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High-level evaluations of strategies and Decent Work Country Programmes

Purpose of the document

This document presents a summary of the findings and recommendations of three independent high-level evaluations conducted during 2019 and the Office responses. Part I pertains to the ILO's strategy and actions towards the formalization of the informal economy, 2014–18. Part II covers the independent high-level evaluation of the ILO's public-private partnerships, 2008–18. Part III concerns the independent high-level evaluation of the ILO's programme of work in four selected member countries of the Southern African Development Community (SADC) (Lesotho, Madagascar, South Africa and the United Republic of Tanzania), 2014–18. The Governing Body is invited to endorse the recommendations and request the Director-General to ensure their implementation (see draft decision in paragraph 132).

Relevant strategic objective: All.

Main relevant outcome/cross-cutting policy driver: Enabling Outcome B: Effective and efficient governance of the Organization.

Policy implications: The final section of each evaluation summary contains a set of recommendations, the implementation of which will have policy implications.

Legal implications: None.

Financial implications: Changes in resource allocations within approved budget level may be required.

Follow-up action required: Follow-up to the recommendations will be reviewed by the Evaluation Advisory Committee and reported to the Governing Body through the annual evaluation report.

Author unit: Evaluation Office (EVAL).

Related documents: GB.332/PFA/8; GB.331/PFA/8; GB.326/POL/7.

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Introduction

1. This report presents a summary of the findings of three high-level evaluations conducted by the ILO's Evaluation Office (EVAL) in 2019.¹ The evaluations were undertaken using internationally accepted evaluation criteria, covering relevance, coherence, effectiveness, efficiency, impact and sustainability. Data derived from different methods (desk reviews, synthesis reviews of related project evaluations, interviews, surveys and field visits) were triangulated to ensure consistency and reliability.² A six-point rating scale – ranging from very unsatisfactory to very satisfactory – was applied to complement the findings. The evaluations aim to generate insights into organizational performance within the context of the ILO's results-based management system, and are expected to contribute to decision-making on policies, strategies and accountability.

Part I. The ILO's strategy and actions towards the formalization of the informal economy, 2014–18

Purpose and scope

2. The evaluation covered the ILO's actions towards the formalization of the informal economy as an area of critical importance (2014–15) and later as policy outcome 6 of the ILO's Programme and Budget for 2016–17 and Programme and Budget for 2018–19. Given the transversal nature of outcome 6, the links with other outcomes were also taken into account in the evaluation,³ although most of the focus was on work directly targeting the formalization of the informal economy under outcome 6. In an effort to ensure validity and reliability, the findings were verified using multiple methods and sources, as described in paragraph 1 above.⁴

¹ The full texts of the evaluation reports provide further details to substantiate the key findings and conclusions presented in the summaries. These texts can be consulted at: www.ilo.org/eval/Evaluationreports/lang--en/index.htm (from 30 Sep. 2019).

² Country or topical case studies and other supporting documentation for each evaluation are available upon request from eval@ilo.org.

³ Especially those related to employment, enterprise development, social protection, working conditions, labour administration and support to constituents.

⁴ The data for Argentina, Cambodia, Costa Rica, Nepal, Senegal and Zambia were obtained through field missions, while those for Jordan and Ukraine were obtained through document reviews and Skype-based interviews. A synthesis review was conducted, covering 38 project evaluation reports from the period 2014–18. A total of 200 people were interviewed, and 54 ILO staff members and 21 constituents completed the online survey.

Summary of findings

A. Overall findings

3. The formalization of the informal economy is generally perceived as a framework for action with a long-term objective. While the efforts undertaken in this regard during the evaluation period are commendable, the evaluation found that these are just the beginning of a process that requires greater focus on further developing, adapting, disseminating and implementing actions on formalizing the informal economy.

B. Relevance

Key finding 1: *The strategy for formalization, as outlined in the ILO's programme and budget documents, is relevant to country needs and global concerns relating to the informal economy. Relevance is stronger where awareness levels are high.*

Key finding 2: *Some stakeholders see the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204), as an ILO strategy rather than as a normative instrument that provides guidance on policy, legislation and practice. This suggests inadequate ownership on the part of countries of this normative instrument.*

4. There is no single specifically defined ILO strategy, but rather several key documents⁵ that together help in understanding the overall approach to formalization. For the purpose of this evaluation, the programme and budget documents for 2016–17 and 2018–19 were considered as the foundation of the ILO's strategy.
5. The ILO's strategy and the main areas of focus of the area of critical importance and outcome 6 are generally relevant to country needs. Nevertheless, there is much variation between countries and key stakeholders. The design of the ILO's strategy for outcome 6 is identifiably and directly pertinent in terms of responding to global concerns and strategies on formalizing the informal economy. Stakeholders noted that Recommendation No. 204 and the ILO's strategy make an important contribution to achieving Sustainable Development Goal (SDG) 8, and more specifically target 8.3.⁶

C. Coherence

Key finding 3: *Key elements of the ILO's strategy in support of Recommendation No. 204 are coherent and actions are aligned with the strategy, but synergies across other outcomes contributing to outcome 6 are often not clear.*

6. The relevant global ILO products and country programme outcomes (CPOs), as a whole, are well aligned with outcome 6 and its indicators. Documents guiding the ILO's work on formalizing the informal economy are coherent across the programme and budget targets. At the individual country level, the extent to which CPOs are linked with outcome 6 and

⁵ [GB.325/POL/1/1](#); [GB.329/POL/2](#); [GB.329/PV](#), paras 440–457.

⁶ Target 8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services.

indicators varies. The ILO's strategy partially integrates the ILO's cross-cutting policy drivers.⁷

7. Overall, stakeholders see the ILO's strategy supporting the implementation of Recommendation No. 204 as coherent, although actual implementation is considered to be fragmented. The evaluation found that work carried out under other outcomes has had an impact on outcome 6 and vice versa. However, evidence of the creation of synergies between outcome 6 and other outcomes was partial.
8. Some case study countries do not have a specific CPO on outcome 6, but they do include actions related less directly to formalization under other outcomes.

D. Effectiveness

Key finding 4: *Resource limitations challenged the ILO's effectiveness. Most CPOs and global products remained significantly underfunded.*

Key finding 5: *Despite the absence of a dedicated technical unit supporting this outcome, planning and monitoring were effectively managed through the extended outcome coordination team. However, synergies at the implementation level are limited, as the reporting system offers no particular incentives for collaborative work.*

Key finding 6: *Although progress on generating awareness, capacity and knowledge, including statistics and diagnostics, was notable, success regarding the official adoption of laws and policies supporting formalization was less evident.*

Key finding 7: *Tripartism and social dialogue were well integrated into the ILO's strategy and actions, but the engagement of representatives of the informal economy warrants much greater attention from all stakeholders.*

Key finding 8: *While there are many approaches that support formalization (for example social protection, compliance and sector-specific initiatives), too much focus on one can be detrimental to the integrated approach advocated by Recommendation No. 204.*

Key finding 9: *The focus on gender, social dialogue and standards as cross-cutting policy drivers was adequate, but greater focus is needed on the inclusion of people with specific vulnerabilities and on a just transition to environmental sustainability.*

9. There were a limited number of CPOs linked to outcome 6 (52 results were reported under 42 CPOs⁸ for the biennium 2016–17 and it is expected that 54 results will be reported for 2018–19). The CPOs and the supporting development cooperation projects were mostly under-resourced, as evident from monitoring records and reiterated in the synthesis review of evaluation reports. While CPOs reported under other outcomes are relevant to the ILO's strategy, it is hard to obtain a comprehensive picture of results, given the limitations of the prevailing planning and reporting system, which allows a CPO to be linked to only one outcome.
10. Outcome 6 is not supported by any dedicated technical unit, but by an outcome coordination team. The team was extended to include members from relevant technical units, in order to enhance collaborative work and to complement and contribute to delivering the ILO's strategy and actions towards formalization. This arrangement worked well for collaborative planning and monitoring. However, mechanisms to stimulate synergies for the

⁷ These include international labour standards, social dialogue, gender equality and non-discrimination, and a just transition to environmental sustainability.

⁸ Data from the ILO's Decent Work Results Dashboard.

implementation of outcome 6 were insufficient. The incentive to create synergies is limited where synergies are not unequivocally required for results reporting.

