

**IFI Advisory Group
Social Affairs Working Group**

Work Programme 2008

1. General

The Social Sectors Working Group of the IFI Advisory Group (IFI-AG) met for the first time on January 22, 2008. The draft conclusions reached at this meeting are attached to this work programme. They were presented at the IFI AG meeting on 23 January, along with an indication of the priorities on which the Social WG would focus in 2008.

2. Priorities for 2008

Given the broad range of sectors covered by the Social WG, it was decided that the work programme for 2008 shall focus on the following priority issues.

- Labour markets, employment, SMEs and the informal sector: challenges of a Sector Wide approach (SWAp) and IFIs role
- Higher Education, competitiveness and employment in SEE
- Roma and minority issues
- Health sector reforms and investments: examples of SWAP approaches and other successful national donor coordination mechanisms and needed investments.
- Exchange information and views on Commission and IFIs activities the region
- Review of existing regional mechanisms in the different social sectors
- Identify experts within IFIs in each social sector encompassed by the WG

3. Operations and Methodology

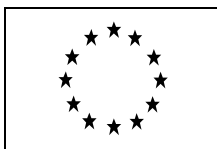
The Working Group will meet twice per year. The first meeting will take place in May 2008 and the second in November 2008 (dates to be determined). This will allow to report about results respectively at the IFI AG meeting of June and December 2008.

At the first meeting it was agreed that the agenda will each time focus on a limited number of focal areas, so as to encourage productive exchanges between participants. On specific issues of interest to a restricted number of IFIs, separate meetings and other forms of exchanges can be organised on an as needed basis. The main WG group will be kept regularly informed about these activities.

In order to optimize coordination, in addition to the regular members of the Social WG, the group intends to associate socio-economic specialists on an as needed basis depending on the issues on to be tackled and on IFI's interests.

Annex I: Draft Conclusions of Social Affairs WG meeting on 22 January 2008

ANNEX I



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IFI Advisory Group – Working Group Meeting on Social Sectors **Draft Chairman's Conclusions**

The Social Sectors Working Group of the IFI Advisory Group (IFI-AG) met for the first time on January 22, 2008. As with the other Working Group meetings, there was a very productive atmosphere and the meeting provided a very useful opportunity for exchange of information on operational programs of the different IFIs while also serving as a forum for strategic discussion.

The following conclusions were reached:

- As decided by the IFI AG upon its establishment in March 2007, participants reiterated the importance of addressing social issues in the context of the IFI AG working groups.
- Participants took note of the broad range of social issues on which enhanced coordination will be useful. These include: a) health sector; b) social policies, employment and labour markets; c) education; d) social housing.
- Such coordination should focus on promoting the overall reform agenda for each sector, linked to a better prioritization / selection of investments. This should happen at national level and will require IFIs and bilateral donors to speak with one voice in order to promote reform. For this reason, the use of Sector Wide Approaches / enhanced collaboration at country level should be encouraged.
- Participants also took note of the added value that could be gained from regional cooperation in these sectors to: i) improve access to social services to citizens on a reciprocal basis; and ii) to further rationalize investment programs.
- In this context, note was also taken of the Stability Pact / Regional Cooperation Council active engagement on social issues through a series of platforms and activities on health, employment, education, and social housing that tie up with the scope of work of the Working Group.
- Nevertheless, it was recognized that regional approaches are less developed in the social sectors than in others being covered by the IFI AG (eg, transport and energy). For this reason it was agreed that the Working Group could help facilitate the design of a regional strategy.
- Participants learned more about the Infrastructure Projects Facility (IPF) of the European Commission and expressed an interest to ensure working relations between the secretariat of the IPF and the IFI AG, including its Working Groups.

- While it was agreed that the group cannot cover all the above mentioned sectors on a country by country basis, participants supported the view that for each of these sectors, discussions at the next Working Group meeting should focus on specific themes¹ for which prior work would be carried out.
- Topics proposed for subsequent meetings of the group could include: labour market and surrounding issues (eg, competitiveness, informal economy), Roma and minority issues, social housing.
- For this reason, the next meeting will include an exchange of information on positive examples of SWAps and other successful national donor coordination mechanisms.
- Given the variety and diversity of issues encompassed in the scope of work of the Working Group, participants agreed on the importance of identifying existing regional coordination mechanisms and to set up a network of experts within each organization on each specific sector. The Joint Office, and its successor, will follow up to gather, systematize and make available this information to participating IFIs.
- They also agreed that, in the context of the data collection exercise being carried out by the Joint Office for South East Europe (to which IFIs are contributing), it would be of utmost importance to gain a better understanding of the donors' support to social sectors. These data, if available, could be reviewed on the occasion of the next meeting of the working group
- Participants underlined the need to ensure the integration of social concerns into regional initiatives on transport, financial markets, energy and environment.

¹ underpinned by concrete programs and projects, that have a high potential for fostering synergies among different IFIs