

PROJECT DOCUMENT
KOSOVO



Project Title: Active Labour Market Programmes 2

Project Number: 00080204

Implementing Partner: n/a

Start Date: 01 September 2018

End Date: 31 December 2021

PAC Meeting date:

Brief Description

Through a comprehensive and scaled-up approach, the overall goal of the proposed intervention is to build-up on long-standing UNDP achievements in addressing Kosovo’s labour market challenges, as well as to pave the way for long-term and sustainable local mechanisms that are capable to address such challenges on their own. The project is a continuation of the long-standing and successful Active Labour Market Programmes 2.

The projects’ main objective is to improve the capacities of the labour market institutions to design relevant gender responsive policies at central level and to deliver integrated services at local level, focusing on the most vulnerable groups among the unemployed. To this end, the intervention will strengthen and ensure the sustainability of the links between labour market actors - employers, job-seekers, policy-makers, public employment services and vocational training and educational institutions – through:

a) Improving the human resource capacities and provision of continued direct implementation of active labour market measures for vulnerable groups – with a particular focus on youth and women – and further technical support for the capacities of implementing institutions.

b) The enhancement of the labour market knowledge base in order to ensure evidence-based decision making among labour-market actors.

In April 2019, responding to the request of MLSW and allocation of additional resources, the project document was amended. This amendment scales up several tested activities based on the needs of Ministry of Labour and Social Welfare (MLSW) and Employment Agency of Kosovo (EA), and allocates additional funding for delivery of active labour market measures for disadvantaged people in Kosovo.

<p>Contributing Outcome (Kosovo CDP 2016-2020):</p> <p>2.1: By 2020, employment and education policies and programmes enable greater access to decent employment opportunities for youth and women.</p> <p>Indicative Output(s) with gender marker:</p> <p>OUTPUT 1: Human Resource capacities of MLSW, EARK and PES are improved for delivering of employment services by Employment offices, VTCs, and Labour market research and evidence (GEN 2)</p> <p>OUTPUT 2: Sustainable economic integration for unemployed young men and women registered in the PES through active labor market measures (Wage Subsidy) (GEN 2)</p>

Total resources required:	TOTAL BUDGET: 1,622,908.00 EUR	
	Original budget: 650,000.00 EUR	
	Additional budget within the amendment: 972,908.00 EUR	
Total resources allocated:	1,622,908.00 EUR	
	Government:	1,117,208.00 EUR
		Original contribution: 650,000 EUR. Additional contribution within the amendment: 467,208.00 EUR (MLSW-EA)
	UNDP:	505,700.00 EUR
Unfunded:	n/a	

I. DEVELOPMENT CHALLENGE

1.1. Overview of Labour Market Challenges in Kosovo

The high unemployment rate is probably the biggest socio-economic problem for Kosovo with immediate and long-term consequences. The unemployment rate is about twice as high as in other countries in the region. According to the results of the latest Labour Force Survey (LFC) in 2017, the unemployment rate in Kosovo has increased. The LFC results also show that Kosovo's labour force participation rate is lowest in the Western Balkans (42.8%). Unemployment in Kosovo has several key dimensions: it mainly affects young people (52.7%), women (36.6%), as well as those with limited education and who have no prior work experience, including people with disabilities and non-majority communities.

As far as women's unemployment is concerned, it is 6.3% higher than the overall unemployment rate of labour force. Another gender dimension is the very low rate of female labour force participation remaining at only 20% - this implies the number of women who are economically active (i.e. employed or seeking employment).

Table 1: Labour market data in Kosovo, by sex	LFC 2012	LFC 2013	LFC 2014	LFC 2015	LFC 2016	LFC 2017
Unemployment rate	30.9%	30.0%	35.3%	32.9%	27.5%	30.5%
Men	28.1%	26.9%	33.1%	31.8%	26.2%	28.7%
Women	40.0%	38.8%	41.6%	36.6%	31.8%	36.6%
Participation rate	36.9%	40.5%	41.6%	37.6%	38.7%	42.8%
Men	55.4%	60.2%	61.8%	56.7%	58.3%	65.3%
Women	17.8%	21.1%	21.4%	18.1%	18.6%	20%
Employment rate	25.6%	28.4%	26.9%	25.2%	28%	29.8%
Men	39.9%	44%	41.3%	38.7%	43%	46.6%
Women	10.7%	12.9%	12.5%	11.3%	12.7%	12.7%
Unemployment rate for youth	55.3%	55.9%	61.0%	57.7%	52.4%	52.7%
Men	52.0%	50.4%	56.2%	54.2%	47.2%	48.4%
Women	63.8%	68.4%	71.7%	67.2%	65.4%	63.5%

Discouraged employees account for 10.7% of the working age population, with similar levels for women and men. Discouraged employees are people who do not have jobs and are willing to work but who have given up their job search because they believe they cannot find a job. Another important feature is that about 82% of registered unemployed (SMIP) do not have work experience that represents the importance of first contact with the labour market or experience in finding a sustainable place of work. Finally, particular concern is the average duration of unemployment periods (around 85% of the unemployed have been unemployed for more than a year).

