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Internal Governance Manual
The entire text of this Manual is binding, with the exception of examples or tips, which are clearly indicated as such. Instructions and processes must therefore be followed closely.

While great care has been taken to ensure there are no discrepancies between the Manual and regulatory documents, any perceived discrepancies or problems of interpretation should be transmitted to the department responsible for the section of the Manual in question. In case of discrepancies, the Staff Regulations, the Rules Governing the Conditions of Service of Short-term Officials, the Branch Office Rules, the Financial Rules and Regulations, Internal Governance Documents System (IGDS) documents and Circulars take precedence over the Manual.
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Development cooperation is an important means for the ILO and its constituents to achieve decent work outcomes. Development cooperation can be funded from the regular budget, as well as through voluntary contributions from development partners. Voluntary contributions complement ILO’s own resources and represented 39 per cent of the overall funds available to the Office during the period 2010–15. Voluntary contributions are allocated to ILO country and global outcomes and are usually managed through development cooperation projects. On an average the ILO conducts about 600 projects in more than 100 countries, with the support of 120 development partners.

This Manual provides an overview of the policies, rules, procedures, and tools needed for the Office to manage its development cooperation projects. It is part of the ILO series of internal governance manuals and replaces the ILO Technical Cooperation Manual – Version 1 (2010).

Since 2010 partnership and funding modalities, the management practices of development projects and development cooperation policies have changed. The current version reflects these changes, including the ILO field operations & structure and technical cooperation review of 2013 as well as the review implementation plan. In addition, it builds upon the ILO Development Cooperation Strategy 2015–17 and policy guidance provided by the Governing Body and the International Labour Conference.

The manual is intended for all ILO staff, in both the field and at Headquarters, who are involved in development cooperation projects.
The manual is organized along the different phases of the ILO project cycle and comprises seven chapters:

**Chapter one** specifies the purpose and structure of the Manual.

**Chapter two** positions ILO’s development cooperation strategy and programme in the global context and provides an in-house perspective.

**Chapter three** briefly describes the stages of the project cycle in the ILO, highlighting key documents required and their main function, together with the interrelationship of each stage.

**Chapter four** specifies how to design a project in three steps, by: analysing the project context; formulating the project strategy; and highlighting the steps to follow for project approval.

**Chapter five** introduces the appraisal and approval phases.

**Chapter six** provides an overview of project implementation tools and methods, and points to procedural aspects of project implementation.

**Chapter seven** explains the ILO’s evaluation policy and management, and indicates how evaluation results can be used for organizational learning.

The last four chapters guide users to the rules, processes, methodology and tools required in each of the phases of the ILO project cycle, as well as describing roles and good management practices.

Each chapter includes references to ILO policy documents, other internal governance manuals, Internal Governance Documents System (IGDS) and Minutes. Links to tools, templates and guides are provided that can also be found on the one-stop shop and templates pages on the Partnerships and Field Support Department (PARDEV) intranet.

The Manual is the result of a collective effort under PARDEV coordination and authorship, with substantial inputs from Budget/Technical Cooperation Unit (BUD/CT), Evaluation Office (EVAL), Human Resources Department (HRD), Internal Services and Administration (INTSERV), International Training Centre of the ILO (ITCILO) and Strategic Programming and Management (PROGRAM), and having benefited from peer reviews by colleagues in the field and at Headquarters. The content of this Manual will be reviewed and updated on a regular basis.

We welcome users’ feedback at: pardev@ilo.org
Development Cooperation in the ILO
## 2. Development Cooperation in the ILO

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This chapter positions the ILO’s Development Cooperation Strategy and Programme in the global context, and provides an in-house perspective.

2.1 Global trends in the development cooperation context

Profound changes in the international development context have greatly influenced the ILO’s Development Cooperation programme, policy and partnerships. The principal external drivers of these changes are:

a) The outcome and impact of the global development effectiveness debate

The internationally agreed development effectiveness principles are summarized as: alignment and country ownership; harmonization; results; inclusive partnerships; and mutual accountability and transparency.

b) Efforts to enhance United Nations (UN) system-wide coherence

The adoption by the United Nations Sustainable Development Summit on 25th September 2015 of “Transforming Our World: the 2030 Agenda for Sustainable Development” creates a major opportunity for the UN as a whole and the ILO in particular to support member States in their commitment to ambitious sustainable development goals (SDGs) that reflect a broad consensus on a wide range of urgent and interconnected priorities.

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1 ILO’s technical cooperation programme: Trends and perspectives since 2000, GB.319/POL/7.
2 ILO’s Technical Cooperation Strategy 2015–17, GB.322/POL/6
3 These principles are the outcome of a series of High Level Fora (HLF) on Aid Effectiveness organized by the Organisation for Economic Co-operation and Development (OECD) that took place in Rome (2003), Paris (2005), Accra (2008) and Busan (2011) to reach a consensus on aid delivery for results. Three principal documents have been adopted in this process: the Paris Declaration on Aid Effectiveness (2005), the Accra Agenda for Action (2008), and the outcome document of the Fourth High Level Forum on Aid Effectiveness in Busan (2011). The UN system reaffirmed those principles in the 2008 Doha Declaration on Financing for Development (GB.322/POL/6).
4 The Global Partnership for Effective Development Cooperation is a forum to drive implementation of the effectiveness and financing principles. Coordinated by the United Nations Development Programme (UNDP) and the OECD, the partnership includes developing and resource partner countries, civil society, business, and other development stakeholders.
5 United Nations General Assembly Resolution A/RES/70/1: Transforming our world: the 2030 Agenda for Sustainable Development.
6 ILO brochure on “Decent Work for the 2030 Agenda for sustainable development”, May 2017
“Fit for purpose” is the challenge the UN system faces in its support to development under the 2030 Agenda. The UN development system will need to respond coherently and in an integrated manner in linking the normative to the operational dimensions of its work. This will require new thinking and new approaches, both to work models as well as to financing, in order to guarantee operational effectiveness. The UN development system needs to adapt both to the rapidly changing development cooperation environment, and to the varying development needs of middle-income, developing, as well as developed countries.

Since 2006 the UN system has already been moving towards greater coherence. A number of pilot and self-starter countries have put in practice the “Delivering as One” (DaO) approach, which encourages UN system members to harness synergies and complementarities in support of national development. UN Country Teams have introduced new forms of country-level cooperation in programming and coordination, as well as harmonized business practices. The reinforced UN Joint Programming;\(^7\) the Standard Operating Procedures for UN agencies for delivering as one (with specific considerations for specialized agencies such as the ILO), as well as pooled funding mechanisms for the implementation of joint programmes under common country programming frameworks (such as UN Development Assistance Framework (UNDAFs), are to be considered for operational activities at the country level. See also Chapter 4, section 4.1.1.

c) The emergence of new development actors and modalities

In addition to Official Development Assistance (ODA), new forms of cooperation with actors have arisen, such as emerging economies, the private sector and civil society. For instance, countries that have moved to middle-income status used to be receivers, but are increasingly becoming providers of development funding, while national budgets are being allocated for domestic development programmes that include financial resources for the ILO to deliver technical assistance. Other examples include public-private partnerships and South–South and Triangular Cooperation, etc. Such partnerships and funding modalities are further explained in section 2.6.2.

d) The 2030 development agenda and broader and innovative sources of funding

The Sustainable Development Goals (SDGs) included in the 2030 Agenda include a goal for sustained, inclusive and sustainable economic growth, as well as full and productive employment and decent work for all (Goal 8). Other aspects of decent work, such as social protection, skills development, enterprise development, forced labour, child labour and labour migration are included under other goals.

The Addis Ababa Action Agenda (AAAA)--adopted at the Third International Conference on Financing for Development (13 to 16 July 2015) and endorsed by the

\(^7\) Introduced after the Quadrennial Comprehensive Policy Review (2012–13)
General Assembly—supports, complements and helps to contextualize the means of implementation of the 2030 Agenda.

It focuses on different funding sources (public, private, national, international), their objectives and their interrelatedness. The 2030 Agenda, together with the AAAA, are important drivers of ILO’s resource mobilization strategy and potential.

e) Greater recognition of the Decent Work Agenda in development cooperation policies

The incorporation of key elements of the Decent Work Agenda in the 2030 Agenda, as well as the recognition of the importance of decent work for achieving sustainable development in development cooperation policies of ILO member States imply high expectations of the ILO, including its capacity to service constituents in achieving decent work results through its development cooperation programme.

2.2 Development Cooperation: Definition and scope

As a tripartite, normative, value-based and mandate-driven organization, the ILO’s development cooperation (DC) is one of the major instruments for implementing the Decent Work Agenda (DWA) at a national level, assisting constituents to make this concept a reality for all men and women. Wherever necessary, development cooperation supports the technical, organizational and institutional capacity of ILO constituents (member States, employers’ and workers’ representatives) to facilitate meaningful and coherent social policy and sustainable development.

DC also underlines the importance of efficient and effective resource use, the promotion of effective partnerships within the UN and the multilateral system to strengthen ILO operational programmes, exploring innovative partnerships for the implementation of national strategies, mobilizing resources to address the special needs and capacities of developing countries and social partners, and the sharing of good practices.8

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8 ILO Declaration on Social Justice for a Fair Globalization, 2008. Sections particularly relevant to DC are: II (A)(ii) and (B)(vi), as well as Sections II (A)(iii), (A)(v), (B)(i), (C)(i)(ii), and (iv) of the Annex.
Box 1: Defining development cooperation

Development cooperation is a means to achieve the ILO’s decent work outcomes that is fully embedded in the results framework and that is complementary to other means of action and sources of funds, through diverse and resourceful partnerships (financial or otherwise) and funding modalities.9

The ILO has recently adopted “development cooperation” to replace the term “technical cooperation”. This change in terminology stems from the realization that development is a complex, universal, and long-term process that can succeed only if grounded on comprehensive, mutual and accountable partnerships. In addition to purely technical aspects, development cooperation encompasses inter alia elements of rights, dialogue, good governance, social justice, equality, and capacity development.

Development cooperation can be funded through the Regular Budget (RB), Regular Budget for Technical Cooperation (RBTC) funds, Extra-budgetary Technical Cooperation (XBTC) resources and the Regular Budget Supplementary Account (RBSA), as appropriate. This Manual refers to activities undertaken with XBDC resources on diverse subject areas but results-based management is common to all ILO work.

Box 2: Funding sources for ILO’s work

Regular Budget (RB): The assessed contributions from the ILO’s 187 member States are provided by virtue of their membership, with the exact amount per State set every two years by the International Labour Conference.

Regular Budget Supplementary Account (RBSA): Un-earmarked voluntary contributions by a set of developing partners in support of Programme and Budget (P&B) outcomes, Country Programme Outcomes (CPOs) and global products.10

XBDC: Contributions by development partners to specific projects and programmes with a determined timeline and predefined geographic, thematic focus or outcome (P&B or DWCP (Decent Work Country Programme)).

Programme Support Income (PSI) is generated by charging programme support costs to voluntary contributions in accordance with agreements with resource partners. It is allocated by the Director-General to support the effective delivery of development cooperation projects and programmes. The level of PSI depends on the level of extra-budgetary expenditure.11

Currently the ILO conducts about 538 development cooperation projects in more than 100 countries, with the support of 118 development partners providing voluntary financial contributions to complement the ILO’s own

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9 GB.322/POL/6

10 Currently composed of Belgium, Denmark, Germany, Italy, Luxembourg, Netherlands, Norway and Sweden

11 ILO’s Technical Cooperation Strategy 2015–17, GB.322/POL/6
resources from its regular budget.\textsuperscript{12} Overall, voluntary contributions provided by the ILO’s development partners represented 39 per cent of the overall funds available to the Office over the period 2014-15.

2.3 Results-based Management (RBM)

RBM is a management strategy by which all actors, contributing directly or indirectly to achieving a set of results, ensure that their processes, products and services contribute to the achievement of desired results (outputs, outcomes and higher-level goals or impact). The actors in turn use information and evidence on actual results to inform decision making on the design, resourcing and delivery of programmes and activities as well as for Accountability and reporting.\textsuperscript{13}

For the ILO, RBM means that all results achieved should contribute to the overarching results framework, integrating decent work commitments and our tripartite approach into more comprehensive strategies that engage the UN system and other partners.\textsuperscript{14}

RBM encourages effectiveness, by focusing on clearly achievable results and efficiency, through the best use of available resources.\textsuperscript{15} In development partners’ reviews of the ILO, RBM is an important assessment criterion.

RBM is applicable to all ILO work and is put into action through the ILO’s:

-\textbf{Programming cycle}, supported by the ILO’s Strategic Plan for 2018-2021,\textsuperscript{16} the biennial Programme and Budget, Decent Work Country Programmes and Country Programme Outcomes. This is further explained in section 2.4 and Chapter 4, section 4.1;

-\textbf{Work planning and performance monitoring}, including outcome-based work-plans, unit work-plans and individual performance appraisals.

\textsuperscript{12} March 2015.

\textsuperscript{13} The UNDG RBM Handbook (2011)

\textsuperscript{14} Applying Results-based Management in the ILO, Guidebook, Version 2, June 2011.

\textsuperscript{15} Ibid

\textsuperscript{16} ILO’s Strategic Plan for 2018-2021
RBM applies to all phases and steps of the project cycle, including design, project management (planning, budgeting, monitoring) and evaluation. Through their linkage to CPOs and P&B outcome indicators, projects contribute to ILO’s programming framework. See also Chapter 4, section 4.1. This is reflected in the Integrated Resource Information System (IRIS).

The appraisal mechanism ensures that project proposals meet technical and design standards, apply RBM principles, and contribute to achieving P&B and DWCP outcomes.

2.4 ILO’s policy framework

At the global level the ILO’s medium-term planning instrument is the Strategic Plan for 2018-21, which identifies strategic outcomes, the highest level of ILO results.

For each biennium the ILO’s Governing Body sets the targets and approves an integrated framework of resources to achieve them. The biennium 2018-2019 is aligned with the four-year UN programming cycle starting in 2018 and covered by the ILO’s strategic plan. See also Chapter 4, section 4.1.1.

Most ILO indicators refer to the number of member States in which a policy is applied or a capacity is developed or strengthened. To become measurable, these indicators require a statement of how much policy change or capacity development must take place before a member State can be counted towards the achievement of a given target. Each indicator is accompanied by a measurement statement that specifies the qualitative criteria that have to be met in order for a result to be counted as a reportable change. The expected results under each outcome focus on changes to be achieved in member States, with significant ILO contribution, in the following three areas:

- policies, strategies and regulatory or legal frameworks;
- capacity and institutional development for service delivery;
- knowledge, analytical capacity, statistics and information dissemination.

For more information, please refer to the Programming Internal Governance Manual.
Development Cooperation in the ILO

DWCPs are the ILO governance and programmatic documents that set priorities at the country level. They are organized around a limited number of results-based outcomes that express the best possible intersection between country characteristics and policies, constituents’ priorities, and the ILO’s mandate and capacity. Country-level DWCP outcomes generally imply changes in skills/ functioning, behaviour/practices, conditions, status, and policies. These priorities then help establish Country Programme Outcomes.

The above strategic and programmatic documents also contribute to, and align with, the broader results frameworks, such as the Poverty Reduction Strategy Papers (PRSPs), UNDAFs, and the SDGs for 2015–2030.

2.5 The ILO’s development cooperation strategy

The Office’s organizational reform seeks to shape a development cooperation programme that is highly relevant and efficient, and has the following features:

- It is strategic, providing quality value for money;
- There is one programming framework for RB and XBTC;
- The reform will learn from and act on evaluation findings; and
- It will strengthen and extend partnerships.

The development cooperation strategy pursues the overall objective of providing better services to constituents so as to better deliver decent work outcomes at all levels. This includes constituents’ capacity development, together with the reinforcement of tripartism. Greater focus and effectiveness (including country ownership and constituents’ involvement in development cooperation operations) will produce better results and greater transparency, while better reporting will enhance visibility; systematic evaluations and external assessments.

