



Evaluation Summary



International
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ILO-Sida Partnership 2012-2013: National Employment Policies (NEP) and Youth Employment (YE)

Quick Facts	
Final:	April 2014
Mode of Evaluation:	Independent final evaluation
Administrative and Technical Backstopping:	Employment Policy
Evaluation Manager:	Sergio Iriarte Quezada
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Project Code:	i) GLO/11/53/SID ii) INT/12/51/SID iii) ELS/12/50/SID, INS/12/51/SID, JOR/12/51/SID, ZAM/12/52/ and GLO/11/60/SID
Donor & Project Budget:	Sida: i) 794,839 USD; ii) 2,384,708 USD; iii) 1,700,000 USD
Keywords:	<i>Employment, employment policy, national employment policy, youth, youth employment, tools, capacity-building, government, social partners, inclusive growth</i>

Background & Context

In July 2009, the Swedish International Development Cooperation Agency (Sida) and the International Labour Organization (ILO) signed a Partnership Programme Agreement for the period 2009-13.

The ILO-Sweden Cooperation Programme has been fully harmonized with the ILO's medium-term planning decisions. Contrary to Phase I approach, the second phase (2012-2013) funding was no longer project- but outcome-based and, aligned with the Strategic Policy Framework (SPF) 2010-15 and the Programme and Budget (P&B) for 2012-13. The new strategy thus supported a reduction of earmarked project funding in favour of priority-oriented initiatives. Out of the 19 Decent Work Outcomes identified in the P&B 2012-2013, Outcomes 1 and 2 were selected to be part of this evaluation.

In total, 11 countries were supported in the development of their NEP of which six were in Africa (Botswana, Comoros, Lesotho, Liberia, Malawi, and Mozambique), two in Asia (Cambodia and Sri Lanka), one in Americas (El Salvador), one in Europe (Kyrgyzstan) and one in the Arab States (Yemen). On the YE side, four countries participated to the initiatives: El Salvador, Indonesia, Jordan and Zambia. The total budget of the second phase amounted to US\$10.5 million, of which Outcome 1 accounted for the highest share (29.8% of the funds) while Youth Employment represented an additional 16.3%. The two components of the ILO-Sida partnership were managed within the Employment and Labour Market Policies Branch of the ILO's Employment Policy Department in Geneva. The NEP component was in charge of the Country Policy Development and Coordination Unit (CEPOL). On the other hand, the Youth Employment Unit (YEP) administered the YE component. Phase II of the Partnership concluded in December 2013, with an extension until the 31 March 2014. By that time this evaluation was conducted and both parties (ILO and Sida) were negotiating an additional extension of the agreement for the next biennium (2014-2015).

The direct beneficiaries of the NEP component were the Government structures (primarily labour administration, but

also finance, central banks, statistics, education, agriculture, infrastructure, local development), workers' and employers' organizations, other stakeholders groups, such as youth associations or gender groups and local authorities. The ultimate beneficiaries are workers, employers, and society at large.

Overview of Outcome 1 and Outcome 2

For the purposes of the evaluation, two Outcomes are considered: Outcome 1 (More women and men have access to productive employment, decent work and income opportunities) with indicator of progress 1.1 "number of member States that, with ILO support, integrate national, sectoral or local employment policies and programmes in their development frameworks" and Outcome 2 (Skills development increases the employability of workers, the competitiveness of enterprises, and the inclusiveness of growth) with indicator of progress 2.5 "number of member States that, with ILO support, develop and implement integrated policies and programmes to promote productive employment and decent work for young women and men".

Outcome 1 is based on the promotion of inclusive job-rich growth and focuses on support given to governments to formulate and implement coordinated policies and programmes that make employment central to national development frameworks and poverty reduction strategies. The office strategy to support Outcome 1 is conducted through research and knowledge development; advocacy and dialogue on policy options; and capacity building. The intervention specifically supported the achievement of indicator 1.1 related to the formulation and adoption of comprehensive National Employment Policies (NEP) through the development of Global Products (GP) tools and technical assistance to Country Programme Outcomes (CPOs).

The ILO/Sida Partnership Agreement for Youth Employment is related to three global ILO outcomes: 1, 2 and 3 (Sustainable enterprises create productive and decent jobs). It consists of a global product and four country interventions in Jordan, Indonesia, El Salvador and Zambia. The objectives of the country initiatives were to support ILO's work in the achievement of at least two measurement criteria of the four considered in Indicator 2.5. The aim of this global product was to increase the knowledge base and the capacity building tools on youth employment. In addition to indicator 2.5, other indicators of outcome 2 and outcome 3 were addressed through the implementation of initiatives for skills development for youth (such as apprenticeships) and entrepreneurship development initiatives.

