
Mid-Term Review (MTR) for the Framework Agreement Project
“Promotion of Social Dialogue and Better Working Conditions for Employees”
within the Thematic Fund “Partnership Fund” of the Bulgarian-Swiss Cooperation Programme

MANAGEMENT RESPONSE by SIB and SDC/SCO - 10 March 2016

1. Background

In early 2016, the project “Promotion of Social Dialogue and Better Working Conditions for Employees” was evaluated externally. The review concerned all three components of the project: corporate social responsibility (component 1), dispute settlement tool (component 2) and paritarian funds (component 3). The main purpose was to provide an independent assessment of the relevance, efficiency, effectiveness and impacts of the project and to suggest feasible scenarios for overcoming existing bottlenecks and delays in the implementation of the project. The review team consisted of independent consultants Georgi Genchev, Mariana Milosheva-Krush, Mira Kovacheva-Lannutti (expert and responsible for overall coordination).

2. General notion

The Swiss Intermediate Body (SIB) and the Swiss Agency for Development and Cooperation SDC acknowledges the receipt and approval of the final report prepared by the Mid-Term Review team and would like to express its highest appreciation of the work done. Key success factors and challenges were identified and comprehensible recommendations were formulated for the improvement of the performance of the project on the strategic and operational levels including new orientations of project implementation. The final report is clearly presented and the content is in line with the terms of reference. The SIB and the SDC finds the methodology used, the findings and the conclusions suggested as ones of high quality and good contribution to the task assigned.

3. Recommendations

3.1. Component 1

Since project beginning, many initiatives towards CSR were created in Bulgaria, with a number of organisations developing expertise including some creating very good internet sites. Thus, creation of a new specialized internet portal is not relevant any more according to the reviewer.

Recommendation by the reviewer	View of the SIB	View SDC/SCO
<p>Our recommendation is that the support for Component 1 continues, as CSR is a topic of high relevance. An extension will be needed (6-12 months are suggested). Key elements of the continued support are:</p> <ul style="list-style-type: none"> - Internet promotion - Update of the national CRS Strategy and action plan - Closing conference 	<p>This view is shared, provided that sufficient commitment and political support from the MLSP is guaranteed.</p> <p>SDC and the SIB may initiate a discussion with the MLSP to explore the commitment and political support for this component activity by the Bulgarian government. If the commitment is judged insufficient this activity may be discontinued.</p>	<p>This recommendation is not shared.</p> <p>Clear cut commitment of MLSP and changed implementation modalities (outside state administration) are considered as “killing assumption” (see also the chapter on MLSP position).</p>
<p>Internet promotion: instead of a separate specialized internet portal, we advise that MLSP creates a simpler section of its website with limited own content and focus on links to existing resources and materials generated elsewhere.</p>	<p>This view is shared</p>	<p>This key activity within the project has to be phased out (current tender process is stopped).</p>
<p>Update of the national CRS Strategy and action plan: we recommend that the focus of the future work is put on the research of good practices and updating the Strategy and its action plan.</p> <p>Two management options are suggested:</p> <ol style="list-style-type: none"> 1. Establishing partnership with a reliable NGO interested in 	<p>In case of sufficient commitment and political support and the activity is to be continued, a partnership with a reliable NGO interested in the field that will be flexible in applying PPPs may be envisaged (management</p>	<p>As the Ministry is recently reviewing its policy and internal organisation as regards CSR, option 2 may not be favourable for a swift implementation and achieving results until March 2017.</p> <p>Option 1 seems not to be</p>