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17 DWCPs may also be developed to support subregional or regional outcomes.
18 For more information on CPOs, please refer to Chapter 4 – Project Design, section 4.1.1.1 – Analysis of the Policy and Programmatic Context.
19 This chapter builds on GB.325/POL/6, GB.323/POL/5 and GB.322/POL/6. A brochure on ILO’s DC is available here in Arabic, English, French, Spanish and Portuguese.
20 Programme and budget for 2014–15
will improve the design of development cooperation interventions, programmes and projects. In turn, improved design, results and visibility will facilitate resource mobilization.

To achieve these objectives, the ILO’s development cooperation strategy is centred on four elements: **focus, effectiveness, capacity development and resource mobilization**. For each building block, operating principles as well as deliverables and targets have been identified.

**Graph 1: Building blocks of ILO’s development cooperation strategy**

**Focus**

The ILO reform seeks to achieve a more focused ILO programme. The reduction from nineteen to ten in the number of programme and budget outcome areas for **2016–17**, reconducted in **2018-2019**, enhances the focus of the Organization’s development cooperation programme. Greater focus requires more stringent oversight and rigorous in decision making, including the allocation of non-earmarked and lightly earmarked resources. At the same time, a balanced distribution of regular and extra-budgetary resources is needed in order to deliver on all four pillars of the Decent Work Agenda in all regions. This building block relies on the following operating principles:

- Alignment with global goals and ILO priorities, including International Labour Standards;
- Integrated resource management;
- Preparedness and flexibility to make development cooperation responsive to the needs of countries facing fragility and special situations;
- Five flagship programmes (see Chapter 4.1).²¹

²¹ For each of the flagship programmes, the Office is developing detailed, results-based programme documents grounded in a sound diagnosis, theory of change and strategy, in line with the guidance provided in this Manual. For more information, please refer to GB.325/POL/7.
**Effectiveness**

The ILO adheres to the international Development Cooperation Effectiveness principles as outlined in Chapter 2.1. The operating principles for the period 2018–19 include:

- High quality and results, building on a theory of change (see Chapter 4, section 4.2)

- The Office takes action on challenges in its performance as outlined by evaluations and reviews of development partners;

- Decentralization enforces the rule that projects must be managed where activities take place – in the field, with the DWCPs as service delivery mechanisms. Refer to the Director-General’s Minute on the ILO’s decentralization policy and Chapter 4, section 4.3.1.

- Value for money;

- Improve the efficiency and impact gains of staff development on development cooperation.

An overview of the ILO's means to implement development effectiveness is provided in Table 1:

**Table 1: Development effectiveness principles and ILO means**

<table>
<thead>
<tr>
<th>ILO means</th>
<th>Development effectiveness principles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decent Work Country Programmes</td>
<td>Country ownership / Alignment</td>
</tr>
<tr>
<td>Involvement of constituents in the development cooperation project</td>
<td>Harmonization</td>
</tr>
<tr>
<td>management cycle, project governance, and as recipients</td>
<td>Results</td>
</tr>
<tr>
<td>Project activities strengthen social dialogue mechanisms</td>
<td>Inclusive Partnerships</td>
</tr>
<tr>
<td>Strategic Policy Framework supports SDGs implementation.</td>
<td>Mutual Accountability &amp; Transparency</td>
</tr>
<tr>
<td>United Nations Development Assistance Framework Joint Programmes</td>
<td></td>
</tr>
<tr>
<td>Multi-donor funds</td>
<td></td>
</tr>
<tr>
<td>Results-based management framework</td>
<td></td>
</tr>
<tr>
<td>Social partners’ participation in Public-Private Partnerships (PPP)</td>
<td></td>
</tr>
<tr>
<td>Multi-stakeholder partnerships</td>
<td></td>
</tr>
<tr>
<td>Adherence to the International Aid Transparency Initiative</td>
<td></td>
</tr>
<tr>
<td>public development cooperation dashboard</td>
<td></td>
</tr>
<tr>
<td>Reporting to OECD-DAC</td>
<td></td>
</tr>
<tr>
<td>- Partners’ and constituents’ participation in evaluations,</td>
<td></td>
</tr>
<tr>
<td>- Public information</td>
<td></td>
</tr>
<tr>
<td>- On humanitarian related interventions, reporting is required also to OCHA</td>
<td></td>
</tr>
<tr>
<td>Financial Tracking Service (FTS)</td>
<td></td>
</tr>
<tr>
<td>Reporting to UN Office for South-South cooperation for South-South and</td>
<td></td>
</tr>
<tr>
<td>Triangular Partnerships</td>
<td></td>
</tr>
</tbody>
</table>
Another feature of the ILO’s development cooperation strategy is to provide quality value for money to its development cooperation programme. Value for Money (VFM) is not simply to economize on expenses, but to answer a “why” question: “why has this particular decision been taken?” It is important to be able to demonstrate that VFM considerations have informed decision-making already from the project design phase. Although this usually entails a strong level of subjectivity, decisions should nevertheless be informed, justified and documented in reports and other transactional documents.

Table 2: Value for Money is about:

<table>
<thead>
<tr>
<th>Element</th>
<th>Meaning</th>
<th>Principles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effectiveness</td>
<td>• doing the ‘right’ things</td>
<td>• Performance / risk management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Results focus</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Experimentation and innovation</td>
</tr>
<tr>
<td>Efficiency</td>
<td>• doing things the ‘right’ way</td>
<td>• Evidenced base decision-making</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Proportionality</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• On time on budget</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Productive management and operational arrangements</td>
</tr>
<tr>
<td>Economy</td>
<td>• doing things with the ‘right’ inputs (i.e. avoiding waste)</td>
<td>• Cost consciousness</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Encouraged competition</td>
</tr>
<tr>
<td>Ethics / equity</td>
<td>• doing things fairly and openly</td>
<td>• Accountability and transparency</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Conscious of distributional impacts</td>
</tr>
</tbody>
</table>
VFM is an integral part of management – it is an on-going process that involves finding the most appropriate trade-off between spending / saving costs and increasing / decreasing benefits.
Capacity development

Capacity development is at the core of the ILO’s development cooperation programme. It focuses on developing technical and organizational capacity of the actors in the real economy – governmental institutions and employers’ and workers’ organizations. The ILO promotes results-based capacity development, with an emphasis on needs assessments and performance indicators. Specific programmes on capacity development for each constituent should be developed, and bipartite and tripartite capacity development programmes should be included in large development cooperation operations. The specific objectives for capacity development of employers’ and workers’ organizations are outlined in Outcome 10 of the P&B for 2018-2019.

The operating principles of this building block are:

- Compliance with the capacity development approach of constituents: demand driven, in line with the DWCPs, and covering technical, organizational and institutional content.
- Increased and consistent quality of the Organization and the ITCILO’s capacity development activities with constituents, enhancing the impact and sustainability of development cooperation operations.

Resource mobilization

To consolidate voluntary funding, the Office seeks to conclude partnerships built on mutual trust, flexibility, predictability, transparency, dialogue and long-term commitments. It also promotes and maintains partnerships that do not entail financial transactions, for instance through PPPs (Public Private Partnerships), South–South and Triangular Cooperation (SSTC) and with organizations representing local governments, parliamentarians, universities and individuals. Regional and Field Offices are instrumental in resource mobilization. They mobilize about 40 per cent of XBTC.

The operating principles of the resource mobilization strategy include:

- **Consolidation and diversification**: Consolidate partnerships while developing alternative funding sources such as domestic trust funds, international finance institutions, the private sector, and partners from emerging economies.
- **Greater predictability**: The Office seeks to conclude a greater number of multi-annual partnerships with core funding partners, as well as with emerging and private partners.
- **Flexibility**: The Office continues its efforts to increase the number of partners willing to provide RBSA funding and to follow up on the RBSA review recommendations. In addition, lightly earmarked funding enables the Office to flexibly allocate resources to country and global

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22 GB.322/POL/6, Appendix II.

23 See GB.317/POL/6
priorities associated with P&B budget outcomes, and to report on results in the programme implementation report.

• Local resource mobilization is pursued including through DWCP resource mobilization plans.

2.6 Partnerships

The ILO collaborates, in addition to its tripartite constituencies, with a variety of partners to deliver its mandate: UN Agencies, national development agencies, the European Commission, multilateral organizations, international financial institutions, private sector institutions and foundations, universities, research and knowledge centres, and civil society organizations, e.g. organizations of persons with disabilities. Partners have different and complementary skills and resources that operate at different levels. They can, for example, influence policy, build capacity or provide expertise.

ILO’s XBTC projects and programmes are situated at the intersection of three parameters:

• The needs expressed by the ILO’s tripartite constituents through DWCPs or similar documents, taking into account their absorptive capacity;

• The mandate, expertise and field presence of the ILO;

• The thematic and geographic priorities of a funding partner.

Where these three overlap, a potential for partnerships for development cooperation exists.

2.6.1 Development partner typology

Domestic development funding

An increasing number of ILO member States commit resources from their own public budgets to partner with the ILO. The ILO has labelled such cooperation “Direct Trust Funds,” with an ILO member State entrusting the Office with financial resources to deliver technical assistance. Funding channelled through Direct Trust Funds to the ILO can come from different sources, such as national public resources, proceeds of grants or loans provided by International Finance Institutions, as well as through bilateral grants (direct budget support). Typically, this targets national policy priorities as agreed in Decent Work Country Programmes, with the ILO and the counterpart governmental agency agreeing on a specific project with clear deliverables and a budget.
The “like-minded group”

The “like-minded group” is a self-defined group of ILO resource partners, most of which are engaged with the ILO through multi-annual partnerships funded at the central level, contributing to **RBSA** and/or outcome-based funding. The group currently consists of Belgium, Denmark, Finland, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway and Sweden. These resource partners seek to work together to improve Development Effectiveness in their dealings with the ILO. The like-minded resource partners seek to engage with the ILO in a dialogue on institutional-level changes and improvements in the ILO’s overall governance. In return, they agree to rely on the existing ILO frameworks for the allocation of resources and the measurement of the ILO’s overall results.

Other (OECD/DAC) resource partners

These provide funding through a wide range of modalities, and include: the US Government (U.S. Department of Labor, U.S. Department of State, U.S. Agency for International Development); the European Commission; France (Ministry of Labour, French Development Agency, Ministry of Foreign Affairs); Korea (Ministry of Employment and Labour, Korean Overseas International Cooperation Agency); Japan (Ministry of Welfare, Health and Labour, Ministry of Foreign Affairs and Japanese International Cooperation Agency); Luxembourg; Spain (Spanish Agency for International Development Cooperation (AECID) and Ministry of Labour); Canada (Department of Foreign Affairs and Employment and Social Development Canada); Switzerland (Swiss Development Cooperation, State Secretariat for Economic Affairs and the canton of Geneva); and Australia.

Many of these partners have engaged with the ILO at the central levels, where PARDEV typically maintains regular contacts, as well as through local offices and embassies, where financial allocations are decentralized.

The UN system

The ILO is actively involved in the UN Development Group at the global level, in regional United Nations Development Group (UNDG) teams and in UN country teams (UNCTs), with the aim of mainstreaming the Decent Work Agenda in UN assistance programmes and enhancing the impact of the ILO Development Cooperation programme.

Since the introduction of “Delivering as One” in 2006, the UN system has become a major funding source for the ILO DC programme, through UN inter-agency collaborative arrangements and UN pooled funded mechanisms. In the most recent years, almost all those funds have been mobilized in the field, under UN joint programming frameworks (**UNDAF** /United Nations Development Assistance Framework, ONE programme, Strategic UN – Government Plan) in line with the system-wide coherence reform and “Delivering as One” approach. Joint programming at country level with the
other members of the United Nations Country Team (UNCT) and under the coordination of the UN Resident Coordinator has become crucial. Joint programming is the overall process through which the UN at the country level uses a harmonized approach to work with governments and other partners to prepare, support implementation, and monitor and evaluate cooperation programmes.

Pooled financing mechanisms called UNDG multi-donor trust funds, mostly administered by the Multi Partner Trust Fund Office located in UNDP, support the above-mentioned UN joint programming outcomes and cover broad humanitarian, transition, development, human rights promotion, and climate programmes.

**Emerging partners and South–South and Triangular Cooperation**

South–South and triangular cooperation is a partnership among equals that involves a learning process or exchange of expertise derived from initiatives for development that have been implemented in southern countries, and which have proven effective. ILO’s South–South and Triangular Cooperation Strategy was endorsed by the GB in 2012; how to put the strategy into practice in development cooperation is explained in the How-to Guide on SSTC and Decent Work.

South–South and triangular cooperation initiatives can be held in the form of study tours, knowledge sharing platforms, etc., with the purpose of exchanging resources and technology or facilitating the transfer of knowledge and experience for developing skills and capabilities. It can be held between two or more countries from the South, and implemented at regional, subregional and interregional levels. “Triangular cooperation” is defined as South-South Cooperation supported by a Northern partner. Knowledge sharing is central to South–South and triangular cooperation. See the good practices compilation on SSTC for governments, workers, employers and civil society.

The framework of operational guidelines on UN support to South–South and triangular cooperation recognized, in 2012, the growth in relevance of South–South Cooperation in the last decade. Drawing on the Nairobi outcome document, this framework presents a cohesive definition of South–South Cooperation as a response to the calls for an operational definition that can be shared within the United Nations system.

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24 Countries from the global south: Latin America, Africa and developing countries in Asia, including the Middle East.

25 GB.313/POL/7, p. 2
South–South Cooperation is a process whereby two or more developing countries pursue their individual and/or shared national capacity development objectives through exchanges of knowledge, skills, resources and technical know-how, and through regional and interregional collective actions, including partnerships involving Governments, regional organizations, civil society, academia and the private sector, for their individual and/or mutual benefit within and across regions.

The Programme and Budget for 2018-2019 emphasize on the need for the ILO to continue its efforts to mobilize extra-budgetary funding, including through diversification and innovation in its partnerships with increased emphasis on South–South and triangular modalities. The ILO is under South–South or triangular arrangements with partners such as Brazil, China, India and South Africa.

**International Financial Institutions**

The ILO implements projects through funding (direct and indirect) mobilized from a number of regional development banks. For instance, the African Development Bank currently funds four projects in Cameroon, Mauritania, Sudan and Zimbabwe. Indeed, collaboration with this development partner has been made easy with the signature in mid-2017 of the Fiduciary Principles Agreement between the African Development Bank, the African Development Fund and the ILO. The Islamic Development Bank currently funds a project in Egypt and Tunisia, as well as another project in Morocco. Policy-level and operational engagement is on-going with the European Bank for Reconstruction and Development and the European Investment Bank. The Inter-American Development Bank and the Caribbean Development Bank represent unexplored potential.

**Thematic Funds**

There is a wide range of funds that provide funding, often for specific themes. Some of these are administered by large agencies such as the World Bank, pooling funds from different resource partners; some are purpose-built organizations that make available grant funding (e.g. Arab Gulf Fund for United Nations Development (AGFUND), Global Fund for Aids, Tuberculosis and Malaria). Such funds are often aimed at organizations and the Governments of developing countries; however, the ILO may be eligible to also apply or become accredited for some of these funding windows. PARDEV assists in the application processes for a number of these funds and facilities.

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26 A standard template of a tripartite and implementation agreement annexed to the FPA was negotiated and agreed to by both institutions. This will facilitate future collaboration between both institutions as it eliminates the requirement to negotiate stand-alone project agreements.
The private sector, foundations and non-state actors

The 2009 Office Procedure defines a PPP as a voluntary and collaborative relationship between the ILO and one or more partners, including private and non-state actors, for the purpose of carrying out cooperative activities of mutual interest.\textsuperscript{27} The ILO has been partnering with PPPs for development cooperation for more than a decade. Between 2008 and 2015, the ILO had 136 partnerships with the private sector (56%), 41 with foundations (16.9%), 32 with academia (13.2%), 23 with other non-state actors (9.5%), and 11 with social partners (4.5%), making a total of 243 partnerships. PPPs for development cooperation can be carried out with or without financial transactions, and are guided by the Director-General’s Announcement (IGDS No. 81) and the Office Procedure (IGDS No. 83).