Methodology of evaluation

The evaluation adopted multiple paths to assess the performance under Outcome 1, indicator 1.1 (NEP) and Outcome 2, indicator 2.5 (YE). A first approach was the identification of the level of fulfilment of the criteria of indicator

of progress 1.1 and indicator of progress 2.5, both under P&B 2012-2013. The indicator of progress (1.1) under the P&B is measured in terms of the "number of member States that, with ILO support, integrate national, sectoral or local employment policies and programmes in their development frameworks". Regarding Youth Employment, CPOs report to the ILO's specific indicator 2.5 (under Outcome 2) "Number of member States that, with ILO support, develops and implements integrated policies and programmes to promote productive employment and decent work for young women and men".

The first group of questions for this evaluation refers to those inquiries that aimed at addressing issues of relevance, coherence, effectiveness, efficiency, impact and sustainability for the initiatives. The second list includes questions related to outcome-based funding, centralized and decentralized project management, the relevance of ACI and similar inquiries. The evaluation strategy followed a step-by-step approach described in the following terms: a) Step 1: Desk review and preparation of the final questionnaire; b) Step 2: Fieldwork for data collection; c) Step 3: Systematization of information resource; d) Step 4: Report submission, review and completion.

Three countries, from those being part of the NEP and YE components, were selected for this evaluation: El Salvador, Sri Lanka and Zambia. To identify the specific countries, the selection was based on the following criteria:

Be a representative of one of the three main regions: Africa, Americas and Asia.

There should be a balance between NEP and YE components.

El Salvador was the only country where the two components were having activities.

Documentation collected during the fieldwork and structured interviews with key stakeholders in Geneva and the three sampled countries were the main sources of information. The second major source of information was the direct interviews that the evaluator conducted in the sampled countries (Sri Lanka, Zambia and El Salvador). In this case, information was collected using a questionnaire. Three relevant respondents were contacted via Skype or email.

Main Findings & Conclusions

The ILO-Sida Partnership was a very relevant initiative that provided substantial funding and technical support to the countries considered in this evaluation. The Partnership supported ongoing efforts so its work varied depending on the country needs.

In El Salvador, social dialogue was the most important issue to consider. In Zambia, support to prepare and launch a youth employment action plan was at the top of the policy agenda. In Sri Lanka, consolidation of the NEP process was the key action.

Through Sida funding, work on the two components, NEP and YE, was able to implement a series of activities that support achievements in terms of Global Products and CPOs (for both

NEP and YE). Resources from the Partnership allowed the achievement of the objectives fixed for the selected countries in El Salvador and Sri Lanka (NEP) and El Salvador and Zambia (YE). Global products were also prepared as part of the Agreement. The Training Package on Decent work for Youth and the Global tools to enhance the employment content of growth and improve labour market policies were the two GPs that the Partnership supported.

Efficiency and effectiveness were two of the aspects where the project shows strong points. All the expected outcomes proposed for each country were finally achieved both in terms of the validation of the output and the fulfilment of the evaluation criteria. In addition, Global Products were also important in terms of the consolidation of the institutional capacity building (Training Package on Decent Work for Youth) and in the construction of a network of information exchange.

Sustainability of results was one of the issues of major concern in these initiatives. The strong political commitment observed in the three countries visited by the evaluator, was a first indication that the achieved results may sustain over time. However, there are many other factors that may condition the long-run effects. For instance, a possible future allocation of Phase III funding is an element of critical importance. In addition, there is a need to strengthen youth-specific institutions in the selected countries, to expand training across constituents and to strengthen labour market information systems. Likely impacts of the initiatives are still yet to be observed. Although the stakeholders in all the visited countries were very motivated with the results of Phase II, they are aware that nothing is still completed until the different outcomes of the projects are implemented.

Four topics are distinguished in the evaluation: centralized-decentralized models, NEP-YE links, social dialogue and ACI 1 agenda. In relation to centralized-decentralized management models, the two alternatives proved to have advantages and disadvantages although local offices favour decentralized models while HQ staff is in favour of centralized approaches. Arguments in favour of centralized management include the enhanced capacity to overview the project, the higher level of clarity of the tasks to implement and achieve P&B outcomes and the methodological advantage to compare across countries. On the other hand, it is argued that decentralized management reinforce ownership, a higher degree of flexibility to adopt decisions and the proximity to the reality of the country.

Although there are natural links between NEP and YEP, only the experience of El Salvador was useful to approximate ideas of how to strengthen those links. Conclusions in this case show that appointing one coordinator is one critical step, especially if the person has previous experience and academic background to understand how both projects operate. However, it is also important to identify common points and promote a dialogue with local partners and constituents about the importance of generating synergies to improve thematic coordination, the scope of the activities and efficiency through resource sharing.

Social dialogue involving tripartite (government, employers and workers)/bipartite (employers and workers) partners became a key tool to motivate social and economic sectors to sit down and discuss employment problems and solutions. The examples of Sri Lanka and El Salvador are clear examples in this regard. However, there is an increasing pressure to involve more actors in the debate and this certainly brings positive outcomes (stronger political support to NEP) but at the same time it poses a series of challenges in terms of the capacity to effectively coordinate bigger groups with so many opinions and perspectives.