Many factors affect the problems mentioned above in the labour market. The key is the inability of Kosovo's industrial sector - especially the most intensive work segments - to expand at such a rapid pace as to be able to create jobs and absorb the large number of people entering the labour market each year. On the other hand, existing businesses, albeit small and small in nature, have identified the lack of skilled labour as one of the challenges affecting business development, thereby replacing potential import and export.

UNDP Human Development Report for 2016 has concluded that skill qualifications and employee education have posed an important barrier to businesses, especially for those operating in the secondary sector of the economy (the industrial sector) and are of medium size. This indicates that the necessary expansion of Kosovo's job-creating industries depends on developing the most appropriate workforce skills and by better matching the needs of businesses and any existing skills in the market.

1.2. UNDP's Work in Addressing Labour Market Challenges in Kosovo (2005-2018)

UNDP has extensive work experience on labour market issues in Kosovo, successfully implementing the Employment Generation Project (2005-2006) and the Active Labour Market Programs (ALMP 2007-2013), and currently Active Labour Market Programs second phase (2014-). In close partnership with the Ministry of Labour and Social Welfare (MLSW), ALMP 2 focuses on three main pillars:

1. Improving human resource capacities and providing continuous direct implementation of active labour market measures for vulnerable persons - with particular focus on youth and women - and further technical support for the capacity of implementing institutions.
2. Advancing basic knowledge of the labour market in order to provide evidence-based decision-making between labour market actors.
3. Identifying the appropriate ways for Kosovo to create an Employment Fund, with the purpose to ensure sustainability in financing and implementing active employment measures.

Through UNDP employment programs, in close cooperation with MLSW, has designed and implemented a number of active employment measures and has offered training and employment opportunities for over 14,000 young women and men (45% and 55% respectively) in partnership with around 3,500 private enterprises.

To measure the impact of these measures, UNDP in 2017 has evaluated the process and its impact on the Wage Subsidy Scheme with focus on beneficiaries from period 2015-2016. The report was made in order to evaluate the employment results of the participants that benefited from this scheme in order to know the full effectiveness of this scheme.

Based on respondents' responses to the survey, around 53% of the beneficiaries had reportedly been working at the time the interview was conducted (December 2016 / January 2017). For those who were working, about 75% of them were working with the same employer with which they were engaged through the program, while 22% were working with another employer and only 3% were self-employed or started working for their personal account. This result is in line with international evidence, where the SP has a much higher employment rate with the same employer than, for example, the TNP scheme, but it can also be expected that a part of the beneficiaries will leave the employer upon completion of the program and / or find a job with another employer.

II. STRATEGY

Reasoning of continuous intervention

While past and current efforts by UNDP through the ALMP project were deemed to have been successful by external evaluators, they have been so within the rather limited scope of the project's areas of intervention and have occurred within an institutional context that did not allow for quicker movement towards local ownership and long-term sustainability. For example, UNDP's direct financial support for the implementation of active labour market measures, as well as targeted capacity development interventions to enable their implementation, have allowed for the direct provision of services for a large number of beneficiaries. However, the long-term sustainability of the established mechanisms, and thus the provision of future employment opportunities for vulnerable young women and men in Kosovo, remains questionable in light of the still deficient capacities at the level of policies and institutions (especially the narrow fiscal space) and the lack of established financing mechanisms within the Kosovo budget (i.e. an employment fund) that are needed to ensure the continuation as well as the long-term sustainability of active labour market measures.

The MLSW designed a strategic document 2018-2022 which focuses on improving the efficiency, availability and coverage of its public employment services. ALMP2 aims to support its implementation of this strategy specifically in its four main intervention areas, namely (1) supporting the labour market institutions develop and strengthen their capacities in policy-making,

operational and business processes; (2) direct support to the job-seekers and private sector companies to increase the employability and job creation; (3) enhancing the quality and availability of reliable data to create the space for evidence based policy making; (4) and ensuring the sustainability of active labour market measures through feasible financing mechanisms. Without any continued intervention there is a high risk that service provision through active labour market measures will be discontinued.

With regard to the work done at the policy level, one the main systematic barriers has been (and remains) the limited knowledge base on labour market conditions - something that is essential for policy-makers and other labour market actors to be able to design appropriate interventions and make evidence-based decisions. More specifically, this pertains to the lack or insufficient development of systems for data collection and analysis. Similarly, the Labour Market Information System (LMIS) within the Ministry of Labour and Social Welfare (MLSW) – the establishment of which has been supported by UNDP – will require further attention in terms of the technical capacities required to analyse the data that is generated from the system.