As a tripartite organization, the ILO integrates workers’ and employers’ organizations into its structure. In addition, it also cooperates with international non-governmental organizations (NGOs). When seeking engagement with INGOs, there are two type of partnerships that could be established. In the eventuality that the ILO is in the lead (meaning receiving the funds and managing them), the INGO would then be considered the implementing partner; in this case, PROCUREMENT should be consulted for guidance and clearance. On the contrary, if the INGO is chosen as the lead in the partnership (thus receiving the funds and managing them), then the agreement would take the form of a PPP; in this case, please consult PARDEV as a PPP procedure should be followed.

2.6.2 Funding modalities

Increasingly resource partners engage with the ILO through multi-annual partnership programmes. A number of different funding modalities are used in such partnerships. Each partnership has its own specificities, with the exact modalities of cooperation adjusted to the individual resource partners policies and needs.

Project-based partnership

Project-based partnership is a common funding modality, used by many of the ILO resource partners. This can concern either ad hoc funding for specific stand-alone projects, or a series of projects as part of a larger ILO/resource partners partnership. The selection of themes and countries should be based on the congruence between the ILO constituents’ priorities, expressed in the DWCPs, and the resource partners’ development policy goals. Funds are allocated to concrete projects and may cover one particular issue.

\textsuperscript{27} PPPs can take different forms, such as the exchange or pooling of knowledge and information, publication and research projects, campaigning or advocacy, meetings or other events, capacity building and training, the temporary placement of personnel, and other types of resources.
prioritized in one DWCP, a particular thematic area prioritized by several countries, or a set of different themes within one or several countries.

**Legal agreement:** Annual or multi-annual, with an underlying project/programme;

**Funding:** Fixed contribution, with predefined instalments;

**Approval process:** Prior to implementation, the ILO submits to the resource partner - for approval - the appraised project proposal, which is based on the objectives of the partnership.

**Reporting:** technical and financial reports prepared at the project or programme level.

**Light thematic earmarking at the global level (outcome-based funding)**

This modality is a hybrid between fully un-earmarked and earmarked projects. While the link to the resource partners’ priority themes is maintained, decisions regarding detailed allocations across target countries are left to the ILO. This is done through an internal consultative process, based on the areas and countries prioritized for the biennium. The advantage of this modality is that it offers specific outcome-level reporting to the resource partners, at the same time allowing the tracing of the broader context and the overall progress of the ILO in the selected thematic areas, through the Programme and Budget process and the ILO’s biennial Programme Implementation Reports. Resource partners providing this type of funding include Ireland, Norway and Sweden.

**Legal agreement:** Multi-annual agreement, light earmarking of funds at the level of selected Decent Work Outcomes;

**Funding:** Fixed contribution, with predefined instalments;

**Approval process:** For each biennium, the ILO undertakes internal consultation and programming processes, and informs the resource partners of the countries selected through submission of an inception report;

**Reporting:** Consolidated outcome-level technical and financial reports prepared at the project level.

**Regular Budget Supplementary Account (RBSA)**

RBSA is a funding modality and an innovative mechanism for the ILO’s resource partners to provide fully un-earmarked voluntary contributions. Contributions from different resource partners are pooled into one account and are strategically allocated by the ILO. RBSA is reserved for support to programmes in countries eligible for Official Assistance. See Chapter 4 – The Programme Implementation Report, of the Programming Internal Governance Manual.
Development Assistance (ODA) and is a pivotal element of the ILO’s integrated resource framework. RBSA is covered by all the means of oversight and governance of the regular budget in terms of implementation and reporting (more on the ILO RBSA website).

Flexible support to DWCPs

This modality offers the greatest focus on country-level action. Funding is provided to a selection of DWCP Outcomes with the ILO allocating resources to the other priorities at country level, or funding is provided to the DWCP without further earmarking. This approach enables strategic management of country-level resources and helps leverage additional funding. Resources are managed by the responsible country offices, with the objective of supporting their contribution to the overall results framework of the ILO.

Calls for proposals

Under this modality, the ILO is competing for funds with other applicants, in response to specific terms of reference provided under a call for proposals. Typically, specific formats are prescribed for applications and specific financial and administrative parameters need to be used. Funding partners typically issuing call for proposals include: the European Union, which publishes such calls on an ongoing basis. Different agencies of the U.S. Government also issue calls for proposals (see www.grants.gov). Other resource partners, such as the UK Department for International Development (DFID) or the Asian Development Bank, may also on occasion issue calls for proposals that can be of interest to the ILO.

UN inter-agency collaboration and UN Joint programmes

Joint Programmes (JPs) – A joint programme is a set of activities contained in a joint work-plan and related common budgetary framework, involving two to five UN organizations and (sub)national governmental partners, intended to achieve results aligned with national priorities as reflected in the UNDAF/One Programme or an equivalent programming instrument or development framework. The work-plan and budgetary framework form part of a Joint Programme Document, which details roles and responsibilities of the partners in coordinating and managing the joint activities.

JPs are implemented by several agencies, financed by several development partners or one major resource partner, and administered by a designated agency, known as the Administrative Agency (AA). UNDP administers most JPs; the ILO is the AA for a few initiatives with like-minded resource partners.

There are three fund management modalities for JPs: i) parallel; ii) pooled; and iii) pass-through. The option adopted depends on the extent of joint resource mobilization,
and the roles and responsibilities of each participating agency, although the modalities can also be combined.

The decision to select one or a combination of fund management modalities for a JP is based on a number of factors, such as the identified resource mobilization strategy, the number of participating agencies, whether there is consolidation of resources under a pooled fund, and the relevance of the collaborative modality to the achievement of an effective, efficient and timely implementation, as well as the best way to reduce transaction costs for national partners, resource partners and the UN System.

ILO’s development cooperation procedures regarding budgets, project cycle management and appraisal also apply to JPs. When adopting the pass-through mechanism, participating agencies have pre-agreed to seven per cent (7%) support costs as per Article 8, Section II of the UNDP AA MOU with Participating Agencies standard template, in view of the reduced transaction costs. Built for each financial allocation, a reduced waiver will need to be authorized by the ILO Treasurer through BUDFIN. The Administrative Agent (AA) charges a 1 per cent (1%) fee for administering the funds.

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29 ILO development cooperation procedures: Office Procedures on Technical cooperation budgets, IGDS No. 118; on Technical cooperation programmes and projects: project cycle management IGDS No. 154, and on Appraisal mechanism for technical cooperation programme and project proposals, IGDS No. 155. A new version will be soon available.

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Inter-agency programmes/projects

1. When collaborating with UNDP, the **Direct Implementation Modality** (DIM) (Direct Execution by UNDP), Nationally Implemented Modality (NIM) as well as the UNDG simple inter-agency collaboration modality can be used when part of a joint programme setting and depending on the source of UNDP funds and nature of the collaboration. It is important to clarify from the start with UNDP local offices which modality is retained -between NIM-DIM and the inter-agency collaborative and funding arrangement. Under the budget sustaining UNDP’s annual work plan (AWP), the NIM and DIM modality have been a standard since the 1980s. It uses the ATLAS software system, without cash transfers to the agency that delivers specific services and some of the programme outputs to support the UNDP-Government (GVT) programme.

The AWP is well known to associated agencies as setting the budget available for the assistance of the UNDP Office to countries at regional and country levels. When UNDP associates a UN agency or GVT or Non-governmental Organization (NGO) with implementation of a programme, with specific services to be provided, the AWP is complemented by a Direct Implementation Modality agreement or a National Implementation Modality agreement.

UNDP Administrative and Operational Services (AOS) reimburse the ILO, or other external agencies as implementing agents, for the costs associated with the
procurement and delivery of inputs for UNDP-financed programmes and projects. The current rate is a flat-rate reimbursement of 10 per cent (10%) of the project expenditure. As a specialized agency of the UN, the ILO is eligible to receive AOS for the implementation services that it provides to country, regional or interregional programme activities supported by UNDP.

ii. Other UN organizations, such as United Nations Children’s Fund (UNICEF), United Nations High Commissioner for Refugees (UNHCR), and United Nations Population Fund (UNFPA), have specific internal rules for the release of funds and reporting requirements. However, the ILO together with most of the Funds, Programmes and specialized agencies, has retained a simplified funding transfer arrangement agreed within the UNDG consultative process.

2.7 Resource Mobilization: a joint effort

Resource mobilization for ILO programmes is a joint responsibility of all ILO colleagues. To be successful, technical units, Field Offices and PARDEV have to work hand in hand. Local and central resource mobilization efforts must complement each other. On the side of our development partners, decisions on funding allocations involve both field representation and Headquarters (HQ) departments.

With an ODA structure undergoing significant changes, successful resources mobilisation will require a combination of close engagement of the Office with resources partners, and the ILO constituents as well as stronger engagement with the multilateral system to assure a more strategic and coherent mobilisation of ODA flows.

Efforts to mobilize resources should be seen as part of a wider strategy of engagement with development partners. Resource partners (donors) are looking to contribute to objectives and organizations that meet their own criteria and priorities, but also increasingly the focus is on wider “development partnerships” that goes far beyond money. One important dimension of this is to both build and then maintain a good reputation in the delivering of results. One negative experience in a project in Country X may have a knock-on effect on the ILO’s engagement with a partner in other countries, or even globally.

To engage in resource mobilization, a field office or technical unit should:

- have an overall plan coordinated with other relevant units, especially PARDEV, based on up-to-date, common and readily available background information on the development partners’ thematic and geographic priorities and ongoing ILO engagement with them (available through PARDEV).

- focus on nurturing contacts in the long run. It is essential that resource partners perceive the ILO as a well-coordinated and consistent organization, with a clear focus and priorities.

- assess the current status of ILO’s relations before reaching out to a development partner. PARDEV facilitates and coordinates relations between the ILO and “resource partners”, and can advise on rules and procedures, templates to be used, etc. PARDEV will further help prepare and clear legal and financial agreements.
The detailed mechanisms for funding and procedures vary across ILO’s partners; assigned desk officers will be able to provide you specific guidance when preparing a submission for a proposal. See the PARDEV Who does what website.

The following are basic principles that contribute to success:

1. **A good, aligned, and relevant DWCP is the essential starting point for all efforts.**

   A good DWCP is aligned with what any potential resource partners will see as essential: national development plans, UN frameworks, relevant global commitments, etc. Resource mobilization must be based on realistic assessments of funding requirements for obtaining the agreed DWCP outcomes. Extra-budgetary resources must be solicited on the basis of existing resource gaps and after taking into account available contributions from regular budget sources (RB, RBTC, RBSA, and PSI).

   It is important to act as “One ILO” in this respect. Field office staff, development cooperation staff and specialists on mission from Decent Work Teams (DWT), Headquarters and ITCILO should all support the same priorities for local resource mobilization, as set out in the DWCP.

2. **Know what kind of development assistance and funding is available**

   Field Offices and units should continually identify funding opportunities and map resource partners with a particular interest in, or focus on, DWCP priorities. Every ILO staff member is a potential resource mobilizer and should thus have the necessary information at their disposal to market ILO and related country priorities when opportunities arise to interact with a potential resource partners.

   Such gathering of resource partners intelligence includes compiling particular country-specific resource partners profiles (policies, thematic preferences, geographical focus areas and funding cycles). This should cover local embassies, European Union Delegations, World Bank or regional banks’ resident missions etc. In addition, non-state actors such as foundations and private-sector development partners represent possible sources of funding that should be explored. Moreover, UN funds (e.g., One UN Funds) and similar multi-donor trust funds are administering an increasing share of development assistance at country level.

   Each field office should have a designated focal person for resource mobilization, who would have a particular role in mapping the resource partners landscape in a country, and would be able to advise the office Director on strategic approaches.

   Based on an analysis of the resources required to achieve the desired outcomes of the DWCP, and an outline map of the existing resource partners community, Field Offices should design a strategic approach for attracting the necessary extra-budgetary resources. The strategy should seek to match resource
partners priorities with DWCP outcomes, and suggest measures to engage with the resource partners community accordingly. The strategy should also outline responsibilities for resource mobilization and consider the role of constituents in this respect.

3. Engage constituents in resource mobilization efforts

Just as a DWCP is developed in partnership between ILO and its constituents, so the effort to mobilize resources for the implementation of DWCP outcomes and outputs must be carried out in an equally close venture of shared responsibility. Such a consolidated approach may further strengthen the tripartite partnership in which the DWCP is developed, and inspire deeper ownership amongst DWCP partners for its outcomes.

Tripartite DWCP steering/implementation committees should be considered fora for addressing resource mobilization and for developing broad strategies and plans for attracting resource partners interest, as well as the allocation of national budgets (especially in middle-income countries) to DWCP outcomes. Hence, building the resource mobilization capacity of constituents at the national level should be considered.

4. Ensure good quality of project proposals

Project proposals must adhere to internal ILO requirements with regards to contents and presentation. All full proposals, before being formally submitted to a resource partners, must be appraised by technical experts, the regional office and PARDEV. (See Chapter 5 – Appraisal and Approval).

Field Offices and technical units should make a realistic assessment of their capacity to deliver on mobilized resources, in order to prevent underdelivery, which may affect future funding opportunities. This is a core principle of sound, results-based management.

5. Build on the ILO’s comparative advantage and pursue ILO’s mandate and Decent Work Agenda

It is important that ILO staff members have thorough knowledge of the respective DWCP, and of any past or ongoing development cooperation projects in the country, to discuss with potential resource partners. It is helpful to share with the resource partners past evaluation reports and information on specific products, tools and methodologies that may be relevant to any proposed new project.

Resource partners will also want to know how a proposed project relates to a country’s development needs and priorities, including MDGs, UNDAF and other country programming exercises.

The ILO should also demonstrate thorough knowledge of the priorities and issues facing the constituents in the country, as well as an understanding of how tripartism could enhance development efforts through the proposed project.
Box 3: Disability inclusion in DC programmes:

Development partners increasingly make the inclusion of persons with disabilities an integral part of DC programmes and projects, in line with the SDGs which aim to “Leave No One Behind” and which include persons with disabilities also in the areas of decent work and social protection. Some partners, however, might not bring up disability inclusion as a topic early on during initial discussions, so ILO colleagues are encouraged to highlight the comparative advantage and technical expertise the ILO has in the area of disability inclusion. Raising disability inclusion early on can positively reflect on the ILO and can have an added value for the negotiations on the funding of any DC programme or project.

Importantly, the ILO’s DC programme, carried out with regular budget RBSA and extra-budgetary funds, should be presented as an integrated and coherent whole in support of agreed DWCP outcomes. The ILO does not “sell” services, but instead seeks funding for the execution of its constitutional mandate, and for the benefit of its constituents. Potential funding partners should share the ILO’s principles and goals, as well as its commitment to working with the tripartite constituents. At the very least, the resource partners’ local priorities and policies should coincide with and overlap with those of the ILO. In those cases in which the ILO does decide to respond to competitive bidding or similar contexts, this should be done because the possible work to be carried out is in line with the DWCP priorities agreed upon.

6. Communicate on results and human impact

Field Offices should seize opportunities to interact and meet with resource partner audiences by proactively engaging with local resource partner representatives through courtesy visits. Consideration should also be given to mapping any resource partner-hosted meetings and events in the country with a view to capitalizing on such events as communication, advocacy and resource mobilization platforms. Likewise, Field Offices should consider communication campaigns, strategies and special events in support of resource mobilization. It is important to include the donors’ logo and acknowledge their contribution in any public and outreach document produced by the project.

Communication tools should be developed on the base of evidence-based results and human impact assessment that highlight the ILO’s comparative advantage and approaches to specific development challenges.

Project site visits could be organized with potential resource partner to review the situation and problems to be addressed. Likewise, public relations materials that are short and straightforward should be readily available for distribution to potential resource partner.

Once funding has been received, it is important to maintain a close and honest relationship with resource partner by submitting timely reports, sharing information, promoting joint ownership and enhancing resource partner visibility.
7. Diversify

The ILO strives to have numerous and diverse funding partnerships, so as not to be dependent on a limited number of sources. ILO staff should explore and capitalize on new funding modalities. In addition to traditional government resource partner, non-state actors such as foundations and private-sector development partners represent possible sources of funding that should be explored. Moreover, UN funds (e.g., One UN Funds) and similar multi-donor trust funds are administering an increasing share of development assistance at country level.

The ILO should strive to have a diverse source of funding, so as not to be dependent on a limited number of resource partner. New and “emerging” resource partner, and the potential for South–South and triangular cooperation should be included in the resource mobilization efforts.

