



DELEGATION OF THE EUROPEAN UNION

Skopje, 5 April 2012

**CHECK AGAINST DELIVERY**

**Project co-financed by IPA IV Human Resources Development**

**Launching event:**

**"Further Modernisation of the Employment Service Agency"**

**05<sup>th</sup> of April 2012, Thursday**

**Skopje**

**Venue: Holiday Inn (11h00)**

Speaking points

H.E. Mr. Aivo Orav,  
Head of the Delegation of European  
Union

**Dear Minister Mr. Ristevski,  
Dear Director of the Employment Service Agency Mr. Popovski,  
Dear Project Director Mr. Moschetti,  
Ladies and Gentlemen,**

**"A Nation is rich from people"**

This reality is reflected by the current European Social Funds programme that is running from 2007 to 2013 under the motto **'Investing in People'**.

The programme **IPA IV "Human Resources Development"** in **Candidate countries is the precursor of the European Social Fund (ESF)** for the Member States. Hence, the ESF Motto "investing in people" applies de facto also to IPA IV "Human Resources Development".

Yes, a Nation is rich from people, and so, to maintain this wealth, it has to invest in developing its Human Resources by:

- Improving human capital;
- Improving access to employment;
- Increasing the adaptability of workers and firms, enterprises and entrepreneurs.

Despite slight improvements in recent years, the Labour Market of the country still suffers from:

- high levels of unemployment;

- a low activity rate and a low employment rate.

I would like to underline here the fact that this situation is not coming only from the lack of employment creation or from the structural skills mismatch in the Labour Market. It comes also from the **number of people engaged in grey economy**; and this is not a minor problem, as some people like to think that concerns only some occasional job in the informal economy. NO, it concerns a broader spectrum of the active population. **To see improvements in this field, it does not take long, and does not need Millions of Euros, but a genuine will to change.**

However, this problem of declared and undeclared work concerns more the passive measures that the Employment Service Agency has to carry out than its role as **National Body responsible for the implementation of the Active Labour Market programme(s).**

Indeed, we are together today for the official launching of the EU co-funded project aiming at **supporting the Employment Service Agency (ESA) to ensure improvement of the quality, efficiency and effectiveness of the services that are provided to job seekers and employers.**

However, such modernization can't occur overnight and implies the development of a deep process of modernization and qualification of the structures, management and human resources of ESA through a re-organization. **The difficulties that ESA faces in the implementation of the co-financed Direct Grant of 1.3 M€ that supports some Active Labour Market Measures demonstrate the need of such technical**

**support to modernization.** This EU support includes internship for young people, training and retraining.

To change a word is easy, but it has never been enough to make this semantic change become a reality! Let me explain. You can change words thousand of times, adopt several Services Models or propose all the implementation Strategies you want, all that will not be enough to make a change be real.

As always, to change things, what is challenging is to convince people that a change is desirable. This is why this ambitious project has been designed as an Organizational management change project.

The civil rights militant Whitney M. Young Jr said:

**"Change has a considerable psychological impact on the human mind. To the fearful it is threatening because it means that things may get worse. To the hopeful it is encouraging because things may get better. To the confident it is inspiring because the challenge exists to make things better. "**

- change needs time;
- change is demanding;
- change is a synonym of the unexplored;
- but change is challenging;

As I have already mentioned at the beginning of this intervention, "A Nation is rich from people" and should invest in them. It is to secure a better future for people of the country and specifically to the youngest generations that the European Union is heavily investing in the area of employment. **The European Union has allocated under IPA IV more than 33 million of EUR for the period 2007-2011, and amongst them more than 13 million EUR only to support employment.** To produce tangible results on the Labour market, it is of the utmost importance that all socio-economical as well as institutional stakeholders are mobilized. Without a deep and sustainable mobilization in coordination of all, the improvement of the labour market situation will take more time than it should.

That's why it is time for the country to acquire and implement by itself an adequate, ambitious and sustainable Active Labour market Policy to address correctly the country's longstanding labour market shortcomings.

This project "Further modernization of the Employment Service Agency" should contribute to it, and I hope that all stakeholders, all single employees of the Employment Service Agency will feel concerned by this project.

**Thank you for your attention**