Support for the LMIS is very important because it is an essential tool in orienting the actions of a wide range of actors within the labour market. Among other things, the system can: a) inform labour market participants on the opportunities offered in the labour market and the types of skills they need to acquire; b) provide employers with information on the skills and costs of the labour force and labour market policies; c) instruct education sector institutions in the design of policies and curricula; d) inform a wide range of government institutions and agencies on interventions needed to increase employment opportunities or provide protection for vulnerable groups. Along these lines, there is also a need to extend technical support and capacity building to business associations in improving the quality of the Skills needs surveys that are produced periodically, while at the same time ensuring that these capacities are sustained.

Through a comprehensive and scaled-up approach, the overall goal of the proposed intervention is to build-up on current UNDP achievements in addressing Kosovo's labour market challenges, as well as to pave the way for long-term and sustainable local mechanisms that are capable to address such challenges on their own. The projects' main objective is to improve the capacities of the labour market institutions to design relevant gender responsive policies at central level and to deliver integrated services at local level, focusing on the most vulnerable groups among the unemployed.

To this end, the intervention will further strengthen and ensure the sustainability of the links between labour market actors - employers, job-seekers, policy-makers, public employment services and vocational training and educational institutions – through:

- a) Improving the human resource capacities and provision of continued direct implementation of active labour market measures for vulnerable groups – with a particular focus on youth and women – and further technical support for the capacities of implementing institutions.
- b) The enhancement of the labour market knowledge base in order to ensure evidence-based decision making among labour-market actors.

III. RESULTS AND PARTNERSHIPS

Expected Results

OUTPUT 1. Human Resource capacities of MLSW, EA and PES are improved for delivering of employment services by Employment offices, VTCs, and Labour market research and evidence.

Proposed activities:

Activity 1: Provision of technical expertise for MLSW and EA and Vocational Training Centers for the provision of training and employment services for registered job-seekers

The project will enhance human capacity through this intervention. More specifically:

Actions :

- 1.1. Support Vocational Training Centers with technical experts in one (1) year period in providing technical assistance to Vocational Training Centers where human capacities are lacking in the provision of these services
- 1.2. Technical expertise for MLSW and EA (amended with additional resources for responding to further needs for technical assistance for MLSW and EA)

Activity 2: Strengthen the capacities of institutional structures within the MLSW and the EA by organizing policy development workshops and study visits to exchange best practices with other countries and development research knowledge on the Labour Market

The project will work closely with MLSW and EARK help set the strategic direction, ensure best practice learning, enhance the vocational training capacities and performance monitoring of PES. In addition, and in agreement with MLSW, a labor cost survey will be undertaken through engagement of Social Economic Council members, specifically through potential collaboration with Kosovo Chamber of Commerce, Kosovo Business Alliance or Employers Independent Union, through a competitive process.

Amended activity: Based on further needs for new evidence to support policy-making, the project will undertake a labour needs assessment in 2019. For this purpose, the project will engage the Alliance of Kosovo Businesses as an implementing partner, given their previous engagement and positive performance in conducting the Labour Cost Survey in 2018 in line with the needs of the MLSW.

Actions:

- 2.1. Organize workshops on developing strategic policies and strategic employment and social welfare documents
- 2.2 Develop a Labor Cost Survey and Labour Needs Survey (amended), implemented by AKB
- 2.3. Organizing study visits for adapting good practices
- 2.4. Provide training for employment offices and vocational training centers in the implementation of the Programs
- 2.5. Technical assistance to support the enhancing of performance in provision of employment services and labour market policies

OUTPUT 2: Sustainable economic integration for unemployed young men and women registered in the PES through active labor market measures (Wage Subsidy program, Self-Employment and On the Job Training) (amended)

Activity 3: Provision of employment and skills development services for job-seekers through Wage Subsidy, Self Employment and On the Job Training Schemes

Actions:

- 3.1 Provide job search assistance for women and young men registered as unemployed jobseekers in the Public Employment Service (PES)
- 3.2 Offering employment and skills development through the Wage subsidy, Self-Employment and On the Job Training scheme for long-term jobseekers in partnership with private enterprises. (amended to incorporate on-the-job and self-employment programme as additional measures implemented, as well as additional wage subsidy placements for new jobseekers)

Activity 4: Public Information activities on provision of employment services by PES and other integrated services with MLSW

Actions:

- 4.1. Open Call for proposals for contracting local company to support MLSW and EARK on promoting their services through using various communication channels (social media, brochures, videos, portals, TV etc.)
- 4.2. Starting the campaign using different channels of communication
- 4.3 Organizing info sessions at regional and municipal levels by project team in cooperation with employment offices and other stakeholders.
- 4.4 Launching events of active employment programs
- 4.5 Produce promotion materials for MLSW and EA to stimulate awareness about the services available (amended, new activity)

Resources Required to Achieve the Expected Results

The initiative is proposing that funding is made by the Ministry of Labour and Social Welfare, as well as UNDP co-financing as part of the amendment. Given that the intervention is implemented within the framework of the Active Labour Market Programs 2, previously funded by the Government of Finland, the Ministry of Labour and Social Welfare and UNDP, management, implementation, monitoring and quality assurance costs will be allocated accordingly. The overall amended budget of the intervention is 1,622,908.00 EUR (Original budget: 650,000.00 EUR, additional budget within the amendment: 972,908.00 EUR). The MLSW and EA will allocate 1,117,208.00 EUR (original contribution: 650,000 EUR, additional contribution within the amendment: 467,208.00 EUR). The UNDP will contribute as co-financing 505,700.00 EUR in line with project budget attached to the amendment of the project document.