8. Build relations with the UN, especially the Resident Coordinator

In countries where the ILO is a non-resident agency, it is essential to foster close relations with the wider UN system and the Resident Coordinator (RC), in order to ensure ILO priorities are included in joint programming exercises.\(^{30}\)

\(^{30}\) Often the RC is also the Designated Official for Security and chairs the Security Management Team where all the agencies are represented.

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TIPS – Resource mobilization at work

The following tips for resource mobilization in practice are based on the experiences of ILO colleagues in their relations with development partners.

1. Engage with development partners: Invite UN and other agencies to ILO premises to present their programmes; invite partners to ILO events and get invited for theirs. Participate in technical forums in relevant areas for the promotion of the Decent Work Agenda.

2. Establish mutual trust; Build the relationship over time, be patient, and avoid being focused on money only.

3. Work as a team (field office, project staff and Headquarters): Share information early on, assign communication responsibilities, and allocate resources to it.

4. Be proactive in programming: For instance, be present when UNDAFs or other frameworks are being designed or revised; volunteer to write up a concept note to take forward consultations with partners; seek leadership in the process.

5. Propose phased funding: An inception phase allows for thorough consultation with constituents and partners, and good quality proposals for the next phase.

6. Leverage project core funding in-house (e.g., RBSA, RBTC, synergies with projects),\(^{28}\) as well as externally, by bringing other development partners on board, and by prioritizing a programme rather than a project approach.

7. Communicate on results and human impact: It is recommended to develop short and straight to the point public relations materials showcasing key results and ILO’s added value for distribution to potential resource partner.
3.1 The project cycle ............................................................................. 34
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This chapter provides an overview of the ILO’s project cycle, concentrating on its five phases: Design, Appraisal, Approval, Implementation and Monitoring, and Evaluation.

A **project** is the main instrument used in the planning of development cooperation activities. It comprises interrelated and coordinated activities designed to achieve clearly defined results, ranging from policy change to practical direct action, and contributes to solving a specific problem within a given budget and timeframe. A project ensures clarity in:

- Objectives or project outcomes: What will the project achieve?
- Strategy: How will it achieve these results?
- **Stakeholders** and beneficiaries: “With who and for whom?”
- **Outputs** and activities: What will the project deliver (products and services)?
- Institutional framework: Who are the implementation partners, how are they involved in the project governance (e.g. steering committees)?
- **Management arrangements**: Who does what within the ILO?
- Time and resources.

A **programme** is a coherent, time-bound framework of action, with which to achieve precise global results. It may include several projects whose specific objectives are linked to the achievement of higher level common objectives/outcomes; it may apply a multidisciplinary approach and comprise separate sets of activities grouped under different components; it may reach across sectors and/or geographical areas.
3.1 The project cycle

The project cycle is a way of dividing up the stages of the life of the project – enabling ILO officials to see what needs to be planned and carried out to make a project successful, with each stage carrying forward to the next one. The project cycle comprises distinct but interrelated phases (see chart below):

A. Design

B. Appraisal

C. Approval

D. Implementation and monitoring

E. Evaluation

The results-based management methodology used during the project cycle enables all partners – the tripartite constituents, other partners, the ILO and the resource partner(s) – to plan, appraise, monitor and evaluate activities within an overall and clearly agreed framework and plan. It also ensures that intended results are clearly defined in advance, appropriate and accountable managerial arrangements are in place, and each proposal has been independently appraised before it starts.

These stages of the life of the project are also reflected in the Development Cooperation

Management Support application, which supports three key steps in the life-cycle of the ILO’s development cooperation projects:

1. The Appraisal module allows Field Offices and Technical Units to submit voluntary funding proposals for appraisal. Appraisal is a requirement before submitting
a proposal to the donor, and for subsequently receiving voluntary funding for the work proposed.

2. The Agreement module allows PARDEV to manage with BUD/CT and JUR the clearance and review of agreements to receive voluntary funding from partners. It also provides a repository for signed agreements.

3. The Reporting module provides a central repository for donor reporting, including financial statements. It allows Field Offices, Technical Units and PARDEV to set up reporting schedules for projects, manage compliance with reporting requirements and upload reports that have been submitted to donors.

Design

Design is the first phase of the ILO’s project cycle. It includes the initial identification of a problem or project idea, the analysis and formulation of the project, and the preparation of a tentative implementation plan. It results in the preparation of a Project Concept Note or Project Document (PCN/PRODOC).

The choice of projects to be developed should be consistent with ILO’s Programme & Budget, respond to constituents’ priorities, and contribute to Decent Work Country Programmes (DWCPs), UNDAF, as well as national development strategies and cooperation frameworks.

Appraisal

Appraisal (or quality assurance) is the analytical review of project design and formulation. It ensures that projects are of a high design and technical standard, and are consistent with ILO’s objectives and priorities, DWCPs, national development strategies and frameworks, as well as resource partner criteria, prior to being submitted to
a resource partner for extra-budgetary funding. Project proposals must not be submitted to a resource partner for funding consideration until the project proposal has been appraised. In other words, the appraisal is the basis for the approval of projects. The criteria for appraisal are set out in the Appraisal checklist; when the proposal meets the ILO quality standards, it is submitted to a resource partner for funding.

Approval

Approval is the ILO’s official endorsement of the proposal; and no project can be implemented without it. The process moves the project from the appraisal phase towards its implementation. It starts with the submission of an appraised project to a resource partner for funding, and after funding is secured, the project is officially approved. The final stage of the approval process is when the funds are received from the resource partner, and the project budget is activated in the IRIS system.

Implementation and monitoring

Implementation is when the project is carried out according to the agreed project document. Inputs are used, activities and outputs are delivered and completed, and outcomes are achieved. Monitoring is an important management function that takes place during implementation so as to ensure that the project is on track, and/or the necessary corrective measures are taken in time. Implementation starts when the project has been approved and the budget activated, and ends when the project is financially closed. It covers the following components:

• Pre-implementation – Key responsibilities in project management are assigned, the project manager is appointed, the management arrangements are confirmed, and a governance mechanism is established;

• Start-up - The project design and work plan are revised, the monitoring and evaluation (M&E) plan is prepared, the project team is in place, and project activities begin in line with the agreed work-plan;

• Implementation, monitoring and reporting – This is an ongoing process to track project progress and take corrective action, and to keep project stakeholders informed on project implementation;

• Completion and financial closure – Activities are completed, achievements are documented, the project personnel’s contracts are terminated, physical assets are disposed of, and accounts are closed.
Evaluation

In the ILO, evaluation is used as a management and organizational learning tool to support ILO constituents in advancing decent work and social justice. It is a critical means for improving decision making, generating knowledge within the organization and providing verifiable evidence of effectiveness. An evaluation is an assessment of an intervention, focusing on what worked, what didn’t work, and why this was the case. The evaluation process also examines if the best approach was taken, and if it was executed in an optimal fashion.

The purpose of evaluation is to provide accountability to ILO’s resource partners and to the Governing Body, and to contribute to organizational learning. Evaluations help project stakeholders, including resource partners and national partners, to take informed decisions. Lessons learned and good practices also feed into the design of other projects. Evaluations should be carried out in a participatory manner.

3.2 Responsibilities and key documents

Development cooperation projects are an integral part of the ILO’s work. ILO managers have as much responsibility for the planning and implementation of development cooperation projects and programmes as they do for regular budget activities.

Field Offices and technical units are involved in all stages of the project cycle.

Planning and implementation of development cooperation projects follow ILO procedures and policies. As a result, service departments such as FINANCE, PROCUREMENT (Procurement Bureau), FIELDSECURITY (Field Security Office), HRD, Office of the Legal Adviser/Office of Legal Services (JUR), EVAL and PARDEV should be involved, as necessary, along the project cycle.

PARDEV advises, supports and oversees project cycle management, coordinates funding for ILO’s development cooperation activities, and ensures quality control. For more information, see Table 1 (overview) on the roles and responsibilities in project cycle management.

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1 For an update on the structure, composition and geographical location of ILO offices, please refer to the Director-General’s Announcement IGDS No. 442 (Version 2), 24 December 2015.
### Table 1 - Overview of responsibilities at each project cycle stage

<table>
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<tr>
<th>Project cycle phases</th>
<th>Who does it?</th>
<th>Key documentation and suggested reading&lt;sup&gt;2&lt;/sup&gt;</th>
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| **Design**           | Field Offices and Headquarters technical units are responsible for developing project proposals. However, this should be a consultative process from the outset. The relevant technical units at Headquarters should be consulted on issues such as technical feasibility, ILO capacity, similar work carried out elsewhere, and lessons learned from comparable projects and evaluations. As projects provide services to countries, Field Offices need to be fully involved, as they can better assess the relevance of the proposals to local needs, their coherence with DWCPs, CPOs, and national strategies and frameworks. It is also important that they initiate consultations with tripartite constituents and other partners, and assure appropriate national ownership and endorsement. One official should have overall responsibility for the design phase. Generally, a design team (comprising officials from the field and Headquarters, national partners, and in some cases external consultants) is set up to prepare the project document. The role of the design team is to consult widely. PARDEV provides guidance on procedural issues and on potential funding and/or resource partner priorities. It ensures the overall management of ILO’s development cooperation programme, provides a design help desk, delivers training on development cooperation, and facilitates knowledge sharing on DC. FINANCE (BUD/CT) authorizes and signs budget proposals and provides guidance on budget preparation and other financial issues. Other support units, such as FIELDSECURITY and PROCUREMENT, are consulted as necessary. | **Suggested Reading:**  
Chapter – 4 Project Design:  
Chapter 4 – Project Design and Tools and methods for project design and implementation planning.  
How-to guide on results-based budgeting.  
Results-based Budgeting guide  
**Key documentation:**  
PRODOC template  
Concept note template |
| **Appraisal**        | PARDEV is responsible for the overall coordination of the Office-wide quality appraisal of development cooperation (DC) project proposals that are prepared for submission to development partners. Based on lessons learnt, and with the aim of making the appraisal process as efficient as possible, PARDEV is currently piloting a revised approach to the existing appraisal mechanism. The procedural steps of such a revised approach will, in due course, be outlined through an IGDS. The appraisal of project proposals will be differentiated according to the financial size and nature of the proposal. The appraisal is categorized into the following three tiers:  
**Tier 1:** For development cooperation project proposals with a budget below US$ 150,000, PARDEV will share the proposal, invite relevant departments to provide feedback, and liaise | **Suggested Reading:**  
Chapter 5 – Appraisal and Approval  
**Key documentation:**  
Appraisal checklist  
PARDEV initial appraisal report  
PARDEV final appraisal report |

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<sup>2</sup> This column provides a number of suggestions for selected reading at each step of the project cycle. Other key documents are ILO internal governance documents system (IGDS), “How-to” guides, Governing Body decision papers, etc.
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<td>with BUD/CT for budget clearance. The Director/Chief of the external office or headquarters unit responsible for the proposal is accountable, however, for ensuring that the proposal is in conformity with ILO standards governing DC. <strong>Tier 2:</strong> For development cooperation project proposals with a budget ranging from US$ 150,000 up to US$ 1 mill, PARDEV launches and coordinates the appraisal process. Management and support service units at headquarters, technical units and external offices are invited to provide feedback. The Director/Chief of the external office or headquarters unit responsible for the proposal is requested to sign a “Quality Certificate” confirming that the proposal is of sufficient quality for submission to a development partner. PARDEV concludes the appraisal by issuing a final appraisal report once the project budget is cleared by BUD/CT. <strong>Tier 3:</strong> Development cooperation project proposals with a budget above US$ 1 mill, will undergo a comprehensive appraisal of the quality of the project design undertaken by PARDEV. Management and support service units at headquarters, technical units and external offices are invited to provide feedback. PARDEV concludes the appraisal by issuing a final appraisal report once the project budget is cleared by BUD/CT. Submission of project proposals for appraisal should continue to be uploaded in the Appraisal Management Space. For any questions, please send an e-mail to <a href="mailto:appraisaldc@ilo.org">appraisaldc@ilo.org</a>”</td>
<td></td>
</tr>
<tr>
<td>Approval</td>
<td>PARDEV manages the process, requests the required documentation, and coordinates the necessary clearances. Once the agreement has been signed, the originating technical unit or field office can start the workflow in the Integrated Resource Information System (IRIS).³ PARDEV approves the project in IRIS and issues the approval minute. When the ILO receives the first instalment, BUD/CT is requested to activate the project in IRIS, by copy of PARDEV’s approval minute, and to link the project with the relevant IRIS award and instalments.</td>
<td><strong>Suggested Reading:</strong> Chapter 5 – Appraisal and Approval Guidelines on how to create a project proposal in OGA <strong>Key documentation:</strong> Approval minute, notification of budget activated by BUD/CT.</td>
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³ If the project originator does not have access to IRIS, it shall contact the Regional Office or the technical backstopping unit at HQ to create the project in IRIS. Refer to the guidelines on how to create a project proposal in OGA.
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| Implementation and Monitoring | All projects must have a structure in place that defines roles and responsibilities and ensures accountability. The project manager is responsible for the day-to-day implementation and management of the project. She/he may be a Chief Technical Adviser (CTA), National Project Coordinator (NPC), or an ILO specialist. She/he reports to the ILO responsible official. A named ILO responsible official has overall authority and ultimate responsibility for project implementation, although other technical units and service departments support her/him. This is different from the functional role of the technical back-stopper, although the ILO responsible official may hold both responsibilities. The roles of ILO responsible official and project manager should never reside with the same individual. The technical backstopping units provide technical support, oversee the consistency of project implementation with ILO technical approaches, ensure cross-fertilization among different projects in the same technical area, and communicate with the ILO responsible official. | Suggested Reading:  
  Chapter 6 – Implementation and Monitoring  
  Chapter 4 – Project Design, section 4.3. – Project Operational Planning  
  Key documentation:  
  Implementation plan comprise of the WBS, responsibility matrix, scheduling, resource plan and budget matrix  
  M&E Plan  
  Development Cooperation Progress Report template (DCPR)  
  Final Progress Report template  
  Financial reports  

|                     | FINANCE, PROCUREMENT, and HRD provide appropriate clearances and administrative support, as necessary. PARDEV provides support and oversees compliance with ILO standards and resource partner contractual arrangements and obligations. Other support units provide guidance and support as necessary. |  

4 For the Monitoring Matrix template and annotated example, please refer to the PARDEV intranet web page.  
5 Key documentation: Financial reports will change depending on the specific project.
### Project Cycle at a Glance

<table>
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<th>Project cycle phases</th>
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| Evaluation           | The certified evaluation manager (who has no prior links to the project) ensures that evaluations are carried out in accordance with ILO policies and take place in a timely manner. In the case of independent evaluations, she/he drafts the Terms of Reference (TOR), selects the evaluation consultant, and circulates the draft and final evaluation report. The focal person responsible for evaluation approves the final TOR and the choice of an external evaluation consultant for independent evaluations, reviews the final evaluation report, and forwards it to the EVAL for approval. The Evaluation Office provides final oversight of the evaluation of decentralized projects through appropriate quality control. Regional and departmental evaluation networks, in the form of regional evaluation officers and departmental evaluation focal points, support the planning and implementation of evaluation activities for development cooperation projects with help from certified evaluation managers. The project manager, project staff, ILO responsible official, and other project backstoppers provide appropriate technical and administrative support during the evaluation, and are responsible for follow-up action. EVAL has overall responsibility for ensuring the quality and integrity of the evaluation function in the ILO and, together with PARDEV, oversees adherence to the evaluation schedule. EVAL approves the final report of independent evaluations before the evaluation manager submits it to all stakeholders, including PARDEV, which in turn it to the resource partner. | **Suggested Reading:**  
Chapter 7 – Evaluation  
**Key documentation:**  
ILO policy guidelines for evaluation and resource kit  
Evaluation Terms of Reference  
Evaluation reports⁶ |

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⁶ To ensure transparency and accessibility, all evaluation information is accessible via i-eval discovery platform.
Project Design
# Project Design

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This chapter specifies how to design a project in three steps: Analysing the project context, formulating the project strategy and results framework, and operational planning.