11. Analysis of reported results for the biennium 2016–17 showed that the ILO exceeded targets for two of the three indicators (indicators 6.1 and 6.2) and achieved the target for the third indicator (indicator 6.3).⁹ Progress has been notably high in respect of awareness-raising, capacity-building, diagnostics and addressing decent work deficits in the informal economy through strengthening compliance measures. The ILO was more effective where governments and the social partners were receptive to the concept of formalization.
12. Although there have been notable efforts to develop legal and policy frameworks related to formalization, the official adoption of policies or road maps on formalization was limited. Weak support from governments, changing political priorities and bureaucratic processes were key reasons limiting the prospects for long-term measures at the national level.
13. The principle of tripartism has been well promoted and adhered to in the implementation of the ILO's strategy. The degree of participation of constituents in the formulation and implementation of specific formalization initiatives varies by country. The active participation of representatives of the informal economy is, however, not maximized. Many challenges need to be addressed regarding the positioning of the informal economy in social dialogue overall, and with workers' and employers' organizations.
14. There is high appreciation for the training provided by the International Training Centre of the ILO (Turin Centre) and other international and national workshops related to the informal economy. This includes the consultations led by and publications produced by the Bureau for Workers' Activities (ACTRAV) on Recommendation No. 204. Training was useful to enhance knowledge, awareness and interest on the issue. However, constituents expect the ILO to provide still more technical support on implementation aspects.
15. Some approaches to formalization are more commonly accepted than others. There is high interest among countries to use social protection as an incentive to formalize. Some countries show strong inclination to strengthen compliance mechanisms. While these are all indeed useful mechanisms to make the transition to formality, too much focus on one incentive at the expense of others can lead to loss of the desired integrated approach called for in Recommendation No. 204. A similar risk is palpable in countries that tend just to take sectoral approaches to formalization.
16. Initiatives that included business development services were found to provide incentives and practical support for formalization.
17. There is experience and interest in countries in respect of increasing the use of digital technologies as a means to incentivize informal economy actors to formalize, such as using digital means to register, track and provide learning and other services to informal economy actors.
18. Attention to cross-cutting policy drivers was found to be adequate for some aspects, such as gender and social dialogue, but very limited or non-existent for others. Labour standards were primarily covered in legal and policy framework development. Attention to gender in

⁹ Indicator 6.1: Member States that have updated their legal, policy or strategic frameworks to facilitate the transition to formality; indicator 6.2: Member States in which constituents have increased awareness and the knowledge base on informality to promote and facilitate the transition to formality; indicator 6.3: Member States in which at least one of the constituents has taken measures to promote gender equality and address the needs of vulnerable groups when facilitating the transition to formality.

ILO tools, diagnostics, and legal and policy frameworks on formalization at the global and national levels is generally good. Very little to no attention is paid to other gender issues, such as the particular challenges faced by men, women’s enterprises and lesbian, gay, bisexual, transgender and intersex groups. Issues relating to the non-discrimination of other vulnerable groups – such as people with disabilities, those affected by HIV, and refugees – is mostly very limited. Little to no attention is paid to a just transition to environmental sustainability.

19. While the ILO has engaged in advocacy with international partners through regional and global platforms, this has not yet led to a common view and agenda on formalization.
20. The ILO’s work on formalization is cognizant of the issues identified by the Global Commission on the Future of Work, especially with regard to social protection, labour protection and the representation of workers and employers in the informal economy. This is evident from the growing amount of research and publications relating to the platform economy and the use of technology in formalizing traditionally informal sectors.

E. Efficiency

Key finding 10: *The outcome was underfunded throughout the implementation period, but received substantial Regular Budget Supplementary Account (RBSA) support. Overall, the activities and products were managed cost-efficiently.*

21. Outcome 6 received fewer resources than other outcomes. With 3–4 per cent of the overall allocations, this was the outcome with the lowest funding. The outcome does not have an administrative budget. However, it ranks third (among the ten policy outcomes) in terms of expenditure under the RBSA. Overall, “awareness and knowledge creation” and “capacity-building” received much higher allocations than work related to the “legal, policy and strategic framework”. Lack of resources was the most frequently cited challenge at all levels and across stakeholders. The evaluation team notes that, despite the challenges faced in securing pledged support to outcome 6, the delivery has been cost-efficient within available funding.
22. The current system of coordination, implementation and monitoring is not viable without the outcome coordination team leaders having a clear mandate and authority on resource allocations, implementation and linkages among outcomes.

F. Impact and sustainability

Key finding 11: *Work done to improve capacities, tools and policy improvements is the main area of impact so far, but greater impact and sustainability can be attained by ensuring that efforts are more focused and improving the representation of informal economy actors.*

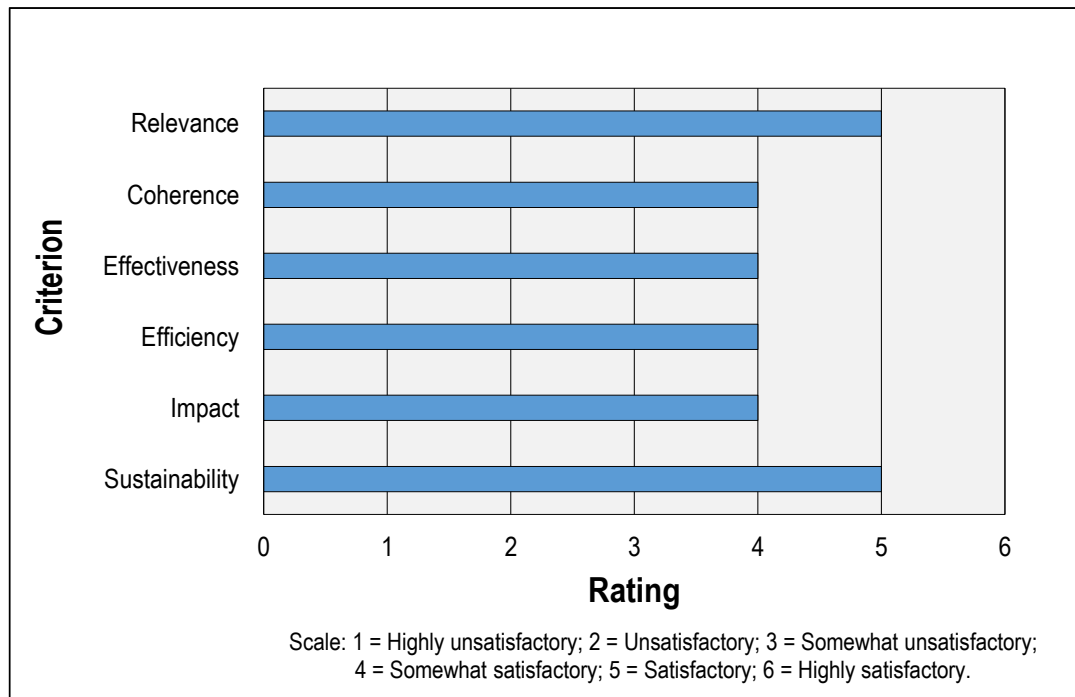
23. The ILO’s strategy and actions have led to improved capacity, the provision of necessary tools and policy improvements towards the formalization of the informal economy. However, achieving the goals of Recommendation No. 204 requires more time and more focused effort, with reduced fragmentation and an increased voice and representation of informal economy actors.
24. ILO support to constituents has the potential to bring long-term changes in the understanding of and approaches to formalization processes. The ILO’s capacity-building efforts at the

national level are well directed to organizations and institutions that can complement and sustain the gains resulting from the ILO's efforts.

G. Overall assessment

25. Based on the ratings¹⁰ obtained through an online survey and assessment by the evaluation team, the overall performance of the ILO's work on the formalization of the informal economy was found to be satisfactory (see figure 1).

Figure 1. Performance by criterion: Formalization of the informal economy



Conclusions

26. The ILO's strategy and actions towards the formalization of the informal economy is in line with Recommendation No. 204 and relevant to country needs. Despite limited reach and resources, a notable amount of ground has been covered in terms of awareness, knowledge-building and capacity enhancement. More coherent efforts are required in order for countries to adopt progressive legislative and policy reforms. Constituents look forward to continued support on implementing formalization strategies, according to their country contexts.
27. The ILO has been able to integrate norms, social dialogue and tripartism in its strategy and actions, but more attention is needed to address the specific needs of vulnerable groups within the informal economy. In line with the ILO Centenary Declaration for the Future of Work, a balanced approach, integrating various entry points such as social protection, labour administration, a conducive business environment and enterprise sustainability, underpinned by the inclusion and representation of informal economy actors, is the way forward.

¹⁰ 1 – Highly unsatisfactory, 2 – Unsatisfactory, 3 – Somewhat unsatisfactory, 4 – Somewhat satisfactory, 5 – Satisfactory, 6 – Highly satisfactory.

Recommendations

Recommendation 1

28. *Establish more intensive collaboration among ILO departments and between headquarters and field offices on formalizing the informal economy using a theory of change at the global level, clearly incorporating inputs from the regional and national levels.*

Much more intensive, integrated and continued collaborative work is needed to attain outcome 6. A clear overview of the formalization goal with a strong narrative describing the theory of change is needed. The narrative should include clear expectations and role descriptions to achieve the objectives of the theory of change. It should further include explicit coverage of coordination, monitoring and reporting mechanisms specifying how progress towards formalization will be measured.