Day-to-day management will be the responsibility of the UNDP AMLP 2 Project Manager and the project team. The Programme Coordinator and the Portfolio Manager of Sustainable Development programme will provide quality assurance, mainly of a technical nature.

Partnerships

Primary partners to the project are the Ministry of Labour and Social Welfare (MLSW), Kosovo Employment Agency (EARK), Public Employment Services (PES), Vocational Training Centers (VTCs), Kosovo Business Alliance. In addition, Municipalities, Private sector enterprises, Business Associations and Civil Society Organizations.

The implementation of the ALMP2 project has been based on and utilizing the best practices and lessons learned coming from the implementation of the previous phases of the project, which have had a very positive impact in improving good-governance and accountability of service delivery in the institutions involved in provision of employment services. The majority of the institutional cooperation has been founded on the very successful partnership of the past 13 years. Due to the project interventions, the public employment services have increased the efficiency and effectiveness of the services delivery. On the other hand, municipalities have improved their capacities to integrate the repatriated persons in the labour market.

Risks and Assumptions

Full risk log is attached as annex.

Stakeholder Engagement

The main target group of the project are jobseekers, with strong focus on youth and women. Application and selection criteria and entire process of almps are designed in a way that does not discriminate against any particular target group and reaches the intended beneficiaries. The MLSW, the Kosovo Employment Agency and the Employment Offices throughout Kosovo are primary partners and channels of providing active labour market measures and capacity development measures to improve public service delivery. The usage of the profiling mechanism

of jobseekers supported previously under the project ensures that the support is provided in a targeted and responsive manner.

UNDP in all its programming and project implementation applies gender equality and parity principles, in line with the UN 8-point agenda, the Sustainable Development Goals, as well as the Kosovo existing legislation. Special attention will again be given to providing equal opportunities for women and men.

UNDP's Social and Environmental Compliance Review and Stakeholder Response Mechanism will be in place to ensure any negative social and environmental impact is identified and mitigated, and so that stakeholders of the project have a mechanism to record any complaints or remarks during the provision of the services of the project.

The project team will make constant effort to coordinate activities at the local level and harmonize interventions to eliminate overlapping. The team will be in regular contact with the partners, stakeholders, and other donors. The ALMP 2 project in all its activities will operate in close cooperation with all partners active on the ground and continue to harmonize operations to multiply impact and increase aid effectiveness.

Knowledge

As was the case with the previous years of the ALMP project, the intervention will be capturing lessons learned and monitoring data to assess the impact of the services offered by the project, but also inform on the potential replication or scaling up of the project's service lines in the future. These lessons will be captured in the final report of the project and will be available and reachable for the stakeholders.

Moreover, the project will capture best practices and success stories through published visibility materials (photos, blogs, articles, press releases, etc.) that will then be disseminated through various channels (TV, websites, social media) to reach a wide audience of the general public, public officials and practitioners to showcase the project's successes.

At each stage of the project all indicators will be monitored, and impact measured through the collected data. The project team will conduct regular reporting and monitoring, including joint monitoring in Kosovo. Progress reports will be sent every 6 months. These will serve to provide project status information and allow changes or improvements to be made if needed. The aim of this project quality assurance audit is to:

- Ensure that the plans and objectives set out in the project are met
- Train and distribute the lessons learned from the process
- Recording follow-up recommendations that could lead to targeted revisions.
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Sustainability and Scaling Up

The project is a continuation of the long-standing and successful ALMP project. Regarding sustainability of the project outcome, the project takes into the account the lessons learned and recommendations from the previous years of the project regarding the quality and the focus of the capacity development interventions, improvements in public service delivery and the direct delivery of skills development and employment measures.

Focus on identification of sustainable, long-term job and income enhancements will be stressed throughout the project, including the selected ALMPs provided. The project team will continue to work closely with the MLSW and EARK staff, ensuring ownership of the interventions and increase of capacities of involved institutions in the process, stimulating long-term sustainability of the positive changes.

As evidenced by the long-standing successes of the project, the approach gives way to being replicated and scaled up with additional funding, while applying lessons learned and adjustments along the way in order to maximize impact and use resources efficiently.

IV. PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

The project comes as a continuation of the long-standing ALMP 2 project. The project utilizes well established structures of delivery of active labour market measures in partnership with MLSW and EARK, standardized operational guidelines of MLSW, established and well-functioning monitoring and quality assurance mechanisms that ensure that funds are delivered effectively, in a targeted manner and efficiently. The project will also utilize standardized procurement mechanisms.

