



THIRTEENTH ITEM ON THE AGENDA

Evaluations**(a) Annual Evaluation Report 2006***Contents*

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I. Introduction

1. The 2006 Annual Evaluation Report provides the Programme, Financial and Administrative Committee (PFAC) of the Governing Body with an overview of the evaluation function and major evaluation activities during the period from July 2006 to June 2007.
2. Since 2005, when the ILO Evaluation Unit (EVAL) was created, the Office has made significant progress in implementing the policy and strategic framework for evaluation adopted by the Governing Body¹ and in strengthening the application of United Nations evaluation standards and international good practices.
3. Key developments during the reporting period were the establishment of the internal Evaluation Advisory Committee (EAC) and the rolling out of training activities on monitoring and evaluation in both headquarters and the field, which will continue in 2007 and 2008. The ILO's evaluation capacity has been strengthened and EVAL was able to upscale most of its activities through extra-budgetary funding.
4. During the reporting period, several external stakeholders inquired into the levels of transparency and accountability achieved by the ILO and other UN organizations.² In addition, the UN reform process places an increased emphasis on harmonization of the evaluation function across the UN system. EVAL is actively working with other members of the United Nations Evaluation Group (UNEG)³ towards this end, including on how evaluation could support transparency and accountability in the UN-wide effort to "deliver as one".
5. Section 2 provides an overview of the key achievements in strengthening the evaluation function in the ILO, ongoing challenges and planned actions and targets. Section 3 provides an account of the follow-up to high-level evaluations presented to the PFAC in 2006. Section 4 discusses the independent project evaluations carried out in 2006 and the results of a quality appraisal exercise of these. Section 5 describes the ILO's involvement in high-level external reviews of its evaluation and oversight function and section 6 gives an outlook of work in progress in 2007 and planned evaluations for 2008. Section 7 concludes the report with a summary of main achievements and outlines major emerging issues in evaluation.

II. Overview of the evaluation function

6. ILO/EVAL is mandated with implementing the ILO's evaluation policy and reporting on progress made. Strengthening the evaluation function in the ILO is a process of continuous improvement in accordance with available resources.

¹ GB.294/PFA/8/4.

² This included a high-level report by the US Government Accountability Office (GAO).

³ UNEG brings together 45 evaluation units of the United Nations system. Its function is to coordinate among its members, harmonize evaluation practices and set UN-wide norms and standards for evaluation.

Strengthening and harmonizing independent evaluation

7. In 2005, the ILO moved from a fragmented approach to evaluation to having clear guidance and policies in place for each type of evaluation. This has greatly improved the coherence and the application of the evaluation policy. In the past year, EVAL has increased its support to ILO staff and has provided guidance to evaluation consultants to appropriately adhere to the ILO evaluation policy.
8. In November 2006, the Governing Body discussed the first independent country programme evaluation report, which was the ILO programme in the Philippines. The report was considered by constituents and stakeholders at the national level, with UN and national partners discussing findings and recommendations and planning action for follow-up. Since then, two further independent country programme evaluations have been completed (Ukraine and Argentina) and are presented to this session of the Governing Body.
9. The EAC held its first meeting in February 2007. The EAC was established by the Director-General in November 2006 and is composed of the directors of PROGRAM and CODEV as well as one Executive Director, two Regional Directors, two department directors and a member of CABINET on a rotating basis.⁴ The principal task of the EAC is to monitor management follow-up of high-level independent evaluations. The EAC decided during its first session to invite the responsible managers to directly report to the EAC on management follow-up decisions, plans and actions taken in response to a high-level evaluation. The EAC also advised EVAL on the choice of high-level independent evaluations of a strategic nature.
10. Over the last year, the ILO has worked closely with other UN evaluation units through UNEG to better harmonize its policies and approaches with those being developed within the wider UN system. This has included active participation in working groups focused on joint evaluations of UN activities at country level and a UNEG-managed assessment of the UN-wide effort to deliver as one in eight pilot countries.

Building evaluation capacity and skills

11. The provision and development of evaluation capacity has several dimensions. The decentralized evaluation capacities were strengthened by appointing evaluation focal persons in the regions and technical sectors. In 2006, there was solid progress with full-time positions created for national evaluation officers in the Regional Offices (RO) for Asia and the Pacific, and Latin America and the Caribbean. The RO for the Arab States has assigned the evaluation responsibility to a senior programming officer while the RO for Europe and Central Asia assigned it to the Deputy Director – an arrangement that has proved effective thus far. For Africa, an associate expert has been appointed until a more permanent solution is found.
12. In the reporting period, a priority was to train staff and generalize the use of monitoring and evaluation tools and good practices. It has also developed modules on monitoring and evaluation for national constituents to be conducted in 2008. Until June 2007, EVAL provided evaluation training or briefing sessions to approximately 90 programme officers, technical specialists and line managers in the regional and field offices of Asia, Africa and the Americas. Also, 50 Geneva-based staff benefited from training sessions or briefings on

⁴ See Director-General's Circular No. 245, Series 2 of 1 Sep. 2006.

evaluation. A range of new guidance materials was produced and made available on line. ILO/EVAL's web site has also been enhanced over the course of 2006.

Ensuring the quality of the evaluation process and products

13. ILO/EVAL has established a process assuring the independence and quality of the evaluation process. These practices are not yet universally known and practised by all ILO staff but staff training and briefing sessions have helped to make them better known and helped to further instil an evaluation culture in the Office.
14. EVAL has improved the quality checklist for evaluation reports and developed a quality checklist for terms of reference. Using the checklist approach, an external collaborator appraised 31 out of 55 independent project evaluation reports received for 2006 and fed back the appraisal results to the responsible departments for learning purposes. Since the qualification of evaluation consultants was identified as a major factor influencing the quality of the reports, guidance material for selecting evaluators and the use of public tendering were developed.