Responsible unit(s)	Priority	Time implication	Resource implication
Deputy Director-General for Policy (DDG/P); Deputy Director-General for Field Operations and Partnerships (DDG/FOP)	High	Short-term	Low

Recommendation 2

29. *Develop and implement well articulated plans on global, regional and national partnerships, including through the focused mapping of potential joint efforts and synergies. Build on and extend South–South cooperation much further, including an exchange of experiences on intervention models.*

There is a need to engage in further advocacy and awareness-raising at all levels for the development and implementation of partnerships on the formalization of the informal economy. Mapping will contribute to the better targeting of potential partners for actions and funding to support formalization. Particular emphasis should be placed on ensuring that governments and the social partners take full ownership of and promote inclusive and progressive formalization processes.

There is also a need to promote the inclusion of the formalization of the informal economy in donor and implementation agencies' programming. Partnerships on formalizing the informal economy should be integrated into national United Nations (UN) Sustainable Development Cooperation Framework systems, indicating clear roles and joint actions while stimulating country-level resource allocation.

Special attention should be given to the role of the private sector, including with regard to cultivating strategic partnerships and linkages between the formal and informal economy. South–South cooperation is particularly relevant to national contexts in the early stages of formalization.

The ILO should thus foster evidence-based decision-making on formalization that stems from peers and constituents, and is grounded in field experience.

Responsible unit(s)	Priority	Time implication	Resource implication
DDG/P; DDG/FOP	High	Short-term	Low

Recommendation 3

30. *Strengthen focus on diagnostics, including statistics and knowledge-base building to inform methodologies for the formalization of the informal economy.*

Effective programming on formalization requires clarity on magnitude and factors such as diversity, dispersion, vulnerability and working conditions in the informal economy. A focus on assessing the place of the informal economy in value chains and the link with environmental sustainability should be included. There is a need to ensure that statistics and research on the informal economy are disseminated and used to track progress towards formalization. Assessments should include the detailed mapping of existing informal economy organizations, including their objectives, strengths, weaknesses, potential for collaboration and other factors.

Responsible unit(s)	Priority	Time implication	Resource implication
DDG/P; Conditions of Work and Equality Department (WORKQUALITY); Department of Statistics (STATISTICS); Enterprises Department (ENTERPRISES)	Medium	Long-term	High

Recommendation 4

31. *Continue capacity-strengthening on formalizing the informal economy while ensuring the cascading of knowledge and skills among government officials, workers' and employers' organizations, representatives of informal economy actors and other relevant civil society groups.*

There is a need to continue to strengthen conceptual and technical capacities to provide services and solutions adapted to the needs of the informal economy. As relevant, special attention should be given to literacy for informal economy actors to support their formalization processes. Capacity-strengthening should take a long-term view for knowledge and skills building. This includes awareness-raising among the general public to ensure changes in behaviour and practices.

Responsible unit(s)	Priority	Time implication	Resource implication
DDG/P; ACTRAV; Bureau for Employers' Activities (ACT/EMP); Turin Centre	Medium	Long-term	Medium

Recommendation 5

32. *Support the national level formulation of strategies on formalizing the informal economy, while substantially increasing the focus on advocacy planning methods for the adoption of national strategies.*

There is a need to continue support for the participative formulation of national-level strategies, road maps, and legal and policy frameworks on formalization – where this is still needed – and to place greater focus on advocacy planning to attain the adoption of these documents.

National strategies, road maps and direct formalization initiatives should cover the articulation of labour standards, a conducive business environment, gender, non-discrimination, social dialogue and a just transition to environmental sustainability. Road maps and direct formalization initiatives should include clear exit strategies from inception.

Responsible unit(s)	Priority	Time implication	Resource implication
DDG/P; DDG/FOP	High	Long-term	High

Recommendation 6

33. *Support the strengthening of mechanisms for social dialogue on the inclusion of informal economy issues into the agenda of constituents, and place emphasis on supporting workers' and employers' organizations in building alliances with actors of the informal economy in order to ensure inclusive representation and decision-making.*

There is a need to promote formal and permanent mechanisms for social dialogue with the broad social and institutional participation of the informal economy (or actors that were previously from the informal economy but that are now formalized). There is also a need to advocate for improved access to information, credit, markets and innovation and to mechanisms for the protection of rights aimed at informal enterprises and workers.

Mechanisms should be developed to extend membership in workers' and employers' organizations to the informal economy recognizing the legal limitations and obstacles. Informal economy actors should be encouraged (including through supportive laws and policies) to engage in the application of freedom of association principles and to join either type of organization in line with their specific conditions. Technical support should be provided to allow informal economy associations and cooperatives to strengthen their voices independently or to join existing organizations.

Responsible unit(s)	Priority	Time implication	Resource implication
DDG/P; Social Dialogue and Tripartism Unit (DIALOGUE); ACTRAV; ACT/EMP	High	Medium-term	Medium

Recommendation 7

34. *Take more substantive measures to ensure that gender issues, diversity and issues relating to the non-discrimination of vulnerable persons are included in planning and implementing measures on formalizing the informal economy.*

There is a need to include the formalization of the informal economy in national policies and strategies on issues related to gender, people affected by HIV, people with disabilities, refugees and other vulnerable persons. The issue of the inclusion of vulnerable groups may be contained in an addendum to or integrated into national policies and strategies. Consideration should be given to gender in broad terms and to issues related to gender and non-discrimination of all vulnerable groups. Assessments of the needs of vulnerable groups with regard to formalization should be included as part of recommendations 3 and 5. A clear target for the participation of women, persons affected by HIV, persons with disabilities and other vulnerable groups should be added into national policies and strategies and their voices should be included in discussions on formalization of the informal economy.

Responsible unit(s)	Priority	Time implication	Resource implication
DDG/P	Medium	Medium-term	Medium

Recommendation 8

35. *Develop technical support mechanisms for the further development of digital technologies to incentivize and support the formalization of the informal economy at the national level.*

There is a need to provide a platform for and stimulate the sharing of experiences and use of digital technologies to fast track effective and efficient formalization. There is also a need to place special focus on technologies for: registering and tracking formalization; managing services such as social protection, financial and business development services, and market logistics management services; and providing learning and other services to informal economy actors. Studies should be expanded on how and where digital technologies related to formalization are already being used globally and practical guidance should be disseminated.

Responsible unit(s)	Priority	Time implication	Resource implication
DDG/P	Medium	Medium-term	Medium

Recommendation 9

36. *Allow for linking a country programme outcome or global product to more than one policy outcome.*

This is highly relevant as an incentive for themes that are transversal in nature, where the progress on one outcome depends on and is complemented by work done under other outcomes. While the evaluation team is aware of challenges such as duplication of reporting, there is a strong need to allow for multiple linking, as also pointed out in other evaluations. A stronger mandate and authority for outcome coordination team leaders and incentives for collaboration should be created.

Responsible unit(s)	Priority	Time implication	Resource implication
Deputy Director-General for Management and Reform (DDG/MR); Strategic Programming and Management Department (PROGRAM)	High	Medium-term	Medium

Office response

Recommendation 1

37. The Office will develop a theory of change at the global level, based on a review of country needs and priorities, the Centenary Declaration, the Programme and Budget for 2020–21, Recommendation No. 204, and the SDGs. This theory of change will be adapted by each region to their particular circumstances. A work arrangement will be defined that will specify Office-wide responsibilities regarding the coordination, implementation and monitoring of activities relating to the transition to formality.

Recommendation 2

38. The Office will raise awareness and understanding among UN agencies, international financial institutions, donors and partners on the meaning and benefits of formalization, notably in relation to the SDGs. It will organize advocacy events on Recommendation No. 204 and participate in UN global and regional meetings to promote the transition to formality. A map of current interventions by UN agencies and donors will be produced to support the development of partnerships, notably in the context of the UN Sustainable Development Cooperation Framework. South–South and triangular cooperation will be promoted to stimulate knowledge-sharing and cooperation among countries.

Recommendation 3

39. The Office will complement the existing guidance on diagnoses with standardized tools for different components and develop detailed guidelines for monitoring progress within the context of the Office-wide improved monitoring systems. It will continue to strengthen the ability of constituents to realize and participate in the elaboration and validation of a diagnosis of informality. It will strengthen the capacity of national statistics offices to regularly collect statistics on the informal economy, including in relation to SDG target 8.3.1, which is under ILO custodianship (Proportion of informal employment in non-agriculture employment, by sex). It will produce new global and regional estimates on the extent and nature of informality.

Recommendation 4

40. The Office will continue to strengthen constituents' capacities to design, implement and monitor formalization strategies, notably through the Turin Centre. This will be adapted in accordance with the theory of change. More emphasis will be given to preventing the informalization of formal jobs, to vulnerable groups and to the ongoing effort to propose complementary learning and dissemination modalities (for example, knowledge-sharing platforms). Emphasis will also be given to building alliances with partners and mobilizing resources to ensure broad coverage of those activities.