Furthermore, the ALMP 2 project will continue to leverage synergies with other similar projects such as the INTERDEV project and the Aid For Trade project, as well as other donor funded interventions, and will utilize common approach towards procurement and monitoring where appropriate and possible.

Project Management

The project will be executed directly by UNDP through the ALMP 2 project team that will be directly responsible for project implementation. Implementation will be done with heavy involvement and ownership of national partners. The main decision-making body for the project will be the Project Board (PB), which will provide strategic guidance and oversight and has decision-making authority on key project issues.

The UNDP Kosovo Assistant Resident Representative & Programme Coordinator and Programme Analyst will provide specialist quality assurance and oversight, mostly of a technical nature at all stages of activities (QA of ToRs, QA of activity reports, progress reports and field monitoring). All written outputs will be reviewed from the gender perspective. The Programme Team will also be conducting periodical field monitoring visits providing additional quality assurance from the programmatic standpoint.

V. RESULTS FRAMEWORK¹

Intended Outcome as stated in the Kosovo Programme Results and Resource Framework (2016-2020): Outcome 2.1 (CDP) / Outcome 2 (CPD): By 2020, employment and education policies and programmes enable greater access to decent employment opportunities for youth and women						
Outcome indicators as stated in the Kosovo Results and Resources Framework (2016-2020), including baseline and targets: 2.1.2 Indicator: Number of women beneficiaries from employment policy measures from MTI, MLSW, and MAFRD. Baseline: 1,376 (30% of total beneficiaries) (MLSW 2014). Target: At least 2064 by 2020 (40% of total beneficiaries). 2.1.4 Indicator: Number of youth (15-24) beneficiaries (disaggregated by sex) from employment and education policy measures from MTI, MLSW, MEST and MAFRD. Baseline: 1,353 beneficiaries (29% of total beneficiaries) (32%F) (MLSW 2014). Target: At least 2029 beneficiaries (40% of total beneficiaries) (42%F) (MLSW) by 2020.						
Applicable Output(s) from the UNDP Strategic Plan:						
Project title and Atlas Project Number: 00080204 - Active Labour Market Programmes 2						
EXPECTED OUTPUTS	OUTPUT INDICATORS ²	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)	DATA COLLECTION METHODS & RISKS
			Value	Year	FINAL	
Output 1 Human Resource capacities of MLSW, EA and PES are improved for delivering of employment services by Employment offices, VTCs, and Labour market research and evidence	1.1 The performance of PES in the provision of Employment Services	MLSW, EARK, UNDP	Limited capacities of PES	2018	The performance of PES in the provision of Employment Services is improved through technical expertise interventions	MLSW and EARK data, project monitoring

¹ UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project.

² It is recommended that projects use output indicators from the Strategic Plan IRRF, as relevant, in addition to project-specific results indicators. Indicators should be disaggregated by sex or for other targeted groups where relevant.

Output 2 Sustainable economic integration for unemployed young men and women registered in the PES through active labor market measures (Wage Subsidy program, Self-Employment and On the Job Training) (amended)	2.1 Number of jobseekers benefiting from the active labour market measures	UNDP and EARK	13980 people	2018 2019	Additional at least 570 jobseekers have benefited from the measures (215 original target and 355 jobseekers additional target within the amendment) (amended)	Field monitoring, EMIS database, project data
	2.2 % of newly benefiting jobseekers are women	UNDP and EARK	n/a	2018	At least 50% of ALMP beneficiaries are women	Field monitoring, EMIS database, project data
	2.3 % of newly benefiting jobseekers are from among the non-majority communities	UNDP and EARK	n/a	2018	At least 10% of beneficiaries are non-majority communities	Field monitoring, EMIS database, project data

VI. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans:

Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.	n/a	Project Management Costs
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken. Updating the risk register (activated in Atlas and regularly updated by reviewing the external environment that could affect the implementation of the project).	n/a	Project Management Costs
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions. Updating the lessons learned book (activated in the Atlas and regularly updated to provide continuous teaching and adaptation to the organization and assist in the preparation of the lessons learned at the end of the project).	n/a	Project Management Costs
Annual Project	The quality of the project will be assessed	Bi-Annually	Areas of strength and	n/a	Project

Quality Assurance	against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.		weakness will be reviewed by project management and used to inform decisions to improve project performance.		Management Costs
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.	n/a	Project Management Costs
Project Report	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.	Semi-Annually, and at the end of the project (final report)	Every half year the project's technical progress report and financial report will be sent to the project board. The Annual Progress Report will be sent to the Project Board by Project Manager through Project Assurance, using the standard reporting format.	n/a	Project Management Costs
Project Review (Project Board)	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	Semi-annually, or as agreed with the PB	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.	n/a	Project Management Costs