Improving the usefulness of evaluations: Follow-up, institutional learning and knowledge-sharing

15. ILO/EVAL has made important progress towards implementing systems and procedures for institutional learning and knowledge-sharing from evaluations. This includes the development of a global web-accessible knowledge database, which will provide searchable access to all evaluation-related project and programme documents including on follow-up, and will interface with the IRIS database on financial information. The Office is also developing transparency and accountability protocols for this database, which will be integrated into the new knowledge-sharing strategy submitted to the PFAC at its November 2007 session. Another element is the creation of the EAC, which oversees management follow-up to high-level independent evaluations.

Resourcing EVAL and the evaluation function

16. The activities of EVAL in 2006 were financed through the ILO's regular budget, PSI and the 2000–01 surplus. EVAL also received a share of the staff development funds for staff training on monitoring and evaluation practices. In addition, EVAL has benefited from extra-budgetary funding from a DFID/Netherlands project (see box 1).
17. EVAL is composed of a director and two evaluation officers (one of whom is financed from extra-budgetary resources). A third full-time evaluation officer and a part-time knowledge management expert joined the team in April 2007 – both of whom are funded from the DFID/Netherlands project. The Programme and Budget for 2008–09 includes funding for two additional Professional staff for EVAL.
18. The non-staff funds for 2006 were mostly used for hiring independent experts for high-level evaluations. In addition, the regions were requested to each reserve US\$90,000 for the 2006–07 biennium to finance evaluation activities, namely independent country programme evaluations and biennial country programme reviews. Independent evaluations of technical cooperation projects are financed through the recommended 2 per cent reserve of the total project budget for projects over US\$500,000.

Box 1**Extra-budgetary resources supporting evaluation capacity for Decent Work Country Programmes (DWCPs) and results-based management**

EVAL has worked in a number of areas to strengthen the evaluation framework during 2006. The extra-budgetary project “Decent Work Country Programmes and results-based management: Strengthening ILO capacity” has been a significant component of this endeavour. The project is jointly managed by EVAL, PROGRAM and CODEV, with funding from the Governments of the United Kingdom and the Netherlands. The project is designed to accelerate the application of results-based management, and targets staff and national tripartite constituents in order to strengthen their capacity to participate in the various stages of results-based DWCPs.

EVAL has used the project funds to refine and test different evaluation types during early 2007 and to cost share with regions a series of training workshops targeting constituents and staff for training.

Duration and budget:

- DFID: November 2006–April 2008, US\$2,185,547 (EVAL component: US\$764,942);
- Dutch: February 2007–April 2010, US\$845,379 (EVAL component: US\$425,171).

III. Follow-up to recommendations of independent high-level and thematic evaluations

19. The ILO evaluation policy requires that the responsible field office or department provide due management response and follow-up to the recommendations of all independent evaluations. An independent evaluation is led by an external evaluator with no previous links to the project or programme being evaluated.
20. For independent strategy and country programme evaluations, EVAL requests line managers to submit a first follow-up report to the PFAC through the Annual Evaluation Report, six months after the PFAC discussion of the concerned high-level evaluation. This assures that problems identified in the evaluation are duly addressed and that the responsible offices and departments are effectively learning from evaluations for the further development of tools, technical approaches, projects and programmes. In addition to a written statement, responsible managers now report to the EAC on management follow-up decisions, plans and actions taken in response to a high-level evaluation. Follow-up policies will also need to be established for thematic and project evaluations.
21. This section reports on the follow-up status of independent high-level evaluations completed in 2006. For the 2006 evaluation reports it presents key recommendations and a description of the follow-up. The section also contains a brief description of follow-up to major independent thematic evaluations completed in 2006.

Follow-up to high-level evaluations presented to the PFAC in 2006

22. In line with international good practices, six months after the PFAC discussion of a high-level evaluation the responsible manager presents a detailed report on the action taken to address the recommendations, which have been accepted by the Office. A summary of the reports on management follow-up is presented in the following paragraphs.

Independent strategy evaluation of the ILO's strategy for employment creation through employment-intensive investment approaches (EIIS)⁵

23. This evaluation analysed the ILO's implementation of its strategy to support member States to integrate employment and social policy concerns into investment policy in the infrastructure and construction sector. The main conclusions were that the ILO's Employment-Intensive Investment Programme (EIIP) employs an impressive range of effective techniques and experience, and that it has generated many country-level successes mostly as pilots over the past 25 years. The greatest challenge is in launching a coordinated effort to mainstream employment-intensive investment (EII) approaches into national policies and programmes.

24. Summary of recommendations:

- (1) The Office should expand its current strategy to align with evolving aid structures, including integrating within UN development frameworks, to mainstream sustainably into national employment policies and planning. Strengthen partnerships with the UN, bilateral development and regional organizations and development agencies through a more pronounced partnership strategy and address existing administrative constraints holding these back.⁶
- (2) The Office should set more demanding milestones linked to progress to be made by national constituents in leveraging EII initiatives and upgrade systems to support regular performance reporting; wind down in those countries where EII policies are not being prioritized; strengthen communications on results being achieved.⁷
- (3) The Office should work more closely with international financial institutions to influence a larger share of construction investments being geared towards local job creation and economic activity. Give greater attention to market incentives and business needs to build demand for local industry.⁸
- (4) The Office should further enhance gender mainstreaming within the programme and through explicit incorporation in tools, training and practices.⁹

25. **Management follow-up.** Recommendation (1): The first step taken was to develop impact assessment methodologies and to carry out or plan impact assessments in seven countries. Their outcomes will support policy guidance and planning in the EIIS area, and guide the future approaches to aligning to national objective setting. Moreover, the Office engages in training of ILO constituents to reinforce their conceptual and operational capacity and help them build alliances with individual ministries. Partnerships with other development agencies are being progressed by integrating international labour standards in various areas, especially public procurement.