Recommendation 5

41. Recommendation No. 204 has led to the development of formalization strategies in many countries, which should be pursued. To foster the relevance of such strategies, the Office will further encourage their participatory formulation. The Office will in particular support the building of a common understanding of the issues to be discussed among the actors involved, strengthen their capacities and encourage the participation of informal economy workers and economic units in social dialogue through the development of their relations with representative workers' and employers' organizations.

Recommendation 6

42. The Office will develop knowledge materials to enable the social partners to include in their ranks and offer services to informal economy workers and economic units. It will also support the social partners' engagement in tripartite and bipartite social dialogue on activities aiming to facilitate the transition to formality. A training programme will be put in place for employers' and workers' organizations on social dialogue and organization as means of facilitating the transition to formality.

Recommendation 7

43. Increased attention will be paid to workers in the informal economy who are particularly vulnerable to decent work deficits, in order to enable them to overcome the obstacles they face in the transition to formality. The Office will raise awareness of the particular constraints these groups face when formulating national strategies. Tools on the provision of and access to affordable quality childcare and other care services will be produced to deepen constituents' understanding of the benefits of such services and the modalities to develop them at the country level.

Recommendation 8

44. The Office will document practices on the use of technologies to facilitate the transition to formality. It will increase the dissemination of this material, including through specific sessions at training courses and knowledge-sharing events. The advantages of the use of technologies for facilitating the transition to formality will be more systematically taken into account when providing assistance at the country level.

Recommendation 9

45. Progress in the reform of the UN development system and the new ILO results framework for 2020–21 require a re-conceptualization of existing work planning and monitoring systems. The relevance and feasibility of introducing changes based on the recommendation will be considered in this context.

Part II. Independent high-level evaluation of the ILO's public–private partnerships, 2008–18

Purpose and scope

46. In March 2016, the Governing Body requested an independent evaluation of public–private partnerships (PPPs), citing their “value added” and unique “intervention models”.¹¹ The purpose of the evaluation is to inform the Governing Body about the strengths and weaknesses of the modality, to feed into relevant policy and programme documents, including the ILO's programme and budget and its Development Cooperation Strategy for 2020–25.
47. The scope of the evaluation included the approaches, strategies, outcomes and achievements of PPPs worldwide, covering the period 2008–18. It also examined PPPs as a funding and delivery modality, and focused on the value added they provide. Typologies of PPPs were identified as case studies, using individual PPPs as examples of work within these typologies.¹²

¹¹ [GB.326/POL/7](#).

¹² The nine PPP typologies identified were: (1) core component of a global programme; (2) for networking and advocacy; (3) with expanding scope over time; (4) focused on policy leverage;

Summary of findings

A. Relevance

Key finding 1: *The total number of PPPs has grown substantially during the period 2008–18 but, in terms of financial volume, they still account for only a small proportion of the ILO’s total resources, and their potential is largely under-exploited.*

Key finding 2: *While individual units have often devised tailored approaches with respect to the role of PPPs, the ILO lacks an Office-wide strategy for their use in support of its policy outcomes and the SDGs.*

Key finding 3: *The current use of the term “public–private partnership” or “PPP” as a single catch-all category for ILO partnerships with all non-State actors is not strategic and is of limited operational value. Different types of partners present varying issues and need to be managed according to the specific characteristics of each partnership.*

Key finding 4: *PPPs that are targeted to skills development, the introduction of ILO labour standards throughout global supply chains and innovative financing can add value by complementing and enhancing the ILO’s expertise and capabilities.*

48. Many PPPs do not involve significant financial contributions from the partner; statistics do not support the common assertion that PPPs are merely an alternative source of funding. The total financial volume of PPPs from 2008 to July 2019 is US\$123 million, averaging approximately US\$11.2 million per year. This constitutes less than 3 per cent of the total annual ILO budget of US\$400 million or 6 per cent of extra-budgetary voluntary sources, as reflected in the Programme and Budget for 2018–19.
49. A range of stakeholder interviews revealed a perception that different units in the Office may have their own clear plans for the strategic use of PPPs in the absence of a corporate strategy for the proactive identification and use of PPPs.¹³ This contributes to a widely held view of missed opportunities. PPPs are therefore currently underutilized in terms of supporting the ILO’s policy outcomes.¹⁴

(5) supporting development cooperation activities with research; (6) supporting development cooperation activities only; (7) that are sector-specific; (8) supporting development cooperation with partner involvement; and (9) focused on research and information sharing. In-depth reviews in five countries (Bangladesh, Côte d’Ivoire, Ethiopia, Myanmar and Turkey) were conducted with countries selected based on their experience with PPPs and the existence of multiple cases representing more than one type of PPP. The evaluation team interviewed more than 100 stakeholders. Surveys were administered using a global database of constituents (18 per cent response rate), partners (13 per cent response rate) and ILO staff (9 per cent response rate).

¹³ Some strategic initiatives and documents such as the Enterprise Initiative include PPPs but are not explicitly focused on them.

¹⁴ As revealed in interviews with staff in the ILO Regional Office for Asia and the Pacific, the ILO Regional Office for Africa, the ILO Regional Office for the Arab States, the ILO Regional Office for Latin America and the Caribbean, the ILO Country Office for Brazil (CO-Brasilia), the ILO Country Office for Ethiopia, Djibouti, Somalia, Sudan and South Sudan, and for the Special Representative to the AU and the ECA (CO-Addis Ababa), the ILO Country Office for Côte d’Ivoire, Benin, Burkina Faso, Mali, Niger and Togo (CO-Abidjan), the ILO Office for Turkey (ILO-Ankara), and the ILO Decent Work Technical Support Team and Country Office for Eastern Europe and Central Asia (DWT/CO-Moscow), and in various interviews with ILO staff in Geneva.

50. Presently, “public–private partnership” is a far-reaching term that is used to describe the ILO’s collaboration with any non-state actor.¹⁵ Little or no distinction is made between an ILO partnership with a research institution, an established non-governmental organization, a private corporate social responsibility foundation, a foundation supported by an individual or family, or a company, whether private or publicly listed: all are subject to similar due diligence and screening mechanisms, and are managed through similar modalities and instruments. Yet the risks and issues that each present are different, as is the nature of the partnership.
51. PPPs have been used to various degrees of effectiveness to address certain thematic areas, such as child labour and youth employment. Skills development and the introduction of ILO labour standards throughout global supply chains are areas of intervention where it would be of particular strategic value for the ILO to apply the PPP modality. These targeted PPPs are increasingly used by the ILO and could become a staple of its programming worldwide. These areas of work significantly benefit from harnessing both the capacity of governments and the private sector. PPPs that are applied to facilitate the use of innovative financing for social protection, insurance and finance, while in their infancy, also have great potential, particularly if they can mobilize additional leverage to implement policies.

B. Coherence

Key finding 5: *The due diligence process to clear PPPs at the outset of an engagement is important, but is currently regarded by many stakeholders as unpredictable and lacking clarity. This has sometimes created uncertainty, avoidable delays or the loss of potential partnerships and has threatened to tarnish the ILO’s reputation as a reliable and responsive partner.*

Key finding 6: *Many PPPs tend to begin relatively small but may evolve and grow. The instruments that are currently available do not appear to provide sufficient leeway in terms of the management of a growing relationship to allow for adjustments and growth and are not sufficiently understood throughout the ILO to be effectively used in practice.*

52. Although the procedures to clear PPPs have been characterized by some as inefficient, it appears that they have only resulted in the rejection of four proposed PPPs. At present, there are no systematic statistics on the time taken to clear proposed first-time PPPs.¹⁶ Delays or indecisions that may have occurred are claimed to have led to a loss of interest on a number of occasions. In extreme examples, the Director-General has been required to step in and approve PPPs considered to be of strategic importance.
53. The current system has a static approach to partnership, in which the ILO at headquarters appears to drive how PPPs develop. This limits the role and capacity of the regions to be flexible and develop new PPPs, or to modify existing ones according to arising needs and opportunities.

¹⁵ Director-General’s Announcement, *Public–private partnerships*, IGDS No. 81 (version 1), of 14 July 2009.

¹⁶ Submissions for a new agreement with an existing or cleared partner are currently fast-tracked and subject to a three-working-day turnaround for clearance on a no objection basis.

