILO Conventions (1,500 copies) in Ukrainian has been highly appreciated, with a second edition published because of the high interest. ILO publications have been distributed to the Presidential and Parliament libraries, central and regional libraries all over the country. The global trends in the development of labour markets and the social agenda as studied by the ILO have been regularly presented in mass media and in special briefings. However, financial constraints limit opportunities to translate and publish too many of the ILO's core documents, which would be very useful for Ukraine. Since the level of knowledge of foreign languages in Ukraine is not high, information needs to be translated.

Recommendation for the ILO

28. The main recommendation in this field is related to the provision of additional information in Ukrainian on ILO concepts, strategies and good practices for decent work.

IV. Comment from the Office on the evaluation

29. The ILO officials in Budapest and Kiev have positively assessed the document on the independent evaluation of the Ukrainian country programme, prepared for submission to the Governing Body. Their comments follow:

- The views of the independent evaluator provide us with valuable feedback on the effectiveness and efficiency, the consistency and the sustainability of our programmes and projects in Ukraine.
- The recommendations are constructive and timely, especially with a view to preparing the next DWCP.
- It is worth noting, however, that a number of recommendations of the report were already reflected in the DWCP 2006–07. This DWCP was developed jointly with the constituents, introducing a results-based approach, and it was the first in the subregion.

30. In particular, we want to make the following specific comments related to the recommendations of the report:

- Coherent framework, long-term strategic approach and expansion of topics: Coherence is a matter of focusing on one or two thematic topics at the country level and adopting an integrated approach combining the ILO's different technical areas. However, the diversity of requests and priorities set by the constituents do not facilitate this approach. To develop a longer term strategy and expand topics is mainly a matter of available human and financial resources. For greater coherence and strategic results, we will seek to strengthen the interrelations between the different ILO technical cooperation projects and activities, and build upon the lessons learned by replicating good pilot project results and using successful methodological approaches. In this context, we plan to extend the programming period of the new DWCP to cover two biennia, while detailed workplans will be developed on a yearly basis. However, the availability of human and financial resources for a longer period is difficult to predict and to budget, and we will have to be careful in engaging in commitments vis-à-vis the constituents.
- More active involvement of the social partners: The DWCP 2006–07 was designed in close consultation with the social partners and the Government, and its review will be done together with them towards the end of 2007. However, with a view to sustainability and increased ownership we will seek greater commitment of the social partners. Therefore, more emphasis will be put in the next cooperation cycle on the joint development of indicators of achievement and the setting up of a joint monitoring system of the DWCP. The organizations of the social partners at the regional level have been more involved in recent years, but this should be mainly a task of the national social partner organizations, bearing in mind the limited resources of the ILO. In any case, the size of the country has to be taken into account (Ukraine has 27 oblasts and over 650 cities and regions), as well as the numbers, complexity and composition of the trade unions and employers' organizations (around 30 trade union associations have All-Ukrainian status and were legalized at the national level, and there are around 100 branch trade unions operating. On the other hand, 14 All-Ukrainian employers' organizations and associations are registered in the Ministry of Justice).

- Visibility: A stronger emphasis will be put on the dissemination of outcomes achieved jointly with the constituents involved. This will be based on an increased awareness of social partners at all levels on the cooperation of Ukraine and the ILO.

31. *The Committee may wish to recommend to the Governing Body that it requests the Director-General to take into consideration the above findings and recommendations, together with the deliberations of the Committee, for continuing support to Ukraine through the ILO's DWCP.*

Geneva, 19 September 2007.

Point for decision: Paragraph 31.