⁵ GB.297/PFA/2/2.

⁶ Corresponds to recommendations 1, 4, 5 and 6 in the Evaluation Report.

⁷ Corresponds to recommendations 2, 7 and 9 in the Evaluation Report.

⁸ Corresponds to recommendations 5 and 8 in the Evaluation Report.

⁹ Corresponds to recommendation 10 in the Evaluation Report.

26. Recommendation (2): Scaling up of EIIS is being addressed through collaboration in Madagascar, Pakistan and Paraguay in particular, working across a broad range of ministries. Analysis of the larger scale modality is being addressed both at the outset, and scale-up targets are being firmed up in other national programmes. The abovementioned work on impact assessment methodologies and ongoing EIIP development of improved baselines, indicators and monitoring will improve performance reporting. The communications strategy has benefited from an EIIP global team meeting in March 2007 and activities include development of high-quality advocacy material, an upgrading of the monitoring and information system leading to an improved information flow to social partners.
27. Recommendation (3): Partnerships are being built with the international financial institutions to explore the feasibility of integrating employment creation as well as labour standards into their lending practices. Stronger cooperation has been developed with partners in the field of urban development and meetings have been held with partners such as UN-HABITAT, Cities Alliance and the World Bank. The Office has also improved its contribution to the World Roads Association. The EIIP is conducting an analysis of the effectiveness and efficiency of previous private sector development efforts to improve the ability of enterprises using labour-intensive methods to gain larger shares of contracts. A contractor tracing survey will be carried out by the EIIP in ten countries.
28. Recommendation (4): The EIIP believes that its activities on gender mainstreaming are doing well but continues to strive for improvements in planning, capacity building, implementation and monitoring and evaluation processes.

Independent country programme evaluation of the ILO's Philippines country programme: 2000–05¹⁰

29. This evaluation assessed the approaches being undertaken and the progress being made in relation to the Philippines country programme. The Philippines was selected as one of the first country programmes evaluated due to its long history of tripartism and because it was one of the first member States to explicitly adopt “decent work and productive employment” as a development objective in its national development plan.

30. Summary of recommendations:

- (1) The Office should focus support on building the capacities of the social partners for strategic planning and results-based management.
- (2) The RO and the SRO should complete within six months the results matrix for the DWCP and establish monitoring and evaluation practices.
- (3) The SRO should pay more attention to joint efforts in the areas of advocacy, raising public awareness and mobilizing resources.
- (4) The RO and SRO should support constituents to develop indicators for the National Plan of Action for Decent Work (NPADW) and regularize information sharing and discussion on workplans and monitoring.
- (5) The RO and SRO should consider setting time-bound resource mobilization goals by DWCP priority area and developing strategies to meet those goals.

¹⁰ GB.297/PFA/2/3.

- (6) The SRO and national constituents should conduct a review of recent pilot projects to track and report their status several years after implementation.
 - (7) The National Tripartite Decent Work Advisory Committee (NTAC) should be more effectively utilized to help consolidate and implement the NPADW.
 - (8) Negotiate within the UN Country Team (UNCT) a more formal agreement across agencies on the division of programming specialization and related responsibilities.
- 31. Management follow-up.** Recommendation (1): Technical support has been provided to build constituent and partner capacities through the provision of training on harmonized gender and development guidelines, results-based management and project cycle management. The Office is also involving constituents in technical cooperation projects at the concept note and project proposal preparation stage.
- 32.** Recommendation (2): DWCP monitoring plans have been introduced as well as workplan and reporting templates. An evaluation workshop was organized in June 2007 for designated evaluation coordinators of all offices in Asia and the Pacific. Additional staff training on results-based management and DWCPs will be provided in late 2007.
- 33.** Recommendation (3): A number of advocacy activities have been initiated, such as the launch of the quarterly newsletter *Decent Work for All*, the development of a web site for the country programme, the organization of events and campaigns on decent work issues, and the release of various publications, case studies, films and videos on different aspects of decent work. In 2004, the Office supported tripartite constituents in developing a Philippine Labor Index to measure the labour market situation in the Philippines. The Philippine Labor Index was institutionalized in 2007 as an official national labour statistic and, as recommended, is expected to serve as a good baseline indicator for the next NPADW.
- 34.** Recommendation (4): Since March 2007, monthly meetings with constituents were introduced that include discussions on governance and accountability issues.
- 35.** Recommendation (5): In February 2006, the Office created a resource mobilization cluster, which has facilitated an Office-wide resource mobilization strategy.
- 36.** Recommendation (6): A systematic process for tracking the impact of technical cooperation projects after their implementation has not yet been set up. As raised during the evaluation, tracer studies of this nature would require additional resources as project budgets normally only allot for end-of-project evaluations.
- 37.** Recommendation (7): In June 2007, the Department of Labor and Employment expressed the need to accelerate efforts to follow up NTAC institutionalization and define an appropriate secretariat. Pending the issuance of a relevant presidential order to confirm an updated national structure for the Tripartite Industrial Peace Council to follow up to decent work objectives, the NTAC will be revised to start up the development of the next cycle of the NPADW and to provide guidance in preparing the 2008–09 DWCP.
- 38.** Recommendation (8): Under the UNCT realignment of directions and resources, the ILO has been proposed to head the UNDAF Monitoring and Evaluation, the Gender Mainstreaming Committee, and the Spanish MDG-Fund Thematic Windows on Gender and Youth Employment and Migration. The Office has also participated in the preparation of joint proposals for the Spanish MDG-Fund addressing climate change, gender, economic governance and culture.