C. Effectiveness

Key finding 7: *PPPs have demonstrated their value added in helping the ILO achieve multiple programme policy outcomes. The supply chain approach has proven particularly effective, and is well suited to partnerships. The effectiveness of supply chain PPPs and the sustainability of their results vary according to important differences in the design of PPPs among countries.*

Key finding 8: *The effectiveness of PPPs geared to research varies according to the arrangements made to use the results and ensure the sustainability of activities, either with external funding or through the development of capacity.*

54. Subject to sufficient proactive planning and design work, PPPs have proven to be an effective modality to address decent work deficits across global supply chains in a sector or an industry. A recent synthesis review of the ILO's work in global supply chains found that any or all of the strategic objectives at the heart of the Decent Work Agenda could conceivably be pursued within the context of global supply chains.¹⁷ The effectiveness of PPPs in addressing decent work deficits is very much dependent on proactive and judicious design, and a clear recognition and exploitation of the value added of each stakeholder in a PPP.
55. PPPs generally deliver their intended outputs to a high standard. In the case of private companies, PPP partners have tended to be hands-off in terms of implementation, leaving the technical and management aspects to the ILO. They do, however, take a keen and detailed interest in the monitoring of progress in terms of implementation, and some are reported to demand results data frequently.
56. Design is generally negotiated with the partner – especially with private companies and foundations. Results and the potential impact of PPPs vary considerably – even between engagements with the same partner in different countries. Differences in design and market conditions are among the determinant factors in respect of potential outcomes, impact and sustainability, including in terms of capacity created. Most strengths as well as shortcomings are therefore in line with those of other development cooperation projects. Design choices assessed by final evaluations and by the high-level evaluation showed a common lack of a clear strategy to ensure continuity and sustainability.
57. There is a tendency for the ILO and its partners to consider effectiveness simply in terms of the quality of research products and the satisfaction of their immediate users. However, country-level capacity or willingness to use the improved data as an input into national policy is not always present. These challenges particularly affect global data sets. In these types of PPPs, it is evident that more attention and innovation are needed to allow for the constructive use of research data as an input in addressing country and regional-level issues.

D. Efficiency

Key finding 9: *Overall, stakeholders reported satisfaction with the efficiency of partnerships. Where PPPs entailed close working relationships, particularly with private companies or foundations, private sector work practices were often reported to have contributed towards a rise in efficiency in terms of implementation.*

¹⁷ ILO Evaluation Office and Office of the Deputy Director-General for Policy: *An independent synthesis review of ILO global supply chain interventions undertaken between 2010–2019 with a focus on lessons learned: What works and why* (draft), 17 July 2019, p. 4.

58. It was notable that, in supply chain PPPs, as well as in skills development and youth employment PPPs, scheduled activities and outputs were often delivered in full and substantially ahead of time. Many types of PPP projects displayed a high degree of efficiency comparable to or exceeding that of “standard” ILO projects, although many also exhibited delays in start-up as the partner familiarized itself with ILO rules and regulations.
59. Negative aspects of efficiency affecting PPPs commonly raised by stakeholders related to the process prior to commencement and on delays caused by differing operational cultures. Most stakeholders were content with the way the PPP had worked out and did not describe their experience as excessively bureaucratic. Governments pointed out that, in many cases, PPPs had moved faster than collaboration with conventional donors, who often had relatively inflexible procedures, particularly with regard to changes in the PPP or the project direction or details.
60. In terms of operational efficiency, partners generally reported satisfaction with the ILO’s performance. This was particularly the case where the management of country-level activities had a dedicated team at the regional or country office level. Global or regional partnerships, often covering research topics, managed from headquarters were reported to be less efficient.

E. Sustainability

Key finding 10: *Sustainability constitutes a major area of weakness in the design and implementation of most PPPs, including those with private companies.*

61. Sustainability is an area of weakness. Many final evaluations highlight the lack of consideration for sustainability. One underlying cause is the absence of – or weak – logical frameworks or theories of change. Some stakeholders reported that there is an expectation of early results and that long-term sustainability does not appear as a top priority for the ILO or its partners in PPPs.

F. Impact

Key finding 11: *The potential for impact is high but is negatively affected by the duration and design of PPPs. It is also difficult to establish impact, as monitoring data at this level are not collected.*

62. Impact has proven difficult for the high-level evaluation to establish. PPPs tend not to define their desired impact with clarity, and none of those examined included a theory of change in their design. The monitoring of progress or of actual impact has therefore generally not taken place and the lack of data or of reliable indicators has rendered it difficult to establish impact at the industry, sectoral or national levels.

Overall assessment

63. The ratings for each of the evaluation criteria have been established by assessing both the performance of PPPs as a modality supporting the ILO’s activities on the one hand and the individual merits of PPPs in contributing to ILO policy outcomes on the other (see figure 2). By and large, the “modality score” lowered the overall ratings for most criteria.

Figure 2. Performance by criterion: Public-private partnerships



Conclusions

64. Some PPPs, when strategically positioned and judiciously designed, have been able to raise the effectiveness of the ILO's programme activities in support of its global policy outcomes and the SDGs. For this to occur more consistently, the ILO should be more proactive in the positioning and selection of its PPP partners, and learn from its growing experience in the design of PPPs to maximize their effectiveness, sustainability and impact. Currently, there is no coherent overall approach to the assembly and analysis of data on PPP performance and their value added.
65. PPP partners should be targeted more strategically based on their potential value added, potential substantive contribution to ILO outcomes and, eventually, potential impact. The screening and oversight of PPPs need to be made more systematic, accountable and transparent. The ILO should differentiate between major categories of PPPs in order to undertake more systematic due diligence, based on the specific type of partner and partnership, and to manage their implementation more effectively. It is important to develop protocols and tailored instruments to support this effort.
66. Memoranda of understanding or long-term agreements need to reflect the nature of new relationships between the ILO and private entities; they tend to start small, as the partners familiarize themselves with each other's methods of work, and then grow if both parties find the relationship to be effective and mutually beneficial. Signed instruments should be viewed as relationship management tools that are sufficiently flexible within an overall framework that can accommodate such growth and changes, without slowing implementation too much through the need to seek headquarters approval for each operational change.

Recommendations

Recommendation 1

67. *The ILO should take steps to make PPPs a more regular and accepted modality for implementing the Decent Work Agenda and the SDGs. The tripartite nature of the ILO constitutes an excellent basis for the extensive and effective use of PPPs in support of the strategic objectives of the ILO, but they currently constitute an underutilized modality.*

Consideration needs to be given, among other things, to: improving the understanding and documentation of each partner's expectations of PPPs; increasing the strategic identification of potential partners for continuing relationships; reviewing the appropriate due diligence process based on the nature of the PPPs, including for multi-partner relationships; ensuring the ongoing review and sharing of experiences with PPPs as part of a strategic approach; and enhancing the nature and content of agreements to facilitate long-term partnerships.

Responsible unit(s)	Priority	Time implication	Resource implication
Partnerships and Field Support Department (PARDEV), with all relevant entities required to institutionalize the recommendation	High	Linked to new Development Cooperation Strategy	Within existing resources but with policy implications

Recommendation 2

68. *For each of the policy outcomes contained in the programme and budget document, the ILO should consider which potential partnerships should be cultivated strategically and proactively, to contribute towards achieving the intended outcomes and the related SDGs.*

Such PPPs should be structured to maximize the value added by each specific partner. A systematic analysis of the capacities, strengths and reach of each potential partner and a clear assessment of what they "bring to the table" are needed to lay the conceptual foundation for collaboration with specific entities, including specification of the value added.

Responsible unit(s)	Priority	Time implication	Resource implication
DDG/P with DDG/FOP, regions and PARDEV to ensure required coverage	High	Linked to new Development Cooperation Strategy	Limited for initial analysis with implementation and use within existing resources but with policy implications

Recommendation 3

69. *PPPs that are aimed at extending the reach of labour standards, enhancing skills development through global supply chains and increasing innovative financing for social protection and social finance should be promoted as there is great potential for the ILO to capitalize on the expertise and experience of private partners.*

The ILO can use the expertise and experience of private partners to help define solutions with governments, employers and private finance institutions to address decent work deficits, particularly in the context of the widespread promotion of labour standards and collective bargaining practices in factories, skills development and social finance. This will

require the development of ILO internal technical capacity to ensure credible engagement with future partners.

Responsible unit(s)	Priority	Time implication	Resource implication
PARDEV with departments required to institutionalize the recommendation	High	Linked to new Development Cooperation Strategy	Within existing resources but with policy implications

Recommendation 4

- 70.** *The ILO should recognize different categories of PPPs for different types of partners, with different identification, formulation, appraisal and clearance, implementation, management and oversight procedures to be applied to each category.*

The ILO could differentiate between at least two types of partners for PPPs (private sector entities and non-governmental actors), with the more stringent review procedures reserved for those PPPs that present higher risks or particularly complex issues in the design and implementation of PPPs. These would include clear due diligence procedures and standards, including the requirement for specific provisions in PPPs and in the design of PPP projects to address complex implementation issues and mitigate risks.