Design is the starting point of the project cycle. Project design provides the structure of the outcomes that have to be achieved, how the project is to be implemented, and how progress will be verified. Therefore, the strengths and weaknesses of project design will influence the various stages of the project cycle.

Good project design is the key to achieving project outcomes, and consists of three main stages:

- **Project identification**
- **Project formulation**
- **Planning implementation**

Each stage comprises a series of steps for which specific tools have been developed, which can be found in the annexes to this chapter.

**Project vs. Programme**

A project is the basic unit of action of the ILO’s development cooperation. A project can be defined as a set of interrelated and coordinated activities that are conceived so as to achieve clearly defined objectives that help solve a specific problem affecting a certain group, within a set budget and fixed time frame.

Projects can vary greatly in the issues they address, or in their duration, geographic scale or resources, but in essence a project provides the road map to go from the present situation (the problem) to the desired future (the objectives).

Programmes, on the other hand, have greater strategic and operational complexity than projects. They include multidisciplinary approaches that encompass various components, each with its own set of activities. Programmes may be implemented – wholly or in part – through a series of projects that are managed in coordination so as to achieve certain overall programme objectives. In the ILO, the most obvious examples of programmes are the **DWCPs**.
Project Proposal

The result of the design process is a project proposal that can be appraised, has funding potential, and provides the basis for project implementation, monitoring and evaluation. In the ILO there are two types of project document, containing varying degrees of detail. These are the:

- **Project Concept Note** (*PCN*)\(^1\)
- **Project Document** (*PRODOC*)\(^2\)

The purpose of these documents is to ensure that full and high-quality design does not take place without first ascertaining that the proposed project is consistent with ILO objectives and responds to resource partner funding priorities. The selection of the appropriate document may also depend on specific resource partner requirements or funding mechanisms, and the complexity and scope of the project.

**Project Concept Note**

The Project Concept Note is an initial document that is prepared during the identification and design phases of developing a project. The concept note should not replace a project document. It should provide enough information to enable the ILO, constituents, development partners and other stakeholders to assess the strategic appropriateness of any proposal.

A Project Concept Note should always be appraised. However, in cases where the concept note is shared with stakeholders for informal consultations before appraisal, a disclaimer should be added on the cover page.\(^3\) It is useful\(^4\) to inform PARDEV on informal consultations beforehand.

**Project Document**

The PRODOC is used for appraisal and forms the basis for subsequent approval, implementation, and monitoring and evaluation. The PRODOC provides details with regards to implementation, monitoring and evaluation, i.e. sufficient information for project managers and ILO responsible officials to implement the project and report progress.

In addition to ILO requirements, the use of a PCN or a PRODOC for appraisal and approval may depend on the type and complexity of the project, resource partner requirements and the agreed procedures.

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\(^1\) The Project Concept Note Template is available on the PARDEV intranet webpage.

\(^2\) The PRODOC template is available on the PARDEV intranet page.

\(^3\) Disclaimer: “This concept note is shared for informal consultation. The note has not yet passed the ILO internal quality assurance process and is therefore subject to change.”

\(^4\) In some cases, PCN can be used for specific calls for proposals, such as the ILO-Japan Social Safety Nets (SSN) fund. The Regional Office for Asia has adapted the PCN, combining the DC Logical framework and the implementation plan, and adding information on the links to the P&B, national outcomes and SDGs. A template is available in XXX and could be used in specific cases.
Some resource partners require complete PRODOCs for approval. In such cases, a PRODOC should be prepared, obviating the need to prepare a preliminary PCN. However, this is done when the ILO has already judged the project appropriate for funding, and the funding has been earmarked.

Roles and Responsibilities’ Scheme in Project Design

Field Offices and technical units at Headquarters have responsibility for project design; however, the outcome should be the result of close consultation between the two. This includes discussion with partners, as well as the development of a project proposal that meets the criteria of the ILO, the resource partner and the recipient country.

- If a project idea originates at Headquarters, immediate action should be taken to review it with the relevant field office. As most projects constitute services to specific countries, it is important that Field Offices check their relevance to local needs, and their coherence with the DWCP. It is also important that they initiate consultations with the tripartite constituents and other stakeholders, and assure appropriate national ownership and endorsement.

- If the project idea originates in the field, early consultations with Headquarters should take place. The relevant technical units should be consulted on issues such as ILO capacity, similar work carried out elsewhere, and lessons learned from comparable projects and evaluations. PARDEV should be consulted on potential funding and/or resource partner priorities.

- The project design process varies depending on the nature and size of the problem to be addressed. Commonly, a design team (generally comprised of field and Headquarters officials, national partners, stakeholders, but in some cases also including external consultants) will be constituted to prepare the project document. The role of the design team is to consult widely, and to negotiate a project acceptable to all stakeholders; in most cases, email communication between team members is sufficient.

- An ILO official should have the overall responsibility for this phase. If a team has been set up, a team leader should be appointed. If the official responsible for design is based at Headquarters, the relevant technical specialists in the DWT, as well as programming staff in the corresponding Field Offices, should be closely associated throughout.

PARDEV is responsible for providing:

- Guidance on development cooperation policy and procedures;
- Support and guidelines on project cycle management practices;

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5 As well as other frameworks set up between relevant country authorities, the ILO, and within the UN, please refer to section 4.1.1.
• Guidance and information on potential resource partner funding, resource partner criteria and resource mobilization strategies.

**FINANCE** and **JUR** have the responsibility for providing guidance and support in their respective field of competence, as required.

**FIELDSECURITY** advises on the safety and security of ILO staff, as well as on the security of the Organization’s premises and assets in the field.

**EVAL** provides guidance and support to implement the ILO’s evaluation policy.

### 4.1 Project Identification

Project identification is the first phase in project design. The objective of this phase is to have a sufficiently complete understanding of the problem to be addressed in order to design a consistent response.

At this stage an analytical effort is made to collect good quality information and gain an in-depth understanding of the context in which the project must operate, the nature of the problem, and the stakeholders involved. A broad set of tools is used to determine these elements, but the key is to respond to these questions in such a way that the information can be used to design an appropriate intervention.

Moreover, designing a project proposal inside the ILO’s Programme and Budget for 2018-2019 requires not only a good analysis of the context in which the action is carried out, but also a thorough knowledge of the programmatic context of the ILO (and of the broader UN system), as well as the ILO’s principles, objectives, and policies with which the project must be aligned.

#### 4.1.1 Analysis of the policy and programmatic context

The project proposal should contribute to the overall objectives of the ILO, and should be consistent with the ILO development cooperation strategy as outlined in Chapter 2 – Development Cooperation in the ILO. Managers are responsible for ensuring that project proposals satisfy ILO standards, follow the ILO processes in terms of consultation, are well designed with sufficient resources, and are within the ILO’s comparative advantage and managerial capacity. In particular, they should ensure that they:

- Are relevant to the DWCP and the P&B outcomes;
- Are consistent with and contribute to the achievement of the ILO’s mainstreamed strategies, i.e. international labour standards, social dialogue, gender equality and non-discrimination as well as environmental sustainability;

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6 Where possible, the project approach should be in line with ILO relevant Conventions and Recommendations. In this case, the interventions should take into account comments of the ILO supervisory bodies.
Gender mainstreaming can be defined as “a strategy for making women’s as well as men’s concerns and experiences an integral dimension in the design, implementation, monitoring and evaluation of policies and programmes in all political, economic and societal spheres so that women and men benefit equally, and inequality is not perpetuated”, ILO DG Circular No. 564 on Gender Equality and Mainstreaming in the International Labour Office, 1999, from the Agreed Conclusions (1997) of the UN Economic and Social Council.

- Are anchored in national strategies and assistance frameworks such as **UNDAF**, Poverty Reduction Strategies (PRSs) and the **Agenda 2030**;
- Are based on the needs, and active participation, of constituents;
- Involve and encourage the participation of relevant, specific groups of workers and employers or their representatives (e.g. young workers, **persons with disabilities**, workers from ethnic minorities, indigenous workers, informal economy operators);
- Emphasize national ownership and sustainability;
- Promote **partnerships** with other agencies;⁷
- Stimulate consultation and information sharing within the Office;
- Are **results-oriented**;
- Are adequately resourced and within the capacity of the office to manage;
- Are consistent with resource partners criteria.

The ILO continues to promote **social justice** through the **Decent Work Agenda**, with its four pillars – employment, rights at work, social protection and social dialogue – which are the strategic objectives of the Organization. The **ILO Declaration on Social Justice for a Fair Globalization**, 2008, provides an overall framework and is an important instrument for the pursuit of the ILO’s mandate. ILO’s strategic objectives are further detailed in the ILO’s result-focused programming framework:

- The **Strategic Plan for 2018-21** is a high-level, visionuar document aligned to the four-year strategic planning cycle of the United Nations, as recommended by the UN General Assembly. It presents a strategic vision of ILO 2021 and sets out the substantive and organizational steps towards its realization. The governing body was invited to comment on and approve it on October 2016.

- The programmatic proposals through which the Strategic Plan will be translated into action is set out in the **Programme and Budget for 2018–19**. It includes ten policy outcomes, three enabling outcomes and four cross-cutting policy drivers. Each of the ten policy outcomes is accompanied by at least three indicators addressing a result respectively in terms of: policies, strategies and regulatory or legal frameworks; capacity building and institutional development for service delivery and capacity building and institutional development for knowledge, analytical capacity, statistics, and information dissemination.

⁷ Such as UN agencies, governmental agencies, local development agencies, etc.
Three of the cross-cutting policy drivers – on international labour standards, on social dialogue and on gender equality and non-discrimination – are retained from previous biennia: they have enjoyed strong tripartite support, and have a clear constitutional and institutional basis, relating as they do to issues which are rightly considered inherent to the ILO mandate.

A fourth and new cross-cutting policy driver – on a just transition to environmental sustainability – is now included.

◊ **International labour standard**: There is an urgent need to promote a spirit of ownership among ILO constituents, in order to encourage ratification and effective national application,\(^8\) as well as the adoption of standards that respond to the world of work and the needs of the ILO’s tripartite constituents. **International labour standards** are both an outcome in their own right, and a means of action to achieve other outcomes set by ILO constituents. For more information, please contact NORMES@ilo.org and the International Labour Standards and Labour Law Specialist in the respective ILO office.

◊ **Gender equality and non-discrimination**: Services to constituents will include interventions to: (i) overcome the social, policy, legal and institutional obstacles facing groups of workers who are particularly vulnerable to discrimination, which could include among others, women, persons with disabilities, members of indigenous communities or ethnic minorities, persons living with HIV or affected by HIV and AIDS, and migrant workers; (ii) address the deficits in the representation of, and give a voice to, excluded and marginalized groups; and it is crucial that the ILO should:

- **strengthen the actors in social dialogue**;
- **enhance the role and impact of social dialogue institutions**;
- **promote the ratification and application of ILO Conventions relevant to social dialogue**;\(^9\) and
- **reinforce the roles of tripartism and social dialogue as key methods for implementing the strategic objectives of the Organization**.

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\(^8\) The Committee of Experts on the Application of Conventions and Recommendations is an independent body composed of legal experts charged with examining the application of ILO Conventions and Recommendations by ILO member States. The Annual Report of the Committee of Experts covers numerous matters related to the application of ILO standards, and is submitted to the International Labour Conference.

\(^9\) Social dialogue can mean negotiation, consultation or simply an exchange of information and views between representatives of employers, workers and governments.
(iii) promote an enabling environment for gender equality and non-discrimination.\(^\text{10}\)

- **Just transition to environmental sustainability**: guided by its mandate, the ILO will focus on scaling up research and analysis to inform evidence-based policy advice so that constituents can develop coherent and effective employment and social policies to promote a just transition for all in relation to the implementation of the Paris Agreement on Climate Change. It will leverage and strengthen partnerships with UN agencies and other institutions in order to improve policy coherence on climate change mitigation and adaptation and access to financing, including through the Green Climate Fund, in the context of decent work.

- **Decent Work Country Programmes (DWCPs)** are the ILO’s programming instrument and its contribution to UN-wide programming processes in those countries. DWCPs provide an opportunity for the ILO’s constituents to influence specific ILO priorities and activities in countries. The process of developing DWCPs is also an important opportunity for ILO advocacy, in particular in respect of the Organization’s core values and fundamental principles.

- **Outcome-based workplans (OBW)** ensure Office-wide coherence and collaboration in achieving results. They bring together the outcomes identified in DWCPs and the available resources at HQ and in the field structure. DWCPs and their Country Programme Outcomes (CPOs) are fundamental components of the OBWs.

Under the umbrella of the development cooperation strategy, (see Chapter 2, Section 2.5) a limited number of large programmes are foreseen as ILO “flagship programmes.\(^\text{11}\)” They are: the Social Protection Floors (SPFs), The International Programme on the Elimination of Child and Forced Labour (IPEC+), Jobs for Peace and Resilience (JPR), Occupational Safety and Health (OSH) Global Action for Prevention, and Better Work. These flagship programmes will represent a major component of the ILO’s development cooperation portfolio. At the same time, projects outside of this category will continue to be designed and implemented in partnership with constituents, prioritized according to the specific contexts.

### 4.1.1.1 Implications for project design

It is against this broader policy and programmatic context that ILO’s development cooperation programmes and projects are being, and should be, designed. Interventions must be focused on achieving results at the country level

\(^{10}\) Including by extending equal pay for work of equal value, strengthening the role of collective bargaining, promoting women in business and leadership, ensuring adequate social protection coverage for disadvantaged groups, designing inclusive maternity, paternity and childcare policies, and promoting inclusion and diversity.

\(^{11}\) The flagship programmes correspond to the guiding principles of the strategy, namely focus, effectiveness, capacity building and resource mobilization, which have been endorsed by the Governing Body at its 322 and 323 sessions. For more information, please refer to GB.325/POL/7.
that are relevant to constituents’ needs and countries’ development strategies.

- **Link to P&B, DWCP and CPO** – *Project originators* should describe how the proposal contributes to the achievement of DWCP outcomes, by (1) referencing individual CPO and Global Product (GP) codes from *IRIS/SM* (Integrated Resource Information System/Strategic Management), and by explaining how project and programme results will contribute to the achievement of the selected CPO and GP; and (2) by mentioning their contribution to the outcome-based work-plans.

*Country Programme Outcomes*\\(^{12}\) establish specific commitments under the country programme priorities,\\(^{13}\) and contribute to the achievement of the outcomes that are set out in the *P&B*. Thus CPOs should be understood as significant changes that are intended to be achieved by constituents, with the Office’s support. CPOs should derive from *DWCPs* and be defined by Directors of Field Offices, together with technical specialists, and the relevant *Outcome coordinating teams (OCT)*.

The project originator should align the project proposal to CPOs,\\(^{14}\) which are classified in *IRIS/SM/IP* (Strategic Management/Implementation Planning) as target,\\(^{15}\) pipeline, maintenance or achieved. (Please see the example box.\\(^{16}\)) The CPO is linked in IRIS to the relevant *P&B* outcome and accompanying indicator. Target CPOs are those CPOs that are identified as priorities for the biennium, i.e. where efforts are concentrated in order to meet the criteria for measurable results during the biennium. A target CPO\\(^{17}\) achieved in the previous biennium can be maintained as a target in the following biennium, only if substantively different results are expected.

*Resource gap analysis* – The *OBW* process has direct and practical implications for the use of resources. For each CPO and GP, estimates are made of resources required, resources available from all ILO units and external sources, and resource gaps that should be

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\\(^{12}\) The *Outcome coordinating teams (OCT)* are responsible for guiding the preparation and monitoring the implementation of OBWs, their CPOs and *Global Products* (GPs). They have oversight of resource commitments by units, and are responsible, together with the field, for identifying bottlenecks or resource gaps. They also lead in the design of GPs.

\\(^{13}\) They are created and entered in SM/IP on the basis of a form completed by the relevant field office and the Outcome coordinating team (OCT).

\\(^{14}\) Once a project is created in IRIS it is aligned to one P&B outcome. However, at the task level a project’s immediate objectives can be linked to more than one CPO, thus allowing for an alignment with more than one P&B outcome.

\\(^{15}\) Target CPOs are a priority for resource linking.

\\(^{16}\) Please be aware that the P&B outcome referred to in the example is from the *Programme & Budget for 2014–15*.