VII. MULTI-YEAR WORK PLAN ³⁴

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year	RESPONSIBLE PARTY	PLANNED BUDGET		
		Year 1-2		Funding Source	Budget Description	Amount
<p>Output 1 Human Resource capacities of MLSW, EA and PES are improved for delivering of employment services by Employment offices, VTCs, and Labour market research and evidence.</p>	<p>Activity 1: Provision of technical expertise for MLSW and EA and Vocational Training Centers for the provision of training and employment services for registered job-seekers</p> <p>The project will enhance human capacity through this intervention. More specifically:</p> <p>Actions:</p> <p>1.1. Support Vocational Training Centers with technical experts in one (1) year period in providing technical assistance to Vocational Training Centers where human capacities are lacking in the provision of these services</p> <p>1.2. Technical expertise for MLSW and EA (amended with additional resources for responding to further needs for technical assistance for MLSW and EA)</p>	149,600.00 Euro (MLSW, UNDP)	UNDP MLSW PES and VTC	MLSW, UNDP	Technical expertise	<p>110,000.00 Euro (60,000.00 Euro original budget + 50,000.00 Euro (amendment)) (MLSW)</p> <p>39,600.00 Euro (amendment) (UNDP)</p>

³ Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32

⁴ Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

	<p>Activity 2: Strengthen the capacities of institutional structures within the MLSW and the EA by organizing policy development workshops and study visits to exchange best practices with other countries and development research knowledge on the Labour Market</p> <p>Actions:</p> <p>2.1. Organize workshops on developing strategic policies and strategic employment and social welfare documents</p> <p>2.2 Develop a Labor Cost Survey and Labour Needs Survey (amended)</p> <p>2.3. Organizing study visits for adapting good practices</p> <p>2.4. Provide training for employment offices and vocational training centers in the implementation of the Programs</p> <p>2.5. Technical assistance to support the enhancing of performance in provision of employment services and labour market policies</p> <p>Project implementation</p>	<p>287,318.00 Euro (MLSW)</p>	<p>UNDP MLSW PES and VTC Municipalities Private Sector CSO Business Associations AKB (implementing partner)</p>	<p>MLSW</p>	<p>Technical expertise, services</p>	<p>275,318.00 Euro (125,318.00 Euro original budget + 150,000.00 Euro amended budget) (MLSW)</p> <p>12,000.00 Euro (MLSW)</p>
Sub-Total for Output 1						436,918.00 Euro

Output 2 Sustainable economic integration for unemployed young men and women registered in the PES through active labor market measures (Wage Subsidy program, Self-Employment and On the Job Training) (amended)	Activity 3: Provision of employment and skills development services for job-seekers through Wage Subsidy, Self-Employment and On the Job Training Schemes Actions: 3.1 Provide job search assistance for women and young men registered as unemployed jobseekers in the Public Employment Service (PES) 3.2 Offering employment and skills development through the Wage subsidy, Self-Employment and On the Job Training scheme for long-term jobseekers in partnership with private enterprises. (amended to incorporate on-the-job and self-employment programme as additional measures implemented, as well as additional wage subsidy placements for new jobseekers) Project implementation	969,450.00 Euro (MLSW, UNDP)	UNDP MLSW PES and VTC Municipalities Private Sector CSO	MLSW, UNDP	Active labour market measures & grants	491,350.00 Euro (311,750.00 Euro original budget + 179,600.00 Euro amendment) (MLSW) 466,100.00 Euro (amendment) (UNDP) 12,000.00 Euro (amendment) (MLSW)
	Activity 4: Public Information activities on provision of employment services by PES and other integrated services with MLSW Actions: 4.1. Open Call for proposals for contracting local company to support MLSW and EARK on promoting their services through using various communication channels (social media, brochures, videos, portals, TV etc.) 4.2. Starting the campaign using different channels of communication 4.3 Organizing info sessions at regional and municipal levels by project team in cooperation with employment offices and other stakeholders. 4.4 Launching events of active employment programs 4.5 Produce promotion materials for MLSW and EA to stimulate awareness about the services available (amended, new activity) Project implementation	184,000.00 Euro (MLSW)	UNDP MLSW PES and VTC Private Sector CSO Media	MLSW	Technical expertise, services	172,000.00 Euro (110,000.00 Euro original budget + 62,000.00 Euro amendment) (MLSW) 12,000.00 Euro (MLSW)

	Sub-Total for Output 2					1,153,450.00 Euro
	Total Output 1+2					1,590,368.00 Euro
General Management Support 3%			UNDP	MLSW	GMS	32,540.00 Euro
TOTAL						1,622,908.00 Euro (650,000.00 original budget, 972,908.00 amended additional budget)