Responsible unit(s)	Priority	Time implication	Resource implication
PARDEV with all relevant entities required to institutionalize the recommendation (ACTRAV, ACT/EMP, DDG/P, Office of the Director-General (CABINET))	High	Mid-term	Within existing resources but with policy implications

Recommendation 5

- 71.** *The appraisal, clearance and oversight of PPPs should be clearly institutionalized, making them more transparent and accountable.*

Among other things, an appraisal mechanism should be developed for dialogue and consultation related to the review and approval of new PPPs, the consideration of controversial extensions or changes to the scope of existing PPPs, and the overall monitoring of compliance, with full documentation of the process to provide a basis for decision.

Responsible unit(s)	Priority	Time implication	Resource implication
PARDEV with all relevant entities required to institutionalize the recommendation	High	Mid-term	Within existing resources but with policy implications

Recommendation 6

- 72.** *PPP should be formulated taking into account key design principles intended to maximize effectiveness, with sustainability and potential for impact being accorded priority in their design, implementation and management.*

Key design principles and content should be used in PPP negotiations and in their design; for example, there should be a clear theory of change that takes into account potential contributions to impact and institutional sustainability, and the potential sustainability of

results identified, including the appropriate duration of PPPs in order to achieve desired results.

Responsible unit(s)	Priority	Time implication	Resource implication
PARDEV with all relevant entities required to institutionalize and implement the recommendation	High	Linked to new Development Cooperation Strategy	Limited, related to some development of tools and capacity; implementation within existing resources but with policy implications

Recommendation 7

73. *Memoranda of understanding and long-term agreements with private partners should be designed to serve as frameworks for long-term relationship management.*

The agreements should contain the guiding principles, scope and desired outcomes of the PPP, but should also provide sufficient flexibility to allow the relationship with the partners to grow, transforming beyond the original dimensions if necessary to allow for scaling and greater effectiveness and impact.

Responsible unit(s)	Priority	Time implication	Resource implication
PARDEV with all relevant entities required to institutionalize the recommendation	High	Linked to new Development Cooperation Strategy	Within existing resources but with policy implications

Recommendation 8

74. *Each PPP should include the meaningful monitoring and evaluation of outcomes and the measurement of the impact of the PPP and other stakeholder programmes that are aimed at achieving similar results.*

The monitoring and evaluation of outcomes and the measurement of impact should be an explicit part of PPP design and implementation, identifying indicators that can be readily collected throughout the life of the PPP, including for the assessment of the added value of the PPP modality.

Responsible unit(s)	Priority	Time implication	Resource implication
PARDEV, DDG/FOP, DDG/P, regions and countries	High	Linked to new Development Cooperation Strategy	Limited during the development of the process; integral to development cooperation and regular budget resources once the process is in place

Office response

75. The Office acknowledges the findings of the high-level evaluation and takes due note of its recommendations. Concerning the assessment regarding the resources needed for each of the recommendations, the Office draws attention to the secondment since 2016 of the P4 official occupying the P4 regular budget-funded position on PPPs. This position will need to be liberated and duly replaced in order to implement the recommendations. In addition, the confirmation of ad hoc resource needs and further analysis of resource implications are required.

Recommendation 1

76. The Office generally agrees with the recommendation while taking into account the different roles and contributions of private companies and foundations, and recognizing the need to differentiate between types of PPPs and related internal clearance processes. The Office will consider incorporating a due diligence process.

Recommendation 2

77. The Office agrees with recommendation 2, which builds on past and ongoing efforts to establish mutually beneficial partnerships for initiatives under policy outcomes and major programmes, including the ILO flagship programmes and initiatives in the regions.

Recommendation 3

78. The Office does not agree with the recommendation. It is for the Office to assess the relevance of specific themes or sectors for PPPs. The Governing Body discussion in March 2019 defined the way forward on innovative finance.

Recommendations 4 and 5

79. The Office agrees to the use of differentiated approaches for establishing PPPs. It already has a taxonomy for PPPs, based on UN definitions, and will explore how to enhance the oversight of PPPs as a modality based on different types of engagement.
80. The Office will consider revising the PPP procedures and the appraisal and review processes, taking into account, as relevant, the UN reform process and the UN common approach to due diligence for private sector partnerships. The Office recognizes the need to retain the flexibility to develop specific systems adapted to its particular needs and internal decision-making processes. The Office acknowledges the importance of transparency and accountability and has an appraisal, clearance and oversight mechanism for development cooperation projects, which covers PPPs with financial contributions. The Office will review how to shorten the clearance process, possibly by agreeing on a time frame for responses within the current arrangements for PPPs where ACTRAV and ACT/EMP play an important role.

Recommendation 6

81. The Office partially agrees with the recommendation. As many PPPs do not have financial implications, the vast majority of non-financial PPPs – those with universities and non-governmental organizations for ad hoc collaboration – cannot be qualified as development cooperation projects. Where PPPs constitute development cooperation projects, they will continue to benefit from the existing guidance.

Recommendation 7

82. The Office does not fully agree with recommendation 7. A majority of partnerships would remain time-bound and for specific activities or countries. The Office will explore whether broad multi-annual frameworks for long-term relationship management could remain relevant.

Recommendation 8

83. The Office agrees with the recommendation in respect of PPPs that function like development cooperation projects, where established practices are already applicable. The Office reiterates that the majority of PPPs are strategic partnerships that fall outside of the scope of development cooperation projects and as such do not have financial resources.

Part III. Independent high-level evaluation of the ILO's programme of work in four selected member countries of the Southern African Development Community (SADC) (Lesotho, Madagascar, South Africa and the United Republic of Tanzania), 2014–18

Purpose and scope

84. Each region is the subject of a Decent Work Country Programme (DWCP) evaluation once every five years. In 2019, an evaluation of Africa was due and EVAL examined the ILO's programme of work in four selected member countries of the SADC,¹⁸ namely Lesotho, Madagascar, South Africa and the United Republic of Tanzania, from 2014 to 2018. In an effort to ensure validity and reliability, the findings were verified using multiple methods and sources as described in paragraph 1 above.

Summary of findings

A. Relevance

Key finding 1: *The four DWCPs were relevant to stakeholders' needs, to regional, national and international development frameworks and to the ILO's strategic plans and programme and budget for the period under review. Improvements are possible.*

Key finding 2: *While there was alignment of the DWCPs with the SDGs, it was often circumstantial.*

Key finding 3: *There is a lack of constituent ownership and some stakeholders have unrealistic expectations of the DWCPs.*

85. Through document review and interviews with national stakeholders, the evaluation found that the four DWCPs were largely relevant for addressing the needs of the constituents. The high relevance was a product of extensive consultations between the national constituents: government, employers' and workers' organizations, and the ILO.
86. This finding is somewhat at odds with the perception of ILO staff at the subregional level (ILO Decent Work Technical Support Team for Eastern and Southern Africa and Country Office for South Africa, Botswana, Eswatini and Lesotho (DWT/CO-Pretoria)) and at the country level (for example Lesotho, South Africa and, to some extent, the United Republic

¹⁸ The SADC is an intergovernmental organization headquartered in Gaborone, Botswana. Its goal is to further socio-economic cooperation and integration, and support political and security cooperation among 16 southern African States.

of Tanzania), who think that the ILO's DWCP approach does not fit in all circumstances with the current national models, or with the actual national priorities.

87. Some areas were identified where relevance could have been better adapted to meet the needs of the constituents. For example, national ownership remained a challenge, especially in relation to management and resource mobilization once the DWCP was signed.
88. The four DWCPs considered by this evaluation are well aligned with national, regional and international development frameworks. The DWCPs in Madagascar and the United Republic of Tanzania were found to be more flexible and better able to adapt to context changes than those in Lesotho and South Africa.
89. In most cases, alignment to the SDGs was circumstantial. Nevertheless, the integration of the SDGs in the new generation of DWCPs (Lesotho and South Africa's DWCPs for 2018–23) improved. The DWCPs are aligned with the ILO's Strategic Policy Framework 2010–15 and the biennial programme and budget outcomes.
90. Stakeholders' expectations for comprehensive support from the ILO for DWCP implementation suggest that some perceive the DWCP as being similar to a donor project. Moreover, several stakeholders in Lesotho and South Africa expressed the opinion that the social partners tend to see the DWCP as being the ILO's country programme, rather than as being a joint programme, and thus they consider the ILO to be a donor, instead of an equal partner.
91. National stakeholders and ILO staff in Lesotho, South Africa and the United Republic of Tanzania view the SADC's Decent Work Programme 2013–19 (SADC DWP) as having a convening power that can establish regional objectives for member States. Stakeholders in Madagascar, however, did not participate extensively in ILO-supported SADC programmes.