Follow-up to independent thematic evaluations

39. The following is a summary of management follow-up to independent thematic evaluations that assess major areas of the ILO's work.

Independent thematic evaluation of the Management and Leadership Development Programme (MLDP)

40. The overall objective of the MLDP workshops was to develop managerial competence and leadership abilities of senior managers. To achieve this objective, the MLDP used a variety of different techniques including course teaching, individual exercises and e-learning.
41. This evaluation reviewed the MLDP with the conclusion that the ILO has made a justifiable, positive and cost-effective investment in the development of senior managers with the potential for sustained change in the wider organization. However, the ILO risks losing momentum if it fails to keep investing in the MLDP.
42. **Summary of recommendations** addressed to the ILO's Human Resources Department (HRD):
- (1) Adapt the training approach of the MLDP workshops to reflect best practices in training design.
 - (2) Continue with the MLDP and align it as a component of wider ILO organizational strategies for a culture of learning, development and performance.
 - (3) Link assessments of individual learning and development to individual roles and responsibilities and organizational objectives.
43. **Management follow-up.** Recommendation (1): The MLDP format has been modified to incorporate best practices by including post-workshop support and to identify additional workshop topics.
44. Recommendation (2): HRD has allocated funds from the central staff development funds to launch a new round of revised MLDP workshops, and extend them to 60 managers and supervisors. HRD has also allocated supplemental resources to support a series of theme specific workshops planned for 2008–09. HRD will also be launching an initiative for team-based learning in 2008–09 with the objective to link leadership initiatives with wider organizational development and effectiveness.
45. Recommendation (3): Plans for workshops related to the revision of the performance management system will be aligned to the MLDP framework.

Independent thematic evaluation of the Special Action Programme to Combat Forced Labour (SAP-FL) of the Declaration

46. This evaluation reviewed the work of the SAP-FL in its first three to four years of operation. The main conclusions of the evaluation were that the programme has done well within one of the most difficult areas of human rights activity and that in addition to its important work on forced and bonded labour linked to poverty and discrimination, it has added value to the ILO's work on trafficking started within IPEC. From a longer-term

perspective, it was also concluded that the SAP-FL should establish stronger links with the international financial institutions and build “tripartite-plus” coalitions.

47. Summary of recommendations:

- (1) Develop its core strengths in research, policy analysis and guidance materials.
- (2) Focus on placing forced labour and trafficking concerns higher on the agenda of international partner agencies – rather than place too much emphasis on field projects.

48. Management follow-up. Recommendation (1): Capacity building and the development of guidance materials are receiving more attention. These include guidance for specific target groups such as labour inspectors and the judiciary. The programme has provided assistance and collaborated with the International Trade Union Confederation (ITUC) and the International Organisation of Employers (IOE) to increase the involvement of trade unions and employers in the prevention and eradication of forced labour. In accordance with the action plan approved by the Governing Body in November 2005,¹¹ technical assistance is being provided to a range of member States to improve their methodological capacity for the collection and analysis of data on forced labour and trafficking.

49. Recommendation (2): New partnerships between the SAP-FL and key donors now reflect the reorientation of priorities as recommended by the evaluation.

IV. Oversight and quality appraisal of independent project evaluations

50. All technical evaluation projects are subject to evaluation. Depending on the nature of the project and its evaluation plan this can take the form of independent, internal or self-evaluation. EVAL has the responsibility to provide oversight and support for all independent project evaluations while the management of independent project evaluations is decentralized to the network of evaluation managers and focal persons in the sectors and regions. The oversight function stipulates that:

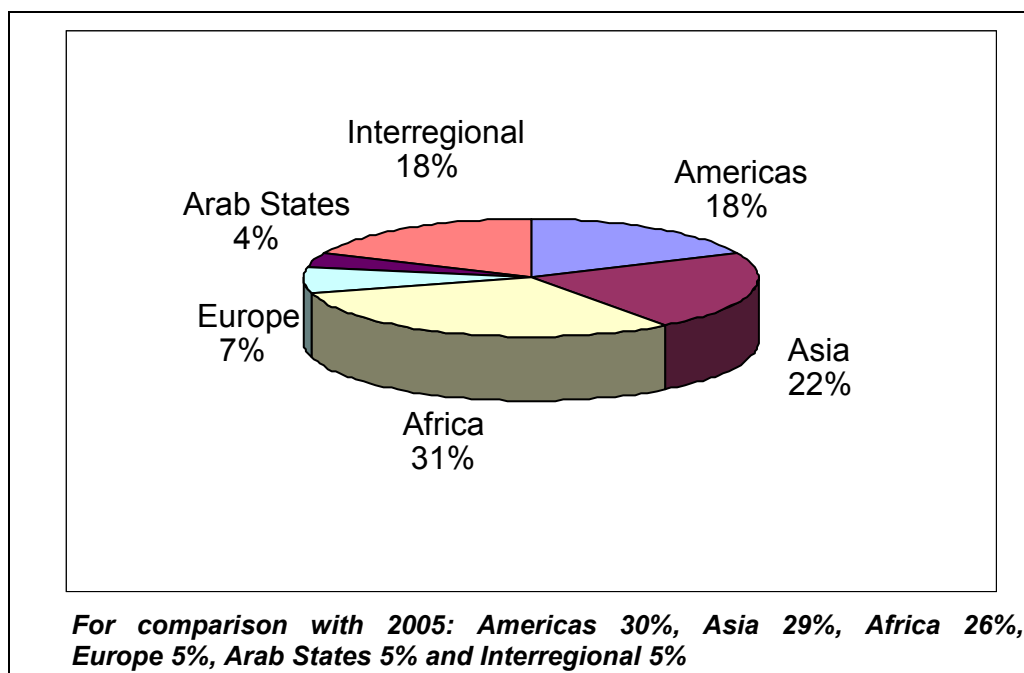
- all projects that are subject to an independent evaluation are being evaluated as scheduled;
- the process of managing and conducting an evaluation is done according to the established policies and procedures assuring impartiality and transparency;
- the evaluation reports meet international evaluation quality standards; and
- the management is providing proper follow-up to independent project evaluations.