\\(^{17}\) Based on the discussions at the review stage, CPOs are given a “traffic light” classification, with GREEN meaning progress on track and results likely to be achieved, YELLOW indicating problems that require attention and a possible risk that CPO will not achieve results by the end of the biennium, and RED showing cases that need urgent action if they are to result in achievements in the biennium.
filled. These resource gaps are the basis of proposals and dialogue about allocations of regular budget resources, including RBTC, and other funds such as RBSA. Resource planning under OBWs can be used as a basis for development cooperation proposals to submit to resource partners.

A CPO is linked to one P&B indicator. While it is recognized that this does not always fully capture the integrated nature of country programme outcomes, allowing multiple links would mean that one country result would count several times towards P&B targets and with existing IRIS functionality. It would further mean that one US$ spent on a CPO could be accounted more than once (double counting). However, the one-to-one link between

Example: Case Study – Improving workplace compliance through labour inspection
Beyond referencing individual CPO codes from IRIS/SM, and mentioning their status under the OBWs), the project originator should explain how the proposal contributes to the achievement of DWCP outcome(s). Please refer to the following example to see how project results could contribute to the achievement of the outcomes of the P&B.

P&B Outcome 7: Promoting workplace compliance through labour inspection.
Indicator 7.2: Member States that have improved their institutional capacity or strengthened collaboration with social partners and other institutions and partners to improve workplace compliance.
Measurement: Reportable results must meet one or more of the following criteria:

1. Labour administration institutions are established or take new initiatives to improve workplace compliance.
2. National tripartite or bipartite social dialogue mechanisms take measures to improve workplace compliance.
3. Government applies inter- or intra-institutional coordination mechanisms at the national or sectoral level to improve workplace compliance, including cooperation with private or non-profit compliance initiatives.

Project Outcome 1: The capacity of labour inspectorates is strengthened to improve institutional effectiveness as a necessary precondition towards achieving workplace compliance.
CPO: CHN154 – Capacity of labour inspectorates enhanced through the development of a national training programme for labour inspectors
Output 1: A time-bound and budgeted national training programme for labour inspectors is developed, endorsed and implemented by the LIB/MOHRSS.
Output 2: A training of trainers (TOT) programme for OSH inspection launched to provide quality services for SMEs’ compliance with OSH laws.
Output 3: Awareness of law compliance raised and initiatives of local trade union federations in workplace compliance reviewed and supported.
CPOs and P&B indicators does not mean that integrated programmes and actions cannot be implemented or reported. On the contrary, it is strongly encouraged that CPOs foster team work and integrated approaches, and this will be called for in the Implementation Report.\textsuperscript{18} Any CPO can receive contributions from multiple units/offices, together delivering a range of outputs, and this should be recorded in IRIS (SM/IP).

- **Link to UNDAF and other cooperation frameworks** – Project originators should explain how the project proposal is coherent with UNDAF, and how the proposal fits into the broader framework of aid assistance to the country. For example, the ILO’s participation in the CCA/UNDAF (Common Country Assessment/United Nations Development Assistance Framework) programming framework offers new possibilities for promoting the Decent Work Agenda (DWA) by building strategic partnerships with the different agencies of the United Nations system.\textsuperscript{19} In addition, it provides an opportunity to bring the tripartite constituents into the process and promote their interests and concerns within the larger UNDAF framework. It will also help raise the ILO’s profile, visibility and weight among the international agencies.

In the context of the Delivery as One approach, over the past years it has become strategic for the ILO to avail of UN programming frameworks in countries (UNDAFs, One UN Programmes, Joint Programmes thematic policy groups, clusters), as a means of reinforcing its own programming mechanisms and channels.\textsuperscript{20}

Project originators should explain how the project proposal is relevant to development goals in the country and region concerned. For instance, reference to the proposed Sustainable Development Goals (SDGs) should be made in detail in the project proposal.

- **Link to national development plans and strategies** - Many countries have developed national development plans or sets of social and economic policies that address issues of relevance to the ILO mandate. Many of these national plans refer to internationally agreed aims such as SDGs and PRSs. The priorities\textsuperscript{21} in national plans or policies can, and should, provide a basis for multilateral and bilateral development cooperation support. This becomes essential as resource partners are shifting decision making, priority setting, and resource allocation to the national level.

\textsuperscript{18} Please refer to Chapter 4 – The Programme Implementation Report (p. 18), of the Programming Internal Governance Manual.

\textsuperscript{19} The UNDAF is increasingly being used to mobilize resources, both from within the United Nations system and from other resource partners. A combination of these approaches, called the CCA/UNDAF, is emerging as a common programming framework across the UN system.

\textsuperscript{20} Resources channeled through the UN between 2008 to 2017 have enabled the ILO to be either a lead or a participating agency in UN joint programmes.

\textsuperscript{21} National development priorities can include national or sectoral plans, the agendas of employers’ and workers’ organizations, tripartite agreements, etc.
and are progressively moving from project-based aid to direct budget or sector support to countries. Increasing levels and new modalities of development aid have been agreed, in accordance with this new alignment to national strategies. The project originator should indicate how the project proposal is relevant to the development goals of national development plans and strategies, for instance by explaining the value added of the proposal in achieving those goals, and its contribution to poverty reduction.

Through the appraisal process, the Office ensures that project proposals fit within the ILO programming framework, national development strategies and tripartite priorities, as well as UNDAF, and explains how projects will contribute to them.

4.1.2 Situation analysis

A project is essentially a structured action to solve a certain problem. Therefore, project design must start with an agreed understanding of the existing situation, what the problem to be addressed is, what its causes and consequences are, whom it affects, and what other key stakeholders are involved; a situation analysis focuses on answering these questions.

Consultation and sources of information

The information required to undertake the situation analysis is usually distributed among different people, ILO units, constituents and other stakeholders. Although there are many sources of information on the constraints or problems, rigorous and systematic analysis is required to understand their underlying relationships.

Previous research findings, needs analyses and evaluations provide a starting point for situation analysis. Additional research may be required, for example a gender analysis.

Constituents provide an essential insight into the analysis of the problems, based on their stake in them, their experience in labour markets, and the national context.

Target populations have a deep understanding of the core problem affecting them, especially when the causes are immediate to their environment. Project design teams should consider the use of participatory techniques to engage with target groups or their representatives. It is

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22 A stakeholder is any organization, agency or individual with an interest in the project, be it positive or negative, direct or indirect, intended or unintended. Stakeholders include the tripartite constituents, project beneficiaries, partner organizations, and any other agency with an interest in the project.

23 This analysis of “who, when and how” should play a role in the project design, and should be carried out as a first step in the participation analysis. This will greatly influence the specific process and the set of tools that will be used. If this analysis is not carried out, the result will consist in a false situation analysis.
important to include different subgroups (age, gender, inclusion of persons with disabilities, etc.) in order to have the appropriate information and perspective.

ILO Field Offices and relevant units should be involved in the design of all projects. However, it is important not to limit this to direct involvement, but wherever possible to use the experience of the wider Office and support units. For example, Field Offices are instrumental in getting the constituents and other possible local partners involved in project design.

Other agencies and key informants that have worked in similar fields or in the same geographical area, will also have gained useful experience. These include governmental institutions and national organizations, as well as community-based and grassroots organizations, such as women’s organizations or those of persons with disabilities.

The analysis brings together the different perceptions and understanding of stakeholders. The use of facilitated workshops with constituents and other agencies or individuals with an interest in the project, ensures that the process is transparent and owned by the national stakeholders. This in turn increases the chances of the project being successful and sustainable.

The design team must consider carefully how it intends to manage this process of consultation and information gathering, since there may be significant costs associated with it. The decision will very much depend on the scope of the project, but cost-effective methods of consultation, such as email, can be used if appropriate.

Situation analysis consists of the following interrelated steps:

- **Step 1: Stakeholder analysis** focuses on understanding the role, interests, relationships, strengths and weaknesses of all of the different groups, and the social context in which they operate.

- **Step 2: Target group analysis** is carried out to obtain an in-depth characterization of the group that must ultimately be the beneficiary of the project, its needs and its priorities.

- **Step 3: Problem analysis** is intended to identify and define in precise terms the core problem that must be addressed, its effects and its causes.

- **Step 4: Institutional analysis**, which focuses on the relationships between the different types of agencies, and in particular, the relationship triangle between
government agencies, project management and the target population.

Table 1 - Situation analysis steps

Step 1: Stakeholder analysis

Projects operate in a complex social context. A good understanding of the roles of different actors and the relationship between them is essential in order to ensure a good project design. Ultimately projects are about people, and therefore it is fundamental to understand who the different players are, their expectations and interest, their influence over others, etc.

Stakeholder analysis is a tool that helps to develop an understanding of different stakeholders, their characteristics, motivations, expectations and constraints. (Please see Tools and methods for project design and implementation planning, Tool 1 – Stakeholder analysis).

Step 2: Target group analysis

A good understanding of the target group is particularly important. Since in most of its projects the ILO assists constituents to build their capacities, or to improve the context in which they operate – so they can provide better services – there is a need to distinguish between the direct recipients of project outputs or services, and the ultimate beneficiaries.

It is important that gender be considered at all stages of the process. Integrating the potentially different impacts on working women and men in the situational analysis makes it much easier to integrate gender at the design stage and beyond (see Box 1).
**Direct recipients** of project services: These are primarily the ministries of labour and the social partners, but may also include educational/training institutions, local administrations and community-based organizations.

**Ultimate beneficiaries**: This is the target group of women and men that is expected to be better off as a result of the project. The project may provide services directly to this group, or more commonly target this group through the strengthening of the constituents or other institutions and organizations (i.e. the direct recipients), which support, increase awareness or advocate on behalf of the ultimate beneficiaries.

The distinction between direct recipients and ultimate beneficiaries is particularly important for resource partner-funded development cooperation projects, where resource partners are primarily concerned with the impact of the project on the latter group. For example, although the direct recipients of a project’s services may be labour market policy makers, the ultimate beneficiaries would be workers or employers in the labour market. The proposal should describe the ultimate beneficiaries of the policy changes, even when the project has no direct control over the way the direct recipients interact with the ultimate beneficiaries.

When direct recipients need to strengthen some of their capacities, and capacity building\textsuperscript{24} is to be a main component of the action, capacity assessment helps to identify gaps and plan capacity development. Before undertaking any capacity development intervention, there should be an assessment\textsuperscript{25} of the target group’s capacity needs and assets, in order to focus the intervention on core capacity issues. It may not always be cost-effective to address every single capacity deficit.

**Target group differentiation**: Target groups are rarely homogeneous, and the situation analysis should differentiate between groups within the population (by sex, age, sector, etc.) This depends on the specific situation and scope of the project, but may require differentiation of the interests of the social partners, regions and sectors, the formal and informal economy, youth and the elderly, persons with disabilities, and women and men.

\textsuperscript{24} In this case the terms “capacity building” and “capacity development” are used interchangeably. In international development terminology the use of the second expression is now more frequent; the word “development” presupposes existing capacities that can be improved, while the word “building” assumes there are no initial capacities to start from, and has come to have connotations of the old approach to DC that is, resource partner – and supply – driven. See: “How-to” Guide No. 12 Capacity Development in Development Cooperation.”

\textsuperscript{25} For a practical tool for how to conduct a capacity assessment, please refer to the “How-to” Guide No. 11 on Capacity Assessment for Development Cooperation.”
Box 1: Gender mainstreaming and the situation analysis

ILO’s DC projects must adopt a strategy that gives equal rights, opportunities and treatment to men and women as beneficiaries, participants and decision makers. **Gender mainstreaming** is not an “add-on” or a “step” that has to be taken while drafting a project document, but – following a decision of the Governing Body in March 2005 – is a **mandatory approach** to all phases of the project cycle.27

During the design phase, the situation analysis should be gender-responsive, providing information that allows for understanding of the specific concerns and needs of women and men. Such an analysis should include:

1. Sex-disaggregated data and qualitative information about the target group;
2. An identification of the division of labour between women and men – both paid and unpaid work, including care in the household and community;
3. Information on both women and men’s access to and control over productive resources and benefits;
4. An understanding of the practical and strategic needs of women and men, together with the social and economic opportunities and constraints that may influence achievement of the expected results;
5. An assessment of the challenges, opportunities and capacity to promote gender equality in respect of the capacities of government, workers’ and employers’ organizations, and of other relevant actors.

A situation analysis that does not provide gender-differentiated information will significantly reduce the projects’ results in advancing gender equality, and may exacerbate inequalities (for further information, see: “How-to” Guide No. 15 on Gender equality in Development Cooperation Projects”.

**Link to problem analysis:** When the target group is not sufficiently differentiated, the problem analysis tends to be superficial or too broad, and does not capture the effect of the core problem within the various subgroups. For example, focusing on the unemployed without differentiating age groups may lead to a wrong strategy for unemployed youth. Appropriate differentiation of the target groups during situation analysis facilitates the definition of project objectives and tracking of project outcomes, and expedites project evaluation.

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26 Gender mainstreaming is defined as a process and a strategy to make women’s as well as men’s needs and concerns an integral dimension in a project’s design, implementation, monitoring and evaluation phases. In this way, women and men benefit equally, and inequality is not perpetuated.
Step 3: Problem analysis

The justification for any action or intervention is to address a problem or constraint affecting a certain group of people (the target group). The key to successful project design is to understand the cause(s) of the problem or constraint, because problems and their causes do not exist in isolation, but are intimately linked to people, groups or organizations.

Therefore problems can only be defined if a comprehensive picture is drawn and insights into the target groups and other stakeholders involved are understood. Different stakeholders (constituents, beneficiaries, ILO units, other agencies) should be part of the information gathering process, because critical insights may be missed if some of them do not have a voice in project design. For example, it is difficult to imagine that gender issues have been fully considered in the analysis if consultation is limited to only one sex, or that a project can address labour market problems without involving both workers’ and employers’ organizations.

The problem tree methodology, as explain in Tools and methods for project design and implementation planning, is useful in that it brings together and organizes understanding about the causes and effects associated with a given problem.

TIPS

Good project design first defines the target population and then specifies the core problem, while taking into account the perspective of the target group.

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27 The quality of the information gathered and of the assumptions made must not be taken at face value, and should be challenged, verified and validated. As a result, it is often useful to bring different groups together to interact in a facilitated workshop – for example in order to confront, discuss and construct a new and shared understanding of the problem.

28 One of the effects of poor problem analysis is that the objectives and expected results of the project are not easy to define, and therefore progress is difficult to monitor.
Box 2: Persons with disabilities and the problem analysis

In all countries, people with disabilities are at risk of being excluded from development cooperation projects unless proactive measures are taken to include them in all stages of the project cycle. At the stage of target group identification and consequent problem analysis, baseline data should be disaggregated by disability status and type, in addition to other relevant variables such as sex, age and ethnicity. Such data will make disabled people visible to all project stakeholders.

To ensure their real representation, people with disabilities and national or local Disabled People's Organizations (DPOs) have to be involved in stakeholders' meetings and focus groups for project planning and design. They should also take an active part in project implementation, monitoring and evaluation. Relevant actors working on disability issues, such as disability NGOs, social partners, other UN agencies, and Government ministries/agencies in charge of disability issues, should be involved in the project as well.

If the project staff lacks capacity in addressing disability issues, provisions for training in disability awareness and/or related technical issues should be set out in the project proposal. In addition, the proposal should refer to, and be in compliance with, relevant national laws, policies and disability plans, as well as the UN policy framework and the Convention's principles regarding disabilities.

It is crucial that at every stage of the project, accessibility is borne in mind. This means ensuring physical access (buildings, transport and reasonable accommodation), but also access to information, which could imply specific outreach measures to overcome isolation that people with disabilities may suffer, together with alternative formats/different channels to convey information. It is also important to remember that women and men with disabilities may have different needs, i.e. it is essential to mainstream gender while also mainstreaming disability.

For more information, see: How-to Guide No. 18 on the Inclusion of People with Disabilities or contact: disability@ilo.org or ged@ilo.org

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29 Disability status refers to whether a person is disabled or not, while disability type refers to different kinds of impairments that lead to disability.

30 Note that many countries do not have disability-disaggregated data available; in this case, estimates will have to be used. In addition, national ministries or agencies in charge of disability issues, other UN agencies, NGOs, and local DPOs can be a valid source of disability-related data.