Original budget

	Activity	Unit	No of Units	Cost per Unit	MLSW
1	Provision of consultancy for EARK and Vocational Training Centers for the provision of training and employment services for registered job-seekers	VTC trainer	10	€ 6,000	€ 60,000
2	Strengthen the capacities of institution structures within the MLSW and the EARK by organizing policy development workshops and study visits to exchange best practices with other countries and Development research knowledge on the on the Labor Market	Workshops,sharing best practices,research and analyses	1	€ 125,318	€ 125,318
3	Project Implementation			€ 12,000	€ 12,000
4	Wage Subsidy	Jobseeker	215	€ 1,450	€ 311,750
5	Public Information activities on provision of employment services by PES and other integrated services by MLSW on promoting social dialogue.	Open Call for proposals for contracting local company to support MLSW and EARK on promoting their services through using various communication channels (social media, brochures, videos, portals, TV etc.)	1	€ 110,000	€ 110,000
6	Project Implementation			€ 12,000	€ 12,000
				Total activities and menagment.	€ 631,068
				GMS 3 %	€ 18,932
				Total Budget	€ 650,000

New additional budget (amendment)

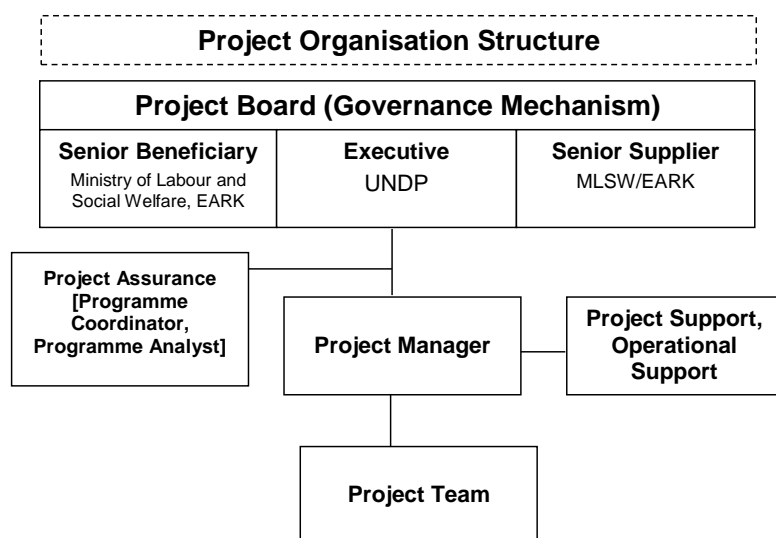
Additional Budget 2019-2021 MLSW/EARK/UNDP (April 2019 amendment)						
	Activity	Unit	No of Units	Cost per Unit	MLSW	UNDP
1	Capacity development and public service delivery support for MLSW and EARK	Services	1	€ 89,600	€ 50,000	€ 39,600
2	Strengthen the capacities of institution structures within the MLSW and the EARK by organizing policy development workshops and study visits to exchange best practices with other countries and Development research knowledge on the on the Labor Market	Workshops, sharing best practices, research and analyses	1	€ 150,000	€ 150,000	€ -
3	Project Implementation	Services	1	€ 12,000	€ 12,000	€ -
4	Wage Subsidy	Jobseeker	120	€ 1,450	€ 87,000	€ 87,000
5	On the Job Training	Jobseeker	120	€ 510	€ 30,600	€ 30,600
6	Self-Employment	Jobseeker	50	€ 3,100	€ 62,000	€ 93,000
7	Self-Employment through rural development grants	Jobseeker	65	€ 3,930	€ -	€ 255,500
8	Public Information activities on provision of employment services by PES and other integrated services by MLSW on promoting social dialogue.	Information campaigns, promotion materials, launching events, project implementation etc.	1	€ 62,000	€ 62,000	€ -
Total activities and management					€ 453,600	€ 505,700
GMS 3 %					€ 13,608	
Total Budget					€ 467,208	€ 505,700

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

The project will be executed directly by UNDP through the project team that will be directly responsible for project implementation. Implementation will be done with the involvement of national partners. The main decision-making body for the project will be the Project Board (PB), which will provide strategic guidance and oversight and has decision-making authority on key project issues.

The project will be executed directly by UNDP applying UNDP's rules and procedures for project management and a results-based management approach. UNDP uses IPSAS standards for management of finances and follows internationally-recognized procurement standards. Specific project activities may be implemented by non-governmental organizations or contractors; in such cases, designated funds will be channelled to the recipients using signed legal agreements among recipients and UNDP.

The day-to-day management will be the responsibility of the Project Team, supported by the UNDP Sustainable Development Programme staff and the Operations support. The UNDP Kosovo office Programme Coordinator, Programme Analyst and Programme Officer will provide specialist quality assurance, mostly of a technical nature at all stages of activities (QA of ToRs, QA of activity reports, progress reports and field monitoring). All written outputs will be reviewed from the gender perspective. The Programme Team will conduct periodical field monitoring visits providing additional quality assurance from the programmatic standpoint. Where appropriate, the project will engage external technical expertise in order to deliver specific activities and results.