Lastly, the ACIs open a series of opportunities for the continuation of the work started in Phase II. Activities that were implemented in El Salvador such as the use of planning tools now have an interesting space in ACI 1 to be disseminated across countries. Different respondents visualize the work continuing with ACI2 in different ways. The first one is to strengthen the capacity of labour union representatives in terms of youth employment challenges and policy options. This goes in line with the already commented complain that workers' representatives usually have a low understanding of the labour market conditions. In a similar line, there is also an enormous potential to intensify training and capacity building of young people in the understanding of their own labour market situation, in their rights at work and in other areas related to entrepreneurship and labour unions work. The NEP global product component financed the development of a guide targeting trade unions. This guide is being finalized. It will be available by the end of May 2014 (printed version and eBook). Because capacity building is a continuous process where new topics emerge, ACI 2 also presents the opportunity to introduce novel contents in areas where no previous experience exists, has been poorly developed, as impact evaluation techniques applied to youth employment programs.

Recommendations & Lessons Learned

Recommendations on project design and management

1. All ILO employment projects should be designed with a broader involvement of social and economic actors in mind.
2. Define a short set of guidelines to orient the identification of the most suitable management model according to the characteristics and objectives of the project in place.
3. Maintain a flexible technical approach to adapt the project intervention to country specific needs.
4. Promote synergies and complementarity between NEP and YE components, in countries where both projects coexist, by hiring one single coordinator and include into the social dialogue agenda an explicit point on the definition common areas of work.

Recommendations focused on project activities

5. Capacity building activities should continue and expand training to constituents in both the design and implementation of labour/employment-related policies.
6. Reinforce gender mainstreaming in ILO courses.
7. Reinforce country's youth institutional capacities.
8. Introduce an inception phase as part of the design of the project.
9. Promote and introduce technical tables of discussion as a permanent body of debate of employment issues to identify and respond to local needs.
10. Promote training to enhance the capacity of local stakeholders to implement.
11. Promote data-generating activities for public use as part of the project, such as knowledge platforms for cross-countries experience sharing.
12. Enhance the participation of young people in the formulation of youth employment policies.
13. Increase the level of activities aimed at targeting underrepresented groups.
14. Expand the initial objectives established in the ILO/Sida Partnership to include implementation as a key activity, mainly in those countries that concluded Master Plans or Action Plan formulation.

Recommendations on ILO-Sida Partnership

15. Keep fund flexibility and outcome-based funding.
16. Maintain some of the beneficiary countries, depending on their needs and the stage of their policy development as well as in accordance with Sida's priorities..
 - a) One recommendation suggests that the ILO should be more involved in the implementation phase.
 - b) Second, several institutions (especially Ministries) consider that technical support should come in the following areas: a) labour market information systems; b) training on specific topics such as policy action plan and program formulation, pro-employment budgeting, employment indicators and similar areas.
 - c) Finally, the capacity to increase awareness among relevant stakeholders should be accompanied by the formulation of a communication strategy that includes a strong dissemination of the activities to do, particularly in rural settings.

Important lessons learned

Some lessons reflect that recurrent ILO principles and practices are still valid and relevant for the achievement of positive results.

1. Social dialogue can be expanded without necessarily affecting the capacity to reach agreements. The experience of Sri Lanka, with more than 45 stakeholders in the

Steering Committee, shows that nationwide consensus can be reached even under such extraordinary circumstances.

2. There is a need to integrate employment objectives in sectoral policies to expand the potential impact of the CPOs. In El Salvador, the integration of employment objectives in the sectoral policies was considered one of the key achievements of the project because it improved the level of coherence of the policy in line with the Government priorities.
3. Improved chances of a good relationship between NEP and YE have been seen when the projects have only one coordinator with a top academic and professional background. This is perhaps the integrating element that will potentiate any identification of synergies in a more efficient and timely way.
4. There is no single, perfect model for project management. Some aspects of the project implementation, like the outcome-based funding, prove to be better than earmarked funds because of the type of incentives it creates to improve performance and transparency. However, other pieces of the puzzle, like the debate between centralized-decentralized management, are still inconclusive. The participants of the project had divided preferences for one or the other and each option has advantages and disadvantages to be considered. Centralized and decentralized project management proved to be applicable models in ILO projects but their suitability depends on the specific context and objectives of the initiative.
5. Any design of an ILO project should incorporate at least some initial considerations regarding pre-implementation arrangements. It was a widespread opinion that ILO should prepare itself to support implementation processes after the completion of the policy phase.
6. Capacity building continues to be a critical activity in any ILO project and one of the best ways the ILO responds to the needs of the stakeholders. The annual Employment Policy course in Turin has been the response of the ILO to fill those gaps in terms of labour market understanding while the Youth Employment Policy course, prepared as a GP, was an extraordinary example of how to integrate constituents in the formulation of the course.
7. The proposed time horizon of the project, two years, is definitely an insufficient period to complete at least the basic formulation of a NEP. The project was affected by unexpected factors like administrative requirements, slow institutional reaction of some constituents (like the Ministry of Labour and Social Security of El Salvador) to project implementation and long (though productive) discussions that take social dialogue longer than expected.