31 Organizations of disabled people, often referred to as DPOs, are different from organizations for disabled people, which are typically NGOs whose leadership may or may not include disabled people, and are usually organized to provide services for disabled people. The latter can be project partners and advisers, but it is particularly important to ensure that DPOs are included, in line with the motto of disabled people worldwide: “Nothing About Us Without Us”.

32 Note that the ILO People platform offers an interactive course on the inclusion of people with disabilities. Moreover, the http://www.itcilo.org/en ILO’s International Training Centre in Turin sometimes organizes distance courses on mainstreaming disability equality, focusing on legislation and policies related to disability issues.
The problem tree is a tool to perform problem analysis that is used in project design by the ILO and many other development agencies. It is based in the causal logic explained in the above section. Using the problem tree, a sufficiently thorough analysis for the purposes of project design can be obtained in a short period of time. It is also a tool that can be used in participatory exercises, such as those in stakeholders’ workshops. The problem analysis guides decisions on how to prioritize problems, and therefore how to set project objectives. For more information, please refer to section 4.2, Project Formulation (subsection 4.2.2).

Step 4: Institutional analysis

While the stakeholder analysis examines the characteristics of different stakeholders, the Institutional mapping focuses on the relationships between the major players. The institutional analysis, or mapping, provides a study of formal and informal relationships between the stakeholders. The institutional mapping must include the most relevant actors identified during the stakeholder analysis. This comprises the ultimate beneficiaries, the direct recipients, the governing and oversight agencies, the implementing agencies and the social partners. For instance:

- **Delivery agencies:** These are organizations, including ILO units, that manage and deliver services and products to either the direct recipients or the ultimate beneficiaries. Increasingly, projects are implemented through partnerships, which bring together the comparative advantages of each partner. The stakeholder analysis provides a means of assessing the capabilities of delivery agencies and of identifying problems, which can be supplemented as part of the project.

- **Oversight and governance agencies:** These agencies play a strategic and regulatory role, and are ultimately responsible for project management. In some cases, oversight activities remain within the ILO at field or Headquarters level, while in other cases these responsibilities are shared with different agencies. It is important to consider collaboration with tripartite coordination mechanisms already in place at the country level, either in the context of national strategies’ implementation or as part of the DWCPs. Sometimes new governance structures (e.g. tripartite steering committees) are set up to coordinate and oversee project implementation.

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33 The strategic partnership between the Training Centre of the ILO in Turin and the ILO is an illustration of this. To integrate the ILO principles into the 2030 Agenda, the learning services of the Centre and its wider outreach will continue to be deployed, by adapting its training programmes for ILO constituents to the policy outcomes of the Programme & Budget 2018–19. For example, services will be reoriented to reflect different categories of learning needs arising from different stages of social and economic development. This will require accelerating the roll-out of blended and Information Technology (IT) enhanced learning approaches, as well as increasing language capacity and thematic expertise.
• **Role of the social partners**: The role of the social partners\(^{34}\) is of particular importance and varies from project to project. It must be carefully spelt out in the project design. This is important, since the social partners can play more than one role within the same project. For example, social partners may be providers of services (delivery agency), target populations (recipients or ultimate beneficiaries), as well as having an oversight and strategic role (governance). The role of employers’ and workers’ organizations differs from one situation to another.

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\(^{34}\) Please keep in mind that workers’ and employers’ organizations are very different in nature and their roles change accordingly.

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**Key Point**

A good understanding of the institutional framework is essential, because the structure of interaction among the different stakeholders greatly determines what can be done and how. The institutional mapping helps identify obstacles and potential strengths in relationships. This improves the understanding of the problem the project wants to address, because in many cases inadequate institutional relationships can be at the root of the problem.
4.2 Project Formulation

Project formulation starts where project identification ends. This section focuses on the approach and methodology used to carry out the project idea. The formulation phase is based on the understanding gained during the situation analysis, which both informs and drives the project proposal. It takes the situation analysis and develops a project proposal, defining the benefits the project is meant to bring about for the target group. The project formulation sets out clearly the benefits the intended action will bring to the target group.

4.2.1 Project strategy

This section involves devising a strategy to address the problem. The concept of project strategy has remained ambiguous in existing studies. However, the wider concept of project strategy introduced in this manual describes how the ends (goals) will be achieved by the means (resources). The strategy generally involves setting goals, determining actions to achieve the goals, and mobilizing resources to execute the actions.

The strategy depends on the nature of the problem, the comparative advantage of the ILO, as well as the wider policy context. The problem analysis will usually suggest different, sometimes conflicting, project strategies, all of which need to be considered. In some cases, experience from other interventions, countries, sectors and agencies, the priorities of constituents and other stakeholders, the likelihood of success, consistency with other ILO strategies, budget and time, etc., may all reveal alternative approaches.

Often the design team will instinctively and quickly arrive at an obvious strategy. However, it is still useful to consider alternatives and to document the analysis, since once a particular strategy has been agreed, the alternatives tend to be forgotten. Lessons learned from other projects and from the ILO help in understanding why decisions on particular strategies were taken.

In some cases it may be desirable to compare approaches more formally. For example, some strategies may favour the promotion of ILO’s objectives, such as gender equality, international labour standards (ILS), social dialogue and tripartism. Others may prioritize direct action or institutional development, or be more related to upstream policy. All deserve a full analysis and, in some cases, require a full cost-benefit analysis or cost-effectiveness analysis, involving the quantification of costs and benefits of the different approaches.

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35 It is useful both in terms of the rationale for selecting the chosen approach, and also for subsequent evaluation.

36 Indeed, these types of analyses themselves have cost implications, which have to be set against the potential cost of selecting the wrong strategy.
There is no standard recipe for defining the strategy to be used, since this will depend on the type of project, the stakeholders’ priorities and needs, and on the country context. In most cases a multi-criteria analysis is required.\(^{37}\)

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37 In systematically comparing and assessing the most viable strategy to solve the main problem, the criteria that will be used need to be explicitly defined. There is a wide list of possible criteria to be used (e.g. criteria such as alignment with national priorities, benefits for particular target groups, contribution to capacity building, feasibility, etc.), but the specific criteria would depend on the type of project. Criteria that are essential in one case may be irrelevant in another.

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### Lessons learned and communication strategy

Relevant lessons learned from previous interventions in the same technical field and/or geographical area can help to determine the correct project strategy. Evaluations of previous development cooperation projects and programmes, developed in a similar context to solve analogous problems, should be an important source of knowledge to use in the design of a new proposal.\(^{38}\)

A communication strategy should be designed in a participatory manner, involving all relevant stakeholders in the discussions (governments, employers’ and workers’ organizations, resource partners, direct recipients and ultimate beneficiaries). This provides all stakeholders with the possibility of expressing their communication needs.

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38 Communication arrangements put in place must be described in the project document, in the section on “knowledge management and sharing”.

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**RULE**

Projects funded through public–private partnership agreements, by the European Commission and all XBDC projects the total budget for which exceeds US$ 5 million, need to complete a communication strategy template in collaboration with DCOMM (Department of Communication), and the concerned Country Office, during the project’s inception phase. EU-funded project will need to follow a specific template. For the above projects, PARDEV associates with DCOMM in appraising project proposals in terms of communication. The template at the end of “How-to” Guide No. 13 – Developing a communication strategy for development cooperation, can be used for a self-appraisal of the proposed communication strategy.

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**TIPS**

A valid communication strategy should be planned carefully and in a participatory manner, working with DCOMM, resource partners and other partners. Communication is a core element of project management, and enhances results, transparency and accountability. Visibility is required by most of the resource partners, and good communication paves the way for further resource mobilization.
and discussing issues such as what sort of information each stakeholder wants, what the best vehicles are for its delivery, and with what frequency.

Internal communication (e.g. through knowledge sharing activities) should be accompanied by an external communication strategy to disseminate information on results to a wider audience, (e.g. policymakers, partners, the media, decision makers, influencers and the general public). Simply put, external communication is “communicating about results”, and should communicate the positive measures taken and the impact of an ILO intervention.

For more information on how to better use communication methods for achieving development results, please refer to “How-to” Guide No. 14 – Communication for Development (C4D).

4.2.2 Objective setting

Once the project strategy has been selected, the project objectives can be stated. Project objectives (or project outcomes) are the specific changes that the project will bring about. In DC projects, these changes usually refer to strengthened capacities on the part of the direct recipients to carry out their mandate and responsibilities, or to improvements to the legal, institutional and/or policy context in which they operate.

The objective analysis methodology used in project design in the ILO is based on the same principles of causal logic used in problem analysis, and is consistent with RBM. The problem tree is transformed into an objectives tree expressing the desired solutions to the problems. The objectives tree visualizes how different objectives interrelate to achieve the desired situation, in the same way as the problem tree visualizes how a set of interrelated causes produces a specific problem – see Table 2:

Table 2 – The problem tree vs. the objective tree

<table>
<thead>
<tr>
<th>Main Problem</th>
<th>Desired Situation</th>
</tr>
</thead>
<tbody>
<tr>
<td>High proportion of poor young women and men are unemployed or underemployed</td>
<td>Youth employment has increased and underemployment is reduced</td>
</tr>
</tbody>
</table>

What matters in **RBM** are results, i.e. the significant real changes that can be observed. Stating objectives as achieved situations places the focus of the objective analysis on results. If objectives are worded as activities, the focus is on the process and not on the final result. For tips and guidance on how to formulate objectives and define the project structure, please refer to “How-to” Guide No. 7 – Results for development cooperation: Formulating outputs and outcomes.

The **development objective of the project** relates to the project’s “impact”. It describes the higher (and wider) level objective to which the project aims to contribute, and should capture two concepts:

- **Impact on beneficiaries (direct and indirect)** as a result of changes in the way direct recipients operate;

- **Contribution to the wider and higher level context** – This wider context is determined by policies at the national or regional level. In the ILO, the development objective is anchored in the **DWCPs, P&B and CPOs**, in national development strategies such as **PRSs and the SDGs**, and in international assistance frameworks such as the **CCA/UNDAF**.

The **immediate objective**, or project outcome, relates to the core problem and is therefore associated with the target population. It is the specific changes that the project aims to have produced by its end, and it should be described as a target to be achieved (results), rather than actions to be taken.\(^{40}\)

### 4.2.3 Alternative analysis

The methodology of the alternative analysis is to identify and compare possible alternative options, to assess their feasibility, and ultimately agree upon one strategy over another for action with which to address the problem. **Lessons learned** from other projects help in understanding why decisions on particular strategies were taken. The following questions assist in this analytical stage, and might trigger other innovative strategies not reflected on before:

- Should all the identified problems and/or objectives be tackled, or only a selected few?

- What are the positive opportunities that can be built on (i.e. from the target group and the stakeholders’ analysis)?

- What is the combination of interventions that is most likely to bring about the desired results and promote sustainability of benefits?

\(^{40}\) Please refer to Section 4.2.5 - Logical framework for more information on how to formulate outcomes and outputs, “Tools and methods for project design and implementation planning” and the “How-to” Guide No. 7 – Results for development cooperation: Formulating outputs and outcomes.
• How is local ownership of the project best supported, including development of the capacity of local institutions?

• What are the likely capital and recurrent costs implications of different possible interventions, and what can realistically be afforded?

• What is/are the most cost-effective option(s)?

• Which strategy will impact most positively on addressing the needs of the poor and other identified vulnerable groups?

• Which gender-sensitive strategy will impact most positively on addressing the needs of the poor and other identified vulnerable groups?

• How can potential negative environmental impacts41 best be mitigated or avoided?

The objective tree (see Table 2 above) gives an approximate picture of the reality and is very useful as a project design tool. However, it may lead to a simplistic strategy if used literally. The stakeholder analysis, target group analysis, institutional analysis and problem analysis (please see Situation Analysis, section 4.1.2) provide essential information on the needs, priorities, strengths and weaknesses of stakeholders, as well as on the opportunities and risks that may influence the project.

All this information is essential to assess what can and cannot be done, what the project can realistically achieve, and therefore what must be taken into account in the alternative analysis and selection.

4.2.4 Project results chain

RBM does not look at the project activities, but rather at the achievements that the project activities bring about. In a world in which there is increasing competition for resources, and in which resource partners expect tangible results from the funds they grant, it is important to demonstrate the added value of ILO work, both unequivocally and measurably. The ILO is committed to results-based management, and it is therefore important to distinguish among different levels of results: “outputs”, “outcomes”, and “impacts”.

There are different levels of results that seek to capture the development changes that occur (e.g. short-term results or outputs, medium-term results or outcomes, and longer term results or impact):

• In the long term, outcomes will reflect the impact;

Example

• Impact: Healthy population;
   ◇ Outcome: Better nutrition;
   * Output: The apples;
      – Activity: Plant a tree.

41 Please refer to IGDS No. 460 ILO Environmental Sustainability Policy and IGDS No. 461 ILO Environmental Management System.
Outcomes (results);

* Outputs (services and products), which allow one to obtain certain results;
  - Projects / programmes use inputs and activities which result in outputs.

These results are linked together into what is commonly referred to as a results chain. As shown above, it is difficult to contribute to the impact without first achieving some intermediate steps. In short, results at each level aggregate to contribute to the results at the next and higher level.

4.2.5 Logical framework

The project formulation stage takes the situation analysis, described in section 4.1.2, and develops a project proposal, including a project planning matrix or logical framework. The logical framework\(^{42}\) is a way of presenting the substance of the project in a comprehensive and understandable form. It is the structure of the project proposal. The logical framework includes:

- A hierarchy of outcomes, outputs and activities;
- Progress indicators and the means of verification;
- Assumptions about the project context.

The logical framework sets out the project structure, indicators and assumptions in the form of a matrix, with the rows representing different levels of objectives. The results-based approach requires that objectives and indicators be expressed in the form of expected and achievable results, rather than as aspirations.

<table>
<thead>
<tr>
<th>Column 1: Project structure</th>
<th>Column 2: Indicators</th>
<th>Column 3: Means of verification</th>
<th>Column 4: Assumptions and risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development objective/Impact</td>
<td>Long-term impact indicators</td>
<td>Sustainability conditions</td>
<td></td>
</tr>
<tr>
<td>Immediate objective/Project outcome</td>
<td>End-of-project outcomes</td>
<td>Development hypothesis</td>
<td></td>
</tr>
<tr>
<td>Outputs</td>
<td>Output indicators</td>
<td>Implementation assumptions</td>
<td></td>
</tr>
<tr>
<td>Activities</td>
<td>Activities indicators</td>
<td>Management assumptions</td>
<td></td>
</tr>
</tbody>
</table>

The framework gives a summary of:

- Why a project is carried out (Immediate Objective/Outcome);
- What the project is expected to deliver (Outputs);

\(^{42}\) Logical framework is the same as log frame.
• How the project is going to produce its outputs/results (Activities);
• Which external factors are crucial for the success of the project (Assumptions);
• How we can measure success (Indicators);
• Where we will find the data required to assess the success (Means of Verification).

It is important to be consistent when formulating the results chain. Please refer to the following terminology for more information:

**Development objective** is the long-term change to which the project aims to contribute. It is linked with the DWCP, the P&B, and the national context. It is the stakeholders’ responsibility, and a result to which the project will make a significant contribution, but one that they cannot achieve on their own. The development objective may not be realizable within the project period, and may be dependent on the results of other projects and interventions.

**Immediate objective or outcome** is the specific change that the project is expected to bring about by the end of the project – in the quality and quantity of the services provided by the target group, and/or the way in which they are delivered by the direct recipients. The changes defined in the immediate objective are the changes in the:

• Target groups, such as capacities, quality of existing or new services, etc.

• Context in which the target groups operate, such as policy, legislation, information, etc.

• **Outputs** are what the project directly produces, such as training, legislative proposals, policy documents, methodologies, information, awareness raising, intervention models, etc. An output is a product or service that the project delivers to a direct recipient in order to achieve the outcomes. They are the necessary and sufficient means to achieve the outcomes.