¹¹ GB.294/TC/2.

Overview of independent project evaluations completed in 2006¹²

51. In 2006, the ILO conducted 55 independent project evaluations, of which 75 per cent were final evaluations and 25 per cent interim evaluations.¹³ Compared to the previous year, there were relatively more independent evaluations of projects located in Africa and Europe and of interregional projects, and relatively less in other regions. The variations to the previous year can be explained by natural fluctuation in the project cycles and variations in the size of projects.¹⁴

Figure 1. Independent project evaluations by region, 2006



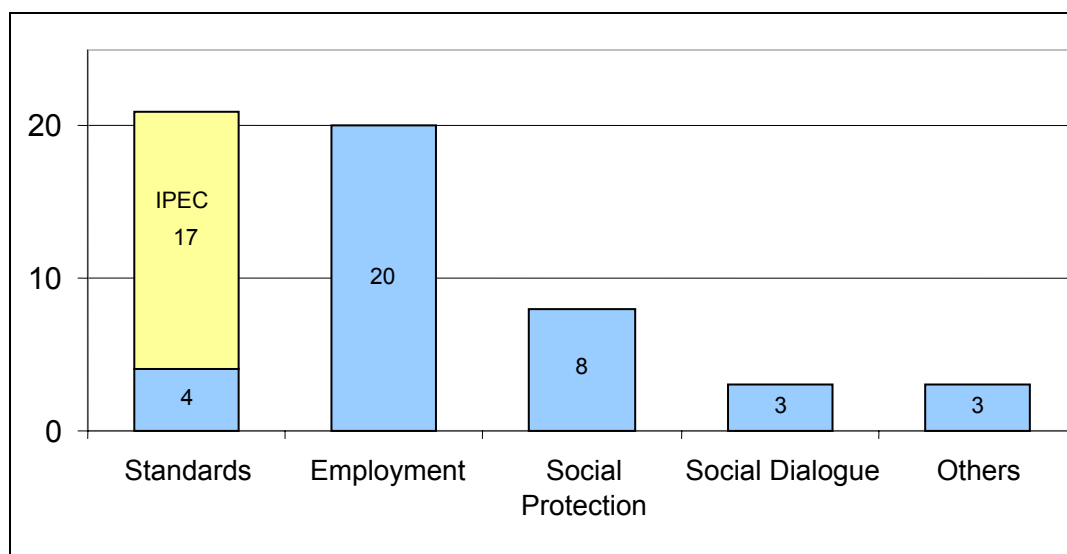
52. With regard to technical areas, the 2005 trend is unchanged. Evaluation reports in 2006 covered foremost projects in the field of employment (36 per cent) and child labour (31 per cent).¹⁵ This is due to the large technical cooperation portfolio and to the comparatively large size of projects in these thematic areas.

¹² The complete list of independent technical cooperation project evaluations can be found in the annex of the long version of the Annual Evaluation Report 2006, which is posted on EVAL's public web site: <http://www.ilo.org/evaluation>.

¹³ In 2005, 55 per cent were final and 45 per cent mid-term evaluations.

¹⁴ Only projects with a budget over US\$500,000 require an independent evaluation.

¹⁵ A more detailed overview of project evaluations by technical area can be found in the annex of the long version of the Annual Evaluation Report 2006.

Figure 2. Independent project evaluations by technical area, 2006

Assessment of workflow management and management follow-up of independent project evaluations

53. In 2006, EVAL conducted two questionnaire-based surveys relating to project evaluation practices. The first survey sought to establish what is the current practice with respect to managing evaluation processes. In early 2006, EVAL established new procedures for managing independent project evaluations and issued guidance. However, some constraints were still perceived in how far these new procedures were already known and actually implemented.
54. The second was a pilot survey that assessed the usefulness of evaluation recommendations and sought information on follow-up actions as a result. Another purpose of this survey was to identify good practices on management follow-up in preparation of guidelines on follow-up to independent project evaluations. Both surveys used only a limited sample of project evaluations.¹⁶

Survey of workflow management of independent project evaluations in 2006

55. This survey confirmed that the workflow process established by ILO/EVAL is not being strictly adhered to by external offices. This issue may therefore need to be revisited to ensure compliance.
- Draft terms of reference and draft reports were in many cases circulated for comment only internally to other ILO staff and often not to national constituents and project implementing partners.

¹⁶ The first survey used a sample of 31 reports. For the second survey a sample of 15 reports was used but the questionnaire was sent to the directors of both the field office and the technical department that had been involved in the project. Both surveys had a return rate of about 60 per cent. Even though the surveys were not fully representative they could nonetheless alert to certain trends.

- Complying with the requirement that the evaluation process be managed by staff without previous involvement in the project still poses a challenge unless the evaluation manager is identified at a very early stage.¹⁷ Most evaluations were managed by the ILO official technically backstopping the project and not by an independent evaluation manager.
- Most staff indicate they are familiar with EVAL guidance on evaluation, but international reference documents such as the OECD/DAC Evaluation Quality Standards and the UN System Evaluation Norms and Standards are less well known and followed.
- As in 2005, the time between finalization of the report and its submission to the donor is still too long, in some cases exceeding six months.

56. EVAL is addressing these lacunae through enhanced internal capacity building, oversight and dissemination of guidance material.