Project Board is chaired by the Resident Representative of UNDP or her designate, including in its composition one or more representatives of the Ministry of Labour and Social Welfare, EARK, and the Ministry of Internal Affairs. The board may decide to expand its membership, as appropriate. The Project Board will:

- Be responsible for making strategic decisions by consensus, including approval of project reviews (i.e. changes in project document);
- Approve Annual Action Plans, Annual Reports and Mid-term Reports

- Meet at least twice a year to address management risks and most important issues; meetings can be held virtually (e.g. teleconferencing, videoconferencing, etc.); The Project Manager will perform the work of the Secretary of the Steering Committee;
- Consult with the Project Manager for decisions when management tolerance lines have been exceeded (in terms of time and budget according to the work plan) (Project Board defines tolerance lines).

PB approves all major plans and authorizes any deviations from the agreed plans. It is the authority that signed the completion of each phase and authorizes the start of the next phase of project implementation. It provides the commitment of the required resources and arbitrates for any conflict within the project or negotiates the resolution of any problems between the project and external organs.

PB is the ultimate responsibility for ensuring that the project remains on the course that yields the desired quality result to meet the project objectives set out in the project.

IX. LEGAL CONTEXT

The project document shall be the instrument envisaged and defined in the [Supplemental Provisions](#) to the Project Document, attached hereto and forming an integral part hereof, as "the Project Document".

This project will be implemented by [name of entity] ("Implementing Partner") in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply. – Not applicable

X. RISK MANAGEMENT

UNDP (DIM)

1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the project funds are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
3. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
4. UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
5. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
6. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient:

- a. Consistent with the Supplemental Provisions to the Project Document, the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP's property in such responsible party's, subcontractor's and sub-recipient's custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:
 - i. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - ii. assume all risks and liabilities related to such responsible party's, subcontractor's and sub-recipient's security, and the full implementation of the security plan.
- b. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible party's, subcontractor's and sub-recipient's obligations under this Project Document.
- c. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
- d. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
- e. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.
- f. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

- g. *Choose one of the three following options:*

Option 1: UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of this Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail any responsible party's, subcontractor's or sub-recipient's obligations under this Project Document.

Option 2: Each responsible party, subcontractor or sub-recipient agrees that, where applicable, donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities which are the subject of the Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including

through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Option 3: UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement.

Where such funds have not been refunded to UNDP, the responsible party, subcontractor or sub-recipient agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

- h. Each contract issued by the responsible party, subcontractor or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.
- i. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
- j. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled "Risk Management Standard Clauses" are adequately reflected, *mutatis mutandis*, in all its sub-contracts or sub-agreements entered into further to this Project Document.

XI. ANNEXES

1. **Project Quality Assurance Report**
2. **Social and Environmental Screening Template**
3. **Risk Analysis**
4. **Capacity Assessment:** Results of capacity assessments of Implementing Partner (including HACT Micro Assessment) – N/A

Commented [DS1]: For AKB

OFFLINE RISK LOG



Project Title: Active Labour Market Measures 2	Award ID: 00080204	Date: August 7, 2018
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#	Description	Date Identified	Type	Impact & Probability	Countermeasures/Mngt response	Owner	Submitted, updated by	Last Update	Status
1	Lack of financial resources committed by Kosovo institutions to continue implementation of active employment measures	07 August 2018	Strategic	P = 2 I = 4	The project has supported the MLSW in drafting a comprehensive Employment Policy document 2016-2018 which is the basis for strategic planning on employment issues. At the same, all the preparatory work for establishing the Employment Agency have been finalized. However, there is a need for stronger commitment from the government institutions to develop the legislative framework for the establishment of an employment fund which would be used to finance almps. The feasibility study of the Employment Fund has been conducted. The project will continue to support the MLSW in these processes to ensure sustainability.	Project Manager	Project Manager	07 August 2018	recorded
2	Limited coordination among organizations working in the field of employment	07 August 2018	Strategic	P = 2 I = 4	The project will provide the MLSW with technical assistance at the Minister's cabinet level to ensure that projects in the field of employment are coordinated and are in line with the Employment Policy document. Moreover, the project will coordinate with other actors in the field of employment to minimize overlaps and stimulate synergies.	Project Manager	Project Manager	07 August 2018	recorded

3	Limited PES and VTC human resources (and human capacities) to effectively provide integrated employment services and implement various employment programmes	07 August 2018	Operational	P = 3 I = 3	The project has organized several trainings to strengthen PES and VTC capacities to improve service delivery. The ICT tools have had a positive impact in increasing the number of jobseekers served. Technical capacity building has been provided by the project team. The project will continue to support technical capacity development and provide hands-on support to PES.	Project Manager	Project Manager	07 August 2018	recorded
4	Limited number of private companies is interested to partner in implement-ing active labour market programmes	07 August 2018	Operational	P = 1 I = 4	UNDP has been implementing active labour market programmes for more than 13 years and has a network of 3500+ private partner companies. Outreach to the companies will be paid special attention to in collaboration with EARK in order to ensure interest of private sector companies to accommodate the almps.	Project Manager	Project Manager	07 August 2018	recorded