**Activities** are the necessary and sufficient actions to produce the outputs.

The methodology for project formulation can be found in Tools and methods for project design and implementation planning, and in “How-to” Guide No. 7 - Results for development cooperation: Formulating outputs and outcomes.
### Table 4 - Situation analysis and logical framework

<table>
<thead>
<tr>
<th>Step</th>
<th>Analysis/Setting/Activities</th>
<th>Project Logical Framework</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Stakeholder Analysis</td>
<td>Step 4 Progress indicators</td>
</tr>
<tr>
<td>2</td>
<td>Target Group Analysis</td>
<td>Step 5 Assumptions</td>
</tr>
<tr>
<td>3</td>
<td>Problem Analysis</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Institutional Analysis</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Alternative Analysis</td>
<td>Project Structure</td>
</tr>
<tr>
<td>2</td>
<td>Objective Setting</td>
<td>Indicator</td>
</tr>
<tr>
<td>3</td>
<td>Outputs &amp; Activities</td>
<td>Means of Verification</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Assumptions</td>
</tr>
</tbody>
</table>

- National Strategies (PRSs, SDGs)
- Cooperation Framework UNDAF
- Constituent Priorities
- Resource Partner Criteria

**Decent Work**

**DWCP**
The **logical framework** is not an end in itself, but rather the product of a planning process that is user-driven and objectives-led. The framework clarifies the underlying causality intended in the project design, defines indicators to measure progress, and identifies external factors and assumptions that will ultimately determine success. The logical framework also links the design phase and the implementation phase by connecting the project results chain and the monitoring and evaluation system through indicators. It is a tool for transparency, summing up the features of development schemes, and presenting that information in an internally consistent and easily understandable form.

In spite of its advantages and widespread use in the development community, the logical framework also has some limitations. It is a snapshot of a situation at a certain moment in time. Therefore it may be necessary to adjust the matrix in the course of time, as conditions change. Likewise, avoid applying the tool too rigidly, as there is a danger of restricting project management rather than facilitating it. The major weakness of the logical framework lies in its adherence to the principle of linear causality, and the lack of information on unintended side effects, both of which can limit proper reflection of complex realities.

### 4.2.6 Performance indicators

**RBM** requires that the project design be specified in terms of expected outputs, immediate objectives (outcomes) and impact (development objective). The logical framework approach complements this approach by requiring that indicators be defined at the design stage. **Indicators** are the observable evidence that determine if a certain change is happening or not. In DC projects, indicators are used to confirm if the project is producing the expected results. They are also important tools to show and communicate project progress to stakeholders, constituents and resource partners.

Verifiable and sensitive indicators must be defined separately in the logical framework. For example, at the **output level**, the indicators are mainly for use by the project management, as they refer to what the project delivers. At the **outcome level**, they should be linked to the direct recipients of project results and to any indirect beneficiaries. At the **development objective level**, they should be linked to direct beneficiaries and ultimate beneficiaries, as well as to higher level national, and ILO policy frameworks (DWCP, P&B, national strategies, PRSs, **UNDAF**).

In addition, ILO policies also require that resources be set aside (3% being recommended) for monitoring, collecting baseline data and reporting.
Table 5: Performance indicators

<table>
<thead>
<tr>
<th>Project component</th>
<th>Indicators</th>
<th>Means of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Objective (Expected Impact)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Immediate Objective/Outcome</td>
<td>Process Indicator</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outputs</td>
<td>Process Indicator</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Activities</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

They indicate what we achieved (e.g. Adopted social security reform)

They indicate what we do (e.g. Number (X) of trained people who were certified (disaggregated by sex) / proposal for a law drawn up and delivered)

For each level or row, one or more indicators are defined in column 2 of the logical framework, together with the means of verification set out in column 3 (see Table 4). Indicators must follow certain criteria, known as SMART criteria (Specific, Measurable, Available, Relevant, Time-bound), in order to be properly designed. It is important to underline that SMART criteria for indicators only make sense if the immediate objectives themselves are correctly formulated.\(^{43}\)

From a gender mainstreaming perspective, the development of indicators is perhaps the most crucial phase. Having gender sensitive indicators is the best way of ensuring that activities and outputs, and by extension outcomes and impact, pay attention to the needs of working women and men alike.

When defining the means to verify the indicators, details of how and when the data will be collected should be included.\(^{44}\) This will be part of monitoring and evaluation planning, which will be developed at start-up of the implementation phase (see Chapter 6 – Implementation and Monitoring).

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\(^{43}\) To develop SMART indicators, please refer to page 7 of “How-to” Guide No. 6 – Indicators.

\(^{44}\) The means of verification should specify: (1) The format in which the information should be made available (e.g. reports, records, research findings, publications); (2) who should provide the information; and (3) how regularly it should be provided.
Please see below examples of quantitative and qualitative indicators, at the outcome level. For more information, refer to “How-to” Guide No. 6 – *Indicators*. – “How-to” Guide No. 18 on the Inclusion of People with Disabilities.\(^4^5\)

**Quantitative Indicators**

<table>
<thead>
<tr>
<th>Measure</th>
<th>Scale</th>
<th>Outcome indicator example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>(e.g. 1, 20, or 5,000)</td>
<td>Number of new employment opportunities created in targeted rural communities (XX for women and XX% for PwD)</td>
</tr>
<tr>
<td>Percentage</td>
<td>(e.g. 12% or 95%)</td>
<td>Percentage of workers with access to occupational health services, 50% for women and 3% for PwD, taking into account their specific needs</td>
</tr>
<tr>
<td>Ratio</td>
<td>(e.g. 1:3)</td>
<td>Ratio of female to male representation in Tripartite Working Group</td>
</tr>
</tbody>
</table>

**Qualitative Indicators**

<table>
<thead>
<tr>
<th>Measure</th>
<th>Scale</th>
<th>Outcome indicator example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existence</td>
<td>(yes/no)</td>
<td>Child labour gender-sensitive legislation passed/not passed</td>
</tr>
<tr>
<td>Category/Scale</td>
<td>(e.g. x or y or z)</td>
<td>Level of gender focus in National Employment Policy is “high”, “medium”, or “low”.</td>
</tr>
</tbody>
</table>

45 Please refer to pages 5 – 6 of this document for further guidance on how to formulate disability-inclusive outcomes and indicators.

### 4.2.7 Critical assumptions

*Assumptions* are events that can significantly influence the success of the project, but are beyond the control of the project manager and staff. All DC projects operate in complex social, institutional and political contexts where many factors may interfere with project implementation, such as shifts in the political environment, changes in the constituents’ priorities and needs, etc.

There are four levels of assumptions; starting at “management” assumptions and moving up the logical framework to “sustainability” assumptions, which are set out in column 4 of the logical framework (see Table 4, above):

- **Management assumptions**, linking the outputs to activities. There should be few if any important assumptions at this level, since project design and appraisal must ensure that there is a reasonable chance of project management being able to achieve the outputs.

- **Implementation assumptions**, linking the immediate objectives/project outcomes to the outputs. Since project management is not able to control what happens with project outputs, there are important assumptions at this level that are critical to the success of the project and form an important part of any evaluation.
• **Development assumptions**, linking the immediate objective/project outcomes to the development objective. At this level the question being asked is: how is the achievement of the immediate objective going to contribute to national priorities, as well as ILO objectives? These are often stated in the form of hypotheses or theories. They are important for the appraisal and evaluation of a project, but are not usually related to the implementation of activities.

• **Sustainability assumptions**, relating to the sustainability of the development and immediate objectives (see Sustainability Checklist).

**Assumptions** analysis is based on the concepts of importance and risk. **Risk** is the likelihood that the assumption will not hold true. In effect, risk can vary a lot between assumptions. Some may be very probable or almost certain to happen, and others may be highly unlikely. The combined analysis of importance and risk provides a solid approach to manage assumptions in a DC project.

Risk analysis can be performed by classifying the probability of occurrence on a three-level scale:47

1. **Almost certain**: This is when there is an extremely high probability that the assumption will hold true. In this case, the uncertainty is so low that it can be taken for granted that the external factor will not compromise the project. Therefore there is no need to include it in the log frame as an assumption to be monitored.

2. **Medium probability**: This is when there is some probability of the assumption holding true, but not total probability. Then it is necessary to keep an eye on such an external factor during implementation, to be able to develop an adequate response at the first sign of the assumption not holding true.

3. **Low probability**: The worst case scenario is when an important assumption has low probability of holding true. Assumptions that are relevant and unlikely to hold true pose a crucial dilemma for project designers, who basically have two alternatives to deal with them (please see the bullet points that follow).

46 Importance is the influence that the assumption has on the achievement of the result and its sustainability. External factors have different degrees of influence, some of which may have a low bearing on results, whereas others may be decisive.

47 To facilitate the understanding and use of risk management tools, and to develop an effective risk management strategy, please refer to “How-to” Guide No. 1 - Identifying and managing risks.
An assessment of the importance of each assumption and the probability of it being true is required.\textsuperscript{48} In addition, this assessment will also assign a risk level to each assumption. (Please see section 4.3.3 – Preparing a Risk Register.) The more important and more risky the assumption, the greater the need to consider it in the project management framework, and reflect on the following options:

1. **Redesigning** the project to “internalize” the problem and reduce the risk of the assumption not holding true. This may involve modifying or expanding project components or activities in order to influence or even control those external factors, such as adverse policy, which are critical to project success.

2. **Preparation of contingency plans** in order to handle “worst case” outcomes.

Project success depends on the results of these assumptions, during and after project implementation, while together they form the development hypothesis that underlies the project design and which will be verified during implementation.

\textsuperscript{48} See Figure 11 - Tools and methods for project design and implementation planning.

### 4.3 Project operational planning

It is important during the project design stage to ensure that action is directed towards intended results. For this purpose it is necessary to make a preliminary operational plan prior to project implementation. Operation planning is the third step in the project design phase. It defines how you will operate in practice to implement a DC project—what capacity is needed, how resources will be engaged, how risks will be dealt with, and how sustainability will be ensured.

#### 4.3.1 Preparing the implementation plan

The development of implementation and work plans is not compulsory\textsuperscript{49} during the drafting of a project proposal, unless explicitly required by the resource partner. However, the development of an implementation plan is strongly recommended during project design since it is a practical tool that demonstrates that the project is feasible in terms of responsibilities, schedule and resources.

\textsuperscript{49} It is not obligatory, because in many cases there may be delays between the time the project proposal is drafted (in the design phase), and the project becomes operational. The implementation plan (and work plan) will ultimately need to be updated in greater detail based on the current situation. When this happens, a project review with the resource partner and stakeholders should be carried out. In cases where the implementation is likely to start soon after the design is complete, it is useful to prepare both the implementation plan as well as the work plan for the first year.
Initially the purpose of the implementation plan is to provide an overview of activities, schedules and resources, which will be developed into a more detailed work plan at project start-up.

The implementation plan and the work plan are prepared in essentially the same way, but with different purposes and levels of detail:

- An initial tentative implementation plan (IP) is developed during the design stage. It is used to determine resource and personnel requirements, identify particular procurement needs, estimate the project budget and ensure that the project is managerially feasible - within resource and time constraints. The implementation plan may be prepared on an annual basis.

- A more substantive work plan is developed to organize and coordinate actual implementation. It is used to assign responsibilities, schedule activities and prepare a baseline for monitoring and reporting.

The main differences between the implementation and work plan relate to:

- **Timescale:** Implementation plans cover the whole project period, while work plans are usually annual. In some cases they may be monthly or quarterly.

- **Activity detail:** Implementation plans are based on the main activities, while in work plans activities are broken down into sub-activities and even tasks and sub-tasks.

- **Scale of responsibility:** Implementation plans distinguish between different project agencies and partners, while work plans are broken down into departments/units within agencies, plus individuals.

The operational phase of a project commences when implementing activities begin in order for achievement of the expected outputs/results. Implementation should have a plan of operations, i.e. the detailed plan for implementation of the project. It is established by the project team and is documented as:

**Step 1: The performance plan** is the link between the log frame and the work plan and is based on output indicators (deliverables). Achievement of each immediate objective means that, the corresponding outputs get delivered at a specific time and following a given sequence. This is what the performance plan reflects, and is a very important feature in results-based planning.

---

50 It is important that these needs get identified and planned from the outset. Delays in procurement of equipment and services can have a substantial impact on project delivery and continuing resource partner support.
Step 2: The Work Breakdown Structure (WBS) sets out the activities, sub-activities and tasks required for the achievement of each output. This is the basis for the subsequent steps that allocate responsibilities, schedule activities and estimate resources and budget. A project is broken down into tasks and sub-tasks through the logical framework which creates a hierarchy of objectives, outputs and activities. This improves the accuracy of cost estimates and enhances monitoring of project activities and outputs.

**Table 6 - Implementation Plan summary**

<table>
<thead>
<tr>
<th>Output</th>
<th>Work breakdown structure Activity</th>
<th>Responsibility</th>
<th>Schedule</th>
<th>Resources</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>1.2</td>
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<td>1.3</td>
<td></td>
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<tr>
<td></td>
<td>1.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>2.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Step 3: The responsibility matrix sets out who is responsible for each activity, by allocating duties to different people within the team. Good project planning ensures that the responsibility for outputs and activities gets assigned to units, teams or individuals. Teams can be formed between different ILO units and can include other agencies and organizations (see responsibility matrix).

Step 4: A schedule provides a way of focusing managerial attention on the time factor and critical events, and giving priority to certain activities. The schedule states when each activity starts, its duration and when it will be completed. This is usually presented in the form of a bar chart that sets out the sequence of activities and links them to critical events or milestones. Please refer to the instructions to prepare the scheduling work plan.

Step 5: A resource or inputs plan, which sets out the requirements for achievement of the project objectives. This may include personnel, office premises, office equipment, and other items critical to project delivery (e.g. special equipment, services from external collaborators, contractors and implementing agents, project vehicles

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51 The set of all activities required of a particular individual or organization forms the duty statement or terms of reference for that assignment.

52 The Gantt or bar chart is a simple but powerful tool to use. It is easy to read and can be used to track progress against time. The chart uses the activities from the work breakdown structure.

53 The information on the resource plan should be used to complete a Programme Assessment form. The information on the resource plan is critical for FIELDSECURITY.
training workshops and other miscellaneous inputs). The rules and procedures governing procurement of goods and services are set out in various IGDS documents\(^54\) and the Internal Governance Manual on Procurement (for seminars and workshops see ILO Series 5, Circular No. 75).\(^55\)

Personnel may be recruited internationally or nationally and may include professional, technical, administrative and other support personnel. They may be appointed ILO officials, hired consultants, recruited directly by the ILO, or supplied by a national resource partner agency, e.g. associate experts.

In some cases resources are provided by the recipient country or other partners. It is important to prepare a total resource/input plan setting out all the resources required to carry out the planned activities and to indicate the different partners’ contributions in the project document. For example, government contributions may include office premises, supplies and services or administrative support personnel that remain financially under the government’s responsibility. Please refer to HRD for more information on this category of project personnel. If the government does not provide such contributions, everything will need to be budgeted from the extra-budgetary funding provided by the resource partner through the ILO.

**Step 6: A budget** estimating the cost of the resources. The ILO has specific guidelines and procedures for budgeting. Standard rules for budgeting are set out in BUD/CT’s Results-based budgeting guide available, on the FINANCE website.

In short, the implementation plan (IP) is the overview\(^56\) of all the above-mentioned steps; in effect, the (IP) is based on the stated objectives, and takes into consideration the available resources to implement the project (people, time and funds), therefore ensuring that the project is also realistic. Where objectives and resources do not match, or dependent activities such as procurement of specialized goods and services cannot be delivered in a timely manner, either additional resources need to be found, objectives need to be scaled down or alternative delivery modalities need to be established. If this is not done, the project is not feasible and cannot be implemented. These important issues are addressed during the appraisal process.

The information obtained from following the above steps will enable project originators to describe the project’s specific management arrangements. It is important to clearly reflect in the project proposal the role and responsibility of the responsible ILO office.\(^57\)

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\(^{55}\) TREASURY (Treasury and Accounts Branch) should be consulted on this.

\(^{56}\) To help you better understand and use the implementation plan format for DC projects, please refer to the “How-to” Guide No. 4 – Implementation Plan.

\(^{57}\) This is the director of the field office or policy department responsible for managing overall implementation of the project.
the administrative backstopping unit,\textsuperscript{58} the technical