Survey of management follow-up of independent project evaluations in 2006

57. This test survey showed a wide range of different follow-up actions taken as well as constraints to implementing follow-up. In all but one case, respondents found that the recommendations were very useful. In the surveyed cases, recommendations were usually accepted and followed up.

- It is worth noting that the field offices or departments that responded to the survey had mostly made good use of the evaluation and had taken follow-up actions in response. Many gave very concrete examples of what was done or changed in response to evaluation recommendations.
- Unsurprisingly, the usefulness of the evaluation was linked to the quality and usefulness of its recommendations; vague recommendations received less follow-up.
- Follow-up of evaluations included extending the project to more locations, conducting studies on areas where the evaluation identified that more knowledge was needed, or giving more attention to aspects or target groups that had not been properly addressed.
- Evaluation recommendations were also used to design the second phase of a project or new projects of a similar kind. They helped in asking the donor for a project extension and to mobilize further funds. Evaluation recommendations also helped in the policy dialogue with national partners.
- Most constraints for follow-up were related to budget constraints and in some cases, the difficulty in getting the necessary attention of other relevant actors (other ILO units, higher management or national partners).

58. Generally, the responses underscored the need for a systematic process within the ILO to record recommendations and monitor follow-up actions taken, and the information gathered from this questionnaire will be useful in designing and testing such a process.

¹⁷ ILO-IPEC has a dedicated and independent design, evaluation and documentation unit that manages all IPEC evaluations.

Quality appraisal of independent project evaluation reports ¹⁸

59. The Annual Evaluation Report 2005 initiated the process of quality assurance of independent project evaluations. This involved a 25 per cent sample of reports, and the PFAC requested that further analysis of project evaluation quality be carried out. For the 2006 report EVAL carried out a similar exercise, involving 56 per cent of reports. In future years it is expected that this quality assurance exercise will cover the large majority of such evaluations carried out in the ILO. Although the appraisal results are not directly comparable, the overall result is that the quality of reports has improved slightly in nearly all assessed elements (which include seven content areas). About one third of evaluations had reached a satisfactory standard, half required some improvement and the remainder required considerable improvement.
60. Overall, further improvement is still needed to reach satisfactory levels of quality. Areas that require more attention include the strength of the linkages between key sections of the reports, and the setting out of recommendations. Both areas will be subject to special attention by EVAL's future quality assurance support. The appraisal exercise also identified some good practices: (i) providing definitions of evaluation criteria and how they will be measured; (ii) providing full documentation of evaluation instruments including consultation feedback; (iii) analysing the logic of the results chain of the project; and finally (iv) including a limited number of concrete and actionable recommendations.
61. Recommendations flowing from the quality assurance exercise included the need to intensify training and related support activities, to highlight good practices, to conduct an assessment of the evaluability of technical cooperation projects, and to develop or update guidelines and protocols.

V. External reviews of the ILO's evaluation and oversight function

62. There has been increased stakeholder interest in the levels of oversight and accountability within UN organizations through external reviews. In participating in these reviews, the Office responded fully to all requests for information, documentation and consultations.
63. The Office regards these reviews as an opportunity to make further progress in the area of oversight and results-based management. Follow-up plans will seek to progressively close the gaps identified taking into account the resources available and the Organization's governance structure.

Report of the Independent Steering Committee for the comprehensive review of governance and oversight within the United Nations system

64. As part of the several UN reform initiatives, the United Nations secretariat released in August 2006 the report entitled "Comprehensive review of governance and oversight

¹⁸ A description in greater detail of the appraisal and its results, and complete list of independent technical cooperation project evaluations can be found in the annex of the long version of the Annual Evaluation Report 2006.

within the United Nations and its funds, programmes and specialized agencies”.¹⁹ The ILO participated actively in this study that covered virtually the entire UN system. The review concluded that results-based management and effective governance in UN entities needed to be strengthened to enhance transparency, accountability, effectiveness and efficiency. To achieve this, a strong and effective system of oversight is indispensable.²⁰

65. The review proposes a “UN Code of Governance” derived from global principles of governance and oversight for consideration and system-wide adoption, and provides a set of recommendations to strengthen the wider system of oversight within the UN system. However, it does not propose specific recommendations to single UN system entities.

Report of the United States Government Accountability Office (GAO)

66. In June 2007, the GAO released a report to congressional committees that reviewed the extent to which the internal audit offices and evaluation offices of six selected UN organizations have implemented international auditing standards and UN evaluation norms and standards respectively.²¹ The ILO Office of Internal Audit and Oversight together with ILO/EVAL were among offices assessed by the GAO.
67. The ILO collaborated with the GAO during the preparation of this report and responded to its findings and conclusions. The GAO’s main conclusion in respect to the evaluation function was that the six UN offices are still working towards implementation of UN evaluation standards. Specific findings identified relating to the evaluation function were that:
- Some UN evaluation offices, including ILO/EVAL, lack sufficient resources to manage and conduct evaluations and most evaluation offices expressed a need for more experienced staff.
 - Most evaluation offices, including ILO/EVAL, have not fully implemented quality assurance processes relating to areas such as evaluation methodology, scope, and findings.
 - Most evaluation offices, including ILO/EVAL, are working towards establishing mechanisms that systematically follow up and report on the status of their recommendations.
68. The GAO recommended that the US Government work with member States to improve oversight in UN system organizations by: (i) making audit reports available to the

¹⁹ UN General Assembly document A/60/883. <http://www.un.org/reform/governance/report>. The review was performed by the consulting firm PriceWaterhouseCoopers (PWC), following an international competitive bidding process.

²⁰ According to the definition used in this report, oversight consists of monitoring, evaluation and reporting on the entities’ performance. It also encompasses the internal and external auditing of the entities’ financial results and the effectiveness of their internal control of cases of fraud or malpractice. UN Governance and Oversight, Vol. II, p. 4.