B. Coherence

Key finding 4: *The DWCPs were based on thorough analyses but lacked theories of change and contained some design flaws that limited their alignment with results-based management.*

Key finding 5: *National steering committees monitored DWCP implementation. However, several factors limited their effectiveness.*

92. The evaluation found that the designs of DWCPs were based on thorough analyses of the countries' context and the challenges to be addressed. However, the documents did not include a theory of change to explain how proposed interventions would lead to desired outcomes.
93. The DWCP documents also contained some design flaws. Linkages or chains of causality between priorities, activities, outputs and outcomes were not always well defined. Thus, the DWCPs are only partially aligned to the ILO's results-based management approach.
94. Regarding monitoring and reporting arrangements, the country case studies show that, except in the case of the United Republic of Tanzania, the ILO supported the creation or the strengthening of tripartite national structures in charge of steering DWCP implementation and monitoring progress in that regard.
95. The different national steering committees in place organized meetings on the implementation of the national DWCPs and the regional SADC DWP. They also provided platforms for the regular monitoring of the programmes, allowing the constituents to follow

implementation. However, several factors hindered effective DWCP and SADC DWP monitoring and limited evaluability.

C. Effectiveness

Key finding 6: *DWCPs produced noteworthy results despite challenging circumstances.*

Key finding 7: *Cross-cutting policy driver results were uneven. Gender equality and non-discrimination are in need of improvement.*

Key finding 8: *National stakeholders' knowledge of and involvement in the implementation of the SADC DWP varied significantly, limiting potential synergies between the DWCPs and the SADC DWP.*

96. A review of the findings of the country case studies shows that the DWCPs produced several noteworthy results. Collectively, the DWCPs addressed programme and budget outcomes 1–9. However, the level of investment and intensity of activity varied by outcome. In addition, the results of 64 CPOs were recorded in the ILO's financial software, implementation reporting and dashboards. What made these accomplishments so significant were the challenges that the DWCPs faced.
97. The four case study countries identified some common challenges to attaining the expected DWCP results. These included overly ambitious outcomes, constituents' limited technical capacity and budget constraints, limited management capacities of the national steering committees for DWCPs, limited understanding of tripartism by some government ministries and agencies, and limited collaboration with other government and UN agencies. The evaluation also found challenges that were unique to each country.
98. International labour standards and social dialogue were the cross-cutting policy driver that achieved the most results. With regard to gender equality and non-discrimination, overall, much remains to be done. Integration of environmental sustainability, as a cross-cutting policy driver, was limited in the DWCPs.
99. National stakeholders' knowledge of and involvement in the implementation of the SADC DWP varied significantly. In Madagascar, stakeholders had little involvement, while in Lesotho, South Africa and the United Republic of Tanzania, there were modest levels of involvement. As for the effectiveness of the SADC DWP, progress was achieved in the areas of regional and technical work. However, little progress was made on promotional work and information-sharing.

D. Efficiency

Key finding 9: *The ILO financial resources were generally well managed. ILO financial resources came from a variety of different sources. However, the different types of funding did not necessarily promote or contribute to different levels of efficiency.*

Key finding 10: *ILO expenditures were spread unevenly across programme and budget outcomes and CPOs.*

Key finding 11: *With regard to the efficiency of management arrangements, the technical assistance delivered by the DWT was found to be uneven.*

Key finding 12: *The ILO's capacity to contribute to positive changes in national decent work agendas was not dependent on large budgets, but favourable contextual factors.*

100. Qualitative data analysis identified two types of efficiency, relating to financial and management arrangements. The ILO's financial resources came from a variety of different sources. For example, in South Africa, much of the development cooperation funding came

from the Government itself. By contrast, in other countries, much of the funding came from sub-recipient agreements with other UN agencies and ILO funding. Different types of funding did not necessarily promote or contribute to different levels of efficiency.

101. The ILO's financial resources were generally well managed. ILO constituents highlighted the need for higher levels of funding, but generally perceived the ILO's support to have been cost-efficient, with a few exceptions. Expenditures mainly respected biennium workplans and were focused on a limited number of CPOs. This helped to promote progress towards impact.
102. In all four case study countries, the ILO's expenditures were spread unevenly across programme and budget outcomes and CPOs. Resource levels were strongly influenced by donor priorities, although the extent of donor dependence varied from country to country.
103. With regard to the efficiency of management arrangements, the technical assistance delivered by the DWT was found to be uneven. In South Africa, where the DWT is based, the DWT's support was found to have been strong. In Madagascar, by contrast, the DWT's support was found to have been limited. Further, this suggests that the DWT may not be fully prepared to deliver technical assistance in multiple languages.
104. The evaluation revealed many examples of the ILO providing effective support to country stakeholders with relatively limited funding. This indicates that the ILO's capacity to contribute to positive changes in national decent work agendas was not dependent on large budgets, provided that other contextual factors (such as stakeholder buy-in) were favourable.
105. Conversely, in some cases, large expenditures led to relatively limited contributions to DWCP objectives. Overall, different types of funding (for example development cooperation funding, RBSA and ILO regular budget funding) did not necessarily lead to different levels of efficiency. Each source of funding presented opportunities and constraints.
106. According to a synthesis review of 23 evaluation reports, the projects in the four case study countries used resources efficiently, which in some cases included leveraging other funds, devoting more than 60 per cent of the funds to development activities (versus overheads), and distributing the funds adequately across participating countries and component activities. This is in line with the evaluation team's findings.

E. Impact

Key finding 13: *Developing the capacities of constituents can lead to progress towards decent work country objectives.*

107. In the four countries considered for this evaluation, the ILO helped the constituents to better understand the Decent Work Agenda. In addition, it developed their capacities to analyse and mainstream their needs into the DWCP. This will lead to the improvement of relevant institutional capacities to generate further progress towards decent work country objectives.
108. At the country level, there was significant potential to advance the Decent Work Agenda, through: improved labour legislation; better alignment of national laws to international labour standards; development of social security schemes; employment promotion; improved livelihoods; constituents' capacity-building; support to skills training delivery, apprenticeships and entrepreneurship; the transition to the formal economy; minimum wages; and international migration.

F. Sustainability

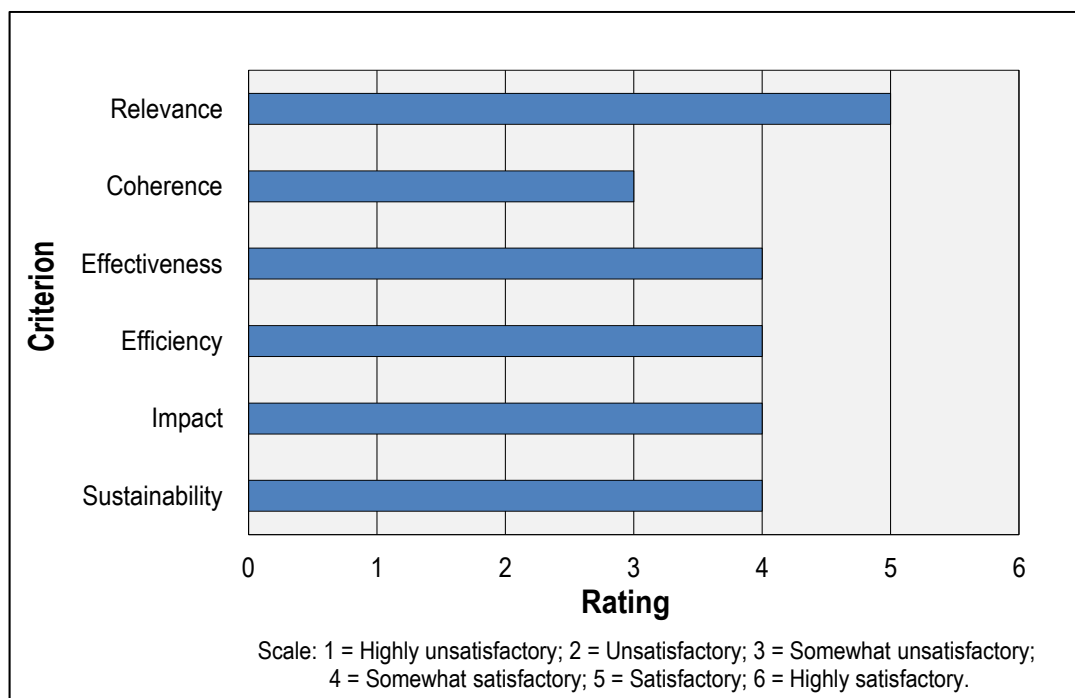
Key finding 14: *The building blocks for sustainability are, to a large extent, created by the ILO's high-quality support, improved social dialogue and positive changes in legislation.*

- 109.** The evaluation found that the likelihood of the DWCP achievements being continued, implemented or scaled-up largely depends on full national ownership, the constituents' institutional capacities, effective governance and continued ILO support.