Recommendation by the reviewer	View of the SIB	View SDC/SCO
<p>the field that will be flexible in applying PPPs and able to ensure the cooperation of Swiss organisation and CSR stakeholders.</p> <p>2. Management within the MLSP at the condition that the quick finalisation of the PPPs and the commitment of Solidar Suisse are guaranteed.</p>	option 1).	<p>feasible in one year with extensive preparation and administrative works.</p> <p>This activity is then phased out in the current project. However, to keep the momentum in CSR, a third option is envisaged: a (restricted) call for CSR projects will be launched within the “Block Grant Partnership” instrument to select a strong/capable Swiss-Bulgarian partnership.</p>
<p>The organisation of the closing conference is already contracted. We advise that its scope is widened beyond CSR so that it covers all achievements within the different Project components. We consider the closing conference as a powerful promotion event that can compensate the deficits in the visibility of the project and secure future support for activities in similar areas.</p>	This view is shared	<p>SDC/SCO agrees with this recommendation under the condition that its scope can be widened (including Component 2) and the conference is postponed to a later stage (To be verified by SIB).</p>

3.2. Component 2

The Component is of high strategic relevance responding to real needs of the social partners. The component was implemented with high efficiency and the planned outcome was achieved completely, even surpassed.

Recommendation by the reviewers	View of the SIB	View SDC/SCO
We recommend that the	In case of high levels of	SDC/SCO shares this

Recommendation by the reviewers	View of the SIB	View SDC/SCO
<p>proposed extension of duration of one year, with expanded scope of the work (e.g. strikes), including possible organization of a study visit to Switzerland to learn specific details about dispute resolution mechanisms and for providing opinion and advice on the products that have been delivered in DRM.</p>	<p>commitment by the BG partner, clarity on the objectives to be achieved and relevance of the project, we think that Solidar Suisse might agree on providing logistical support (e.g. organise a study visit), and helping in identifying experts. An open question is the availability of expertise on strikes in Switzerland.</p>	<p>recommendation. Continuation of this component allows extending project results beyond the original scale of target and compensate for the underperformance in component 1 and 3. Existing proposal by NICA must be scrutinised by SIB (app. CHF 113 K). Expertise needs shall be discussed with NICA and added value of involvement of Swiss partner (Solidar Swiss) for logistical/topical support needs to be assessed at the light of the following:</p> <ul style="list-style-type: none"> - Is it still timely and relevant to provide expertise on dispute resolution mechanisms? - Availability of expertise on strikes in Switzerland? - Relevance of the partnership b/w Solidar and NICA? - Perspectives for future exchanges/partnership without project support?

3.3. Component 3

This somewhat experimental component was originally aimed at exploring the possibilities to institutionalise paritarian funds in Bulgaria, through a feasibility study. However, given the existing Bulgarian legal and practical context the social partners doubt the need of paritarian funds in the health and safety areas. Thus, the component is not relevant under the present context and implementation modality as it does not address the real needs of the social partners. The survey on the possibility of establishing such funds in Bulgaria, the largest and most important activity under this component, is then not considered relevant by the reviewer. However, the public procurement procedure for the feasibility study is finalized and the service provider is informed and expecting to sign the contract.

Recommendation by the reviewer	View of the SIB	View SDC/SCO
Option 1. Discontinuing the component.	This view is shared in principle, without taking into consideration potential damage to MLSP and possibly to the image of SDC.	SDC/SCO is in favour of option 1. We do not see high risk for SDC reputation or image. Misuse or unwise use of funds as well as lack of efficiency and effectiveness are also potential “image” risk factors.
Option 2. If the termination of contract signing procedure is likely to cause serious damage to MLSP and the project, the survey can be finalised as planned. In this case we recommend that the remaining three public events (PPP started, offers under evaluation) are reduced to one – the round table for finalizing the PF national concept. The thematic scope of the other two may be modified to accommodate the public discussions under Component 1. The key findings of the survey and the concept for establishing	This view is shared in principle.	Phasing out of this component doesn’t seem to cause serious damage for the MLSP either. In this case, option 1 is preferred.