²¹ GAO: *United Nations organizations – Oversight and accountability could be strengthened by further instituting international best practices*, United States, 2007 (GAO report 07-597). The six UN organizations whose evaluation offices were reviewed were FAO, ILO, UNDP, UNICEF, WFP, and WHO.

governing bodies; and (ii) establishing independent audit committees that are accountable to the governing bodies of UN organizations.²² No recommendations were made in the GAO report concerning the ILO's evaluation function.

One World Trust (OWT) Global Accountability Report 2006

69. The OWT is a non-governmental organization that aims to generate wider commitment to transparency and accountability in international governmental and non-governmental organizations. In November 2006, the OWT released a report that assesses and compares the transparency and accountability of 30 organizations operating in the international arena, of which ten intergovernmental organizations including the ILO.²³
70. The ILO was ranked fourth among these ten organizations in terms of evaluation capabilities. The OWT found that the ILO has a high-quality evaluation policy and that evaluation systems are relatively well developed but that the ILO has not developed a mechanism for disseminating lessons learned. The report contained no recommendations on the ILO's evaluation function.

VI. Work in progress and proposed evaluations

71. This section presents an overview of independent evaluations of all types carried out in 2007 as well as the proposed agenda for independent evaluations in 2008.

Work in progress for 2007

72. The table below gives an overview of all the independent evaluations that are being carried out in 2007.²⁴

Table 1. Type, topic and timing of independent evaluations in 2007

Evaluation type	Topic of evaluation	Timing	Dissemination
Strategy	Independent evaluation of the ILO's strategy to support member States to improve the impact of standards	Apr.–Sep. 2007	Summary submitted to PFAC Nov. 2007 Full report public (Internet)
Country programme	Independent evaluation of the ILO's country programme of support to Ukraine	Nov. 2006–Jul. 2007	Summary submitted to PFAC Nov. 2007 Full report public (Internet)
Country programme	Independent evaluation of the ILO's country programme of support to Argentina	Apr.–Sep. 2007	Summary submitted to PFAC Nov. 2007 Full report public (Internet)

²² More detailed information about findings on the ILO Internal Audit Office is contained in the report of the Chief Internal Auditor in her annual report to the PFAC.

²³ One World Trust: *2006 Global Accountability Report*, United Kingdom, 2006.

²⁴ The independent thematic evaluation of the Global Employment Agenda in the context of DWCP will not be carried out in 2007.

Evaluation type	Topic of evaluation	Timing	Dissemination
Project (independent evaluations for projects above US\$500,000)	As every year, ca. 50–60 independent project evaluations will be carried out: the evaluation focal persons with the support and oversight of EVAL are currently monitoring the project portfolio and appraising evaluation processes and reports	Jan.–Dec. 2007	Full reports to donors, partners, national constituents, other stakeholders Summaries public (Internet)

Proposed evaluations for 2008

73. As indicated in table 2 below, four high-level independent evaluations will be conducted in 2008. These do not include the 50–60 independent project evaluations that will also be carried out. In accordance with the evaluation policy, strategy and country programme evaluations will be managed by EVAL.
74. **New procedure for selecting evaluation topics.** The selection of evaluation topics is now undertaken by the EAC based on the selection criteria of evaluability and strategic relevance. The choice of topics is also guided by discussions and requests by the various Governing Body committees, special concerns of senior management and other strategic considerations. For country programme evaluations, the principle of regional rotation is applied. The selection of the country programmes is undertaken in close consultation with the ILO's regional offices.

Table 2. Type, topic and timing of independent high-level evaluations planned for 2008

Evaluation type	Topic of evaluation	Timing	Dissemination
Strategy	Independent evaluation of the ILO's strategy for increasing member State's capacity to develop policies or programmes focused on the protection of migrant workers	Jan.–Jul. 2008	Summary submitted to PFAC Nov. 2008 Full report public (Internet)
Country programme	Independent evaluation of the ILO's country programme of support to Jordan	Jan.–Jun. 2008	Summary submitted to PFAC Nov. 2008 Full report public (Internet)
Country programme	Independent evaluation of the ILO's country programme of support to Zambia	Mar.–Aug. 2008	Summary submitted to PFAC Nov. 2008 Full report public (Internet)

75. **Evaluation of the ILO's strategy for improving the protection of migrant workers.** The independent strategy evaluation proposed for 2008 will assess the ILO's strategy for increasing member State's capacity to develop policies or programmes focused on the protection of migrant workers (immediate outcome 3c.1), which is linked to intermediate outcome 3c "Labour migration is managed to foster protection and decent employment of migrant workers" in the Programme and Budget for 2008–09.
76. The evaluation will review the strategy's relevance and strategic fit within the ILO's strategic framework and other global initiatives on labour migration. It will review the strategy's contribution to national and global development goals, and the Office's performance in supporting this strategy effectively and efficiently. It will focus on the ILO's contribution to the protection of migrant workers and strengthening member States' capacities to develop supporting policies and programmes. The terms of reference setting

out the evaluation's focus, scope and approach are being prepared in consultation with key stakeholders in the Office, constituents and external experts.

- 77. Evaluation of ILO country programmes of support to Jordan and Zambia.** In accordance with the evaluation policy, the Office conducts two country programme evaluations a year. Following the principle of regional rotation, the country programme of one African and one Arab States country are to be evaluated in 2008.
- 78.** The Office plans to evaluate the country programmes of support to Jordan and Zambia, which have been selected in close consultation with the ILO's regional offices. Both countries have a significant technical cooperation portfolio and a well-developed country programming framework. The full-fledged DWCPs for these two countries have recently been finalized in consultation with the constituents and are regarded as good examples. The evaluation will assess the relevance and impact of the ILO's past work in these countries, with a strong focus on national partnerships. Based on lessons learned, the evaluation will review the current DWCPs and make recommendations.