Overall assessment

- 110.** The overall scoring of the ILO's performance in the subregion was informed by a review of documents, field missions, case studies and the results of web-based surveys of ILO stakeholders (see figure 3).

Figure 3. Performance by criterion: ILO's programme of work in selected SADC member countries



Conclusions

- 111.** The DWCPs were a product of extensive consultation between the ILO and national constituents. Unfortunately, after the DWCP design phase, the level of involvement of the social partners declined during the implementation and monitoring of the programme's progress. Thus, continued relevance to the needs of the constituents was not assured.
- 112.** Adapting to context appeared to be somewhat of a challenge for the DWCPs, because the absence of sound monitoring and reporting tools and processes meant that the ILO and the constituents did not know when to adjust the programmes to changes in their respective external environments.
- 113.** The SADC DWP priorities continue to be important from the national perspectives. However, regional decisions need to be trickled down to the national level, with tripartite

follow-up of the outcomes of regional decisions at the country level. In addition, member States need to allocate funding to implement SADC decisions, implying that higher levels of political will are needed. These two elements have been very limited up until now.

114. Qualitative data analysis was conducted of the challenges that the DWCPs faced. Thirteen separate challenges were identified. However, only two of the 13 – limited technical capacity (two countries) and limited financial capacity (three countries) – were shared by more than one country. This indicates that challenges to DWCPs are highly country-context specific.
115. ILO coordination, communication and knowledge-sharing were largely effective, based on stakeholder feedback. Stakeholders indicated that ILO communication could have been timelier on occasions and that follow-up on decisions taken during meetings could have been stronger. Some strategic partners expressed strong frustration about ILO communication and engagement, highlighting the need for attention by country office leadership.
116. The ILO integrated strategies to sustain its achievements supporting the DWCPs. Sustainability strategies included linking to or embedding DWCP priority outcomes and outputs in government or sectoral action plans, building the capacity of people and institutions charged with implementing the DWCP, and creating new institutions or departments within partner institutions (within national, subnational and local structures) with specific long-term missions to sustain DWCP outcomes.
117. Notwithstanding the positive results, stakeholders cited concerns about sustainability because of high levels of turnover, challenging political environments, lack of full national ownership, insufficient resources and weak institutional capacities among the social partners. The main constraint to sustainability is a weak enabling environment.
118. Furthermore, some constituents see the DWCP as being the ILO's country programme, and thus see the ILO as a donor, instead of as an equal partner.

Recommendations

Recommendation 1

119. *Reinforce the capacities of the social partners. Capacity development plans should identify the capacity development needs of each constituent group and suggest delivery approaches that could best address those needs.*¹⁹

The planning of capacity development should clearly prioritize the most strategic interventions based on needs assessments, the comparative advantage of the ILO, strategic selectivity, and cooperation with other external organizations providing capacity development support. Such plans should include monitoring and evaluation mechanisms to ensure that increased institutional capacities of constituents will be measured and evaluated. Internal consultation with ACT/EMP and ACTRAV to ensure buy-in from the social partners could be strengthened.

¹⁹ ILO: *An independent evaluation of ILO's capacity development efforts 2010–2017*, Geneva, 2018.

Responsible unit(s)	Priority	Time implication	Resource implication
DWT/CO-Pretoria, country offices, DDG/FOP/Turin Centre, ACT/EMP, ACTRAV	High	Medium-term	Medium

Recommendation 2

120. *Consider a more custom-made approach to countries' DWCP design.*

ILO staff at the regional level (DWT/CO-Pretoria) and in selected countries thought that a more tailored approach to the design of DWCPs could be more impactful. Designs could be better adapted to countries' development status, divergent historic backgrounds and socio-economic contexts, and could incorporate a more selective approach based on selected national priorities. The custom-made approach should also take into account what other UN agencies are doing within the country.

Responsible unit(s)	Priority	Time implication	Resource implication
DDG/MR, PROGRAM, Regional Office for Africa, DWT/CO-Pretoria	High	Medium-term	Low

Recommendation 3

121. *Improve efforts to coordinate and promote the involvement of stakeholders in all aspects of decent work country programming (for example steering, implementation, resource mobilization, and monitoring and evaluation).*

This would require developing the capacities of workers and employers, as well as of government ministries and agencies, to be active participants. It would then require the ILO to help create opportunities for stakeholders to become involved. Finally, the ILO would be required to support stakeholders' involvement in the DWCP.

Responsible unit(s)	Priority	Time implication	Resource implication
DDG/MR, DDG/FOP, PROGRAM, Regional Office for Africa, DWT/CO-Pretoria, country offices, national constituents, DWCP national steering committees, UN agencies	High	Medium-term	Low

Recommendation 4

122. *Make additional efforts to promote gender equality and non-discrimination.*

The cross-cutting policy drivers gender equality and non-discrimination are not sufficiently mainstreamed in the DWCPs. Across countries, the ILO and the national constituents should make additional efforts to ensure that gender and non-discrimination principles are integrated in DWCP design and implementation, and considered in the ILO's strategy to influence policy development, formulation and implementation.

Responsible unit(s)	Priority	Time implication	Resource implication
DWT/CO-Pretoria, country offices, national constituents, DWCP national steering committees	High	Medium-term	Low

Recommendation 5

123. *Provide tailored technical assistance focused on both substance and process.*

The evaluation found that there was a demand for technical assistance with regard to content, such as labour and employment issues. In addition, the evaluation identified that demand for technical assistance with regard to processes (for example planning, budgeting, governance, and monitoring and evaluation processes), was high among national stakeholders in some countries.

Responsible unit(s)	Priority	Time implication	Resource implication
DWT/CO-Pretoria, country offices, national constituents, DWCP national steering committees	High	Medium-term	Medium

Recommendation 6

124. *Update the SADC DWP to respond more effectively to present conditions and challenges, both at the regional level and at the level of the SADC member States.*

Furthermore, efforts to raise awareness of the SADC DWP among workers' and employers' organizations across countries should be reinforced, including efforts to create synergies and increase coordination between both programmes.

Responsible unit(s)	Priority	Time implication	Resource implication
Regional Office for Africa, DWT/CO-Pretoria, country offices, ministries of labour, workers' and employers' organizations, DWCP national steering committees, SADC secretariat	Medium	Medium-term	Medium

Office response

125. The Office welcomes the evaluation report and agrees with four of the six recommendations fully and takes note of the other two. Thanks are due to the tripartite constituents in the subregion for their participation and contribution to this evaluation.

Recommendation 1

126. The Office agrees with the recommendation and will take follow-up actions to: (i) continue to support country offices and decent work technical support teams (COs/DWTs) in identifying, planning and undertaking capacity development activities as part of DWCP development and implementation, and as part of the Office's overall business plan; and (ii) ensure that constituents' capacity-development plans are designed to maximize and sustain

the effectiveness, efficiency and ownership of services that facilitate decent work results and incorporate a results monitoring plan.

Recommendation 2

127. The Office takes note of this Office-wide recommendation, which is being implemented as part of the initiative led by the Strategic Programming and Management Department (PROGRAM) to support the development of a new generation of DWCPs as part of the work of the Office's Results-Based Management Task Force. From that initiative, guidance is expected on designing high-quality DWCP documents aligned with the UN's Sustainable Development Cooperation Frameworks and based on the needs of the country in relation to the SDGs. The Regional Office for Africa will support application of the guidance by COs/DWTs.

Recommendation 3

128. The Office agrees with this recommendation and will ensure that: (i) the COs/DWTs organize training for national constituents and for DWCP drafting teams on the preparation of results-based monitoring and evaluation plans; (ii) the COs/DWTs work closely with the national tripartite constituents and other national implementing partners, as well as the relevant UN agencies, in the context of the UN reform, to develop a resource mobilization plan as part of the DWCP preparation and implementation process; (iii) the COs/DWTs prepare and implement a sound advocacy and communication plan as part of the DWCP being developed; (iv) the COs/DWTs facilitate knowledge-sharing and South–South cooperation during the development and implementation of the DWCP, for example, in South Africa, the national steering committee for the DWCP (the National Economic Development and Labour Council) is funded by the Government.

Recommendation 4

129. The Office agrees with the recommendation and will continue supporting COs/DWTs in organizing training for national constituents and the DWCP drafting team on the inclusion of gender equality and non-discrimination in DWCPs.

Recommendation 5

130. The recommendation is duly noted. However, it does not require follow-up action.

Recommendation 6

131. The Office agrees with the recommendation and will: (i) ensure the wide involvement of the SADC member States during the development of the next phase of the SADC DWP; and (ii) ensure alignment between the DWCPs of SADC member States and the SADC DWP.

Draft decision

132. *The Governing Body requested the Director-General to take into consideration the recommendations of the three high-level independent evaluations presented in document GB.337/PFA/7 (paragraphs 28–36, 67–74 and 119–124) and to ensure their appropriate implementation.*