<p>PF can be presented at the Closing Conference. Under this option an extension of the implementation period will be needed identical to the one for Component 1.</p>		
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4. MLSP position and feedback on MTR findings/report

SCO took the initiative to communicate the MTR report and financial overview to MLSP. Deputy Minister Zornitsa Roussinova was contacted and key considerations presented in the report were discussed with her. She conducted internal discussions at the Ministry and gave us the following feedback:

Component 1 CSR: The Ministry is recently reviewing its policy and internal organisation as regards CSR in general. Since this process may take a bit longer, MLSP supports an option in which possible follow up is outsourced to an external implementer via “Block Grant” project with strong/capable Swiss-Bulgarian partnership.

Component 2 Disputes Settlement: MLSP sees capitalising of the achievements under this component as possible extension/finalisation of the project.

Component 3 Paritarian Fund: To be discontinued. No any drawbacks in term of pending procurements mentioned.

5. Conclusions

SIB

The SIB stresses that the evaluation report provides a good tool for the improvement of the project performance both on strategic and on operational levels.

However, the SIB would like to emphasize that major changes in project structure such as e.g. the launch of new block grant projects or the transfer of important activities between components will have consequences on timing of the programme and carry the risk of going beyond the resources available to the SIB for the administration and management of the programme.

SDC/SCO

SDC/SCO acknowledges the high quality and relevance of the evaluation report, the professional and timely manner in which the mandate was conducted. The report provides concise information and conclusions regarding different factors that affected project implementation and elaborates on several options for the effective and efficient finalisation of the project. SDC/SCO retains the following findings/conclusions of evaluation:

- ✓ The evaluation exercise, conducted almost at the formal end of the project, could be more resourceful if performed as initially planned Mid-term Review;
- ✓ Closer monitoring of project implementation and earlier suggestion and enforcement of corrective measures would have helped overcome bottlenecks earlier;
- ✓ The different institutional nature of the partners: On the institutional level, the partnership between a medium size Swiss NGO and a Bulgarian Ministry is much misbalanced and is challenging effective cooperation ;
- ✓ Different understanding and expectations about the roles of the partners. A major problem for this partnership project was the poor communication and unclear interpretations of roles and responsibilities between the Bulgarian and the Swiss partner;
- ✓ Public procurement procedures that the MLSP is obliged to follow are the other main reason for delay. It drained important human and time resources and limited the operational flexibility.

In case of possible new initiatives, the extension of the project in the field of Social Dialog or similar sectors, the findings of the report can be further valorised.

6. Next steps and time horizon

Activities	Timing	In charge
Formal consultation process with MLSP/NCU	18.03.2016	SDC/SCO
Conclusions on the risks for timely implementation and the need to amend of the Framework Agreement, Annex 4 and the TFA “Partnership”	18.04.2016	SDC/SCO/NCU
Letter of MLSP/NCU confirming the decisions of phasing out component 1 and 3, extending component 2 of the Social Dialogue Project and acquiring a new Swiss-Bulgarian Partnership on CSR topic in the frame of the Partnership Block Grant.	21.03.2016	MLSP/NCU
Reorientation of Social Dialogue Project based on Component 2: updated budget and logframe, activity schedule for the last year of project implementation.	18.03.2016	SIB in view of Steering Committee planned for

Activities	Timing	In charge
		23.03.2016
Available budget and modalities for additional call for submitting projects in the framework of the Partnership Block Grant are clarified: timing, evaluation criteria, decision process. Necessity to extend the length of the Partnership Block Grant facility is clarified.	15.03.2016	SIB in view of Steering Committee planned for 23.03.2016
KA extension (7F-08058.01.02) and additional credit in favour of 7F-08058.01.03 (Partnership Block Grant).	29.03.2016	SDC
Decision on possible amendments of AA with MLSP	20.04	SIB/MLSP
Continuation of implementation of Social Dialog project with MLSP	April 2016 – March 2017	SIB
Identification and implementation (May 2016) of additional(s) project(s) in the framework of Partnership “Block Grant” project(s) with NGOs and/or local authorities, according to the agreed modalities	April 2016 – March 2017	SCO/SIB

Signatures of SIB and SCO to be added.