VII. Conclusions

Progress and achievements

- 79.** Several indicators demonstrate that the evaluation function in the ILO has been further strengthened. Progress has been made on most of the points declared "priority areas of action" in the Annual Evaluation Report 2005.
- 80.** The availability of extra-budgetary funding, which is mainly used for DWCP evaluations and self-evaluations, as well as for expanding capacities for the management of evaluations, has helped to make progress in these areas.
- (1) The EAC established strict policies for monitoring management follow-up to high-level independent evaluations.
 - (2) The ILO collaborates closely with the UN Evaluation Group and is a member of the steering committee of the One-UN pilot country evaluations.
 - (3) Further guidance has been issued for monitoring and evaluation planning for both projects and country programmes and for assuring the quality of evaluators, terms of reference and evaluation reports.
 - (4) The network of evaluation focal persons and evaluation managers in both headquarters and the regions has been strengthened.
 - (5) Staff training has been delivered for both project-level and country-level monitoring and evaluation.
 - (6) Last year's quality appraisal of project evaluations has been used to improve appraisal tools (checklist approach) as well as the appraisal methodology itself.
 - (7) A web-accessible knowledge database helps to manage the evaluation schedule, budget and workflow and is a repository for terms of reference, evaluation reports, summaries, lessons learned and action plans for the follow-up of all types of evaluations, and is in its final stages of development.

Priority areas for action and emerging issues

81. In order to continue strengthening evaluation in the Office, ILO/EVAL needs to continue working on a few priorities, which include staff training, quality assurance of evaluation processes and products, and increasing the usefulness of evaluations.

Continued priority areas for action

82. EVAL will continue and intensify staff training with a focus on the regions. Some of the training and guidance material will be transformed into e-learning modules to achieve a wider outreach. The decentralized network of evaluation focal persons and evaluation managers will be further strengthened.
83. To ensure the quality of the evaluation process and products, all evaluation terms of reference and all evaluation reports of independent project evaluations will be systematically appraised by the responsible ILO evaluation focal persons using the standardized quality checklists. Increased efforts will be made to find highly qualified evaluation consultants through a more systematic use of public tendering and a database of evaluation experts.
84. In order to increase the usefulness of evaluations, the development of the global web-accessible evaluation database will be finished and responsible staff trained in its use. All evaluation-related project and programme information will be managed through the database. During the coming year, EVAL will establish a policy on management follow-up for all types of independent evaluations as well as a system for tracking progress of follow-up.

Improve the involvement of ILO constituents in monitoring and evaluation by building capacities

85. The ILO's tripartite constituents at national level are the main partners, stakeholders and recipients of ILO work at country level and as such have co-responsibility for achieving results. Accordingly, they need to be involved in a meaningful manner in the monitoring and evaluation of projects and country programmes. Although they are regularly consulted at all stages during the programme and project cycle, including monitoring and evaluation, their effective involvement can be improved through capacity building in results-based management and evaluation.
86. Therefore EVAL will continue to collaborate with PROGRAM, ACTRAV and ACT/EMP to familiarize national constituents with the principles of strategic planning, results-based management, and monitoring and evaluation and design training for constituents. The evaluation focal persons and the employers' and workers' specialists in the regions also have a key role to play in facilitating the meaningful engagement of constituents.

Greater emphasis to be placed on making DWCPs and programme and budget strategies evaluable

87. EVAL has observed great variance in the extent to which country programmes, programme and budget strategies and projects are evaluable. This refers to whether a programme has

the necessary procedures and documentation in place that enable it to be meaningfully evaluated.²⁵

88. EVAL, CODEV and PROGRAM will continue to collaborate in assisting headquarters and field staff to improve results frameworks and results-based management through training, guidance and individual feedback and support with a greater emphasis on monitoring and evaluation. This is to make sure that the evaluation of current and future DWCPs and programme and budget strategies is already considered at their design stage and that appropriate results frameworks and monitoring systems are being put into place.
89. In addition, EVAL will carry out an exercise to determine the adequacy of existing results frameworks and monitoring plans of the ILO's contributions to each of the One-UN pilot country programmes, where the ILO has activities.²⁶ The assessment will be conducted in conjunction with the larger UNEG initiative.

Improve management follow-up to evaluations

90. Evaluations only contribute to organizational learning and improvement of programmes if the responsible managers take appropriate and timely follow-up actions in response to recommendations. Even though follow-up actions are taken for all high-level and most thematic and project-level evaluations, the EAC observed that these actions are often insufficient. Evaluations do not achieve their full potential in facilitating improvements of programmes by their recommendations.
91. A key priority for 2008 will therefore be to establish a policy on follow-up for all types of evaluations and develop a system for tracking the management response by recommendation over a determined period of time. At the same time, ILO/EVAL will develop guidance and quality assurance mechanisms to make evaluation recommendations more actionable and useful.
92. *The Committee may wish to take note of the present report and endorse its conclusion that the Office is progressing satisfactorily with the implementation of the evaluation policy and strategy. It may also wish to take note of the follow-up to high-level evaluation reports presented to the PFAC in 2006.*

Geneva, 25 September 2007.

Point for decision: Paragraph 92.

²⁵ This includes, among others, a logic and well-documented results framework with baselines, indicators and targets, a monitoring plan, monitoring data and meaningful progress reports.

²⁶ This includes the Pilot One countries Albania, Mozambique, Pakistan, Rwanda, United Republic of Tanzania, Uruguay and Viet Nam. The ILO does not have activities of mention in the Pilot One country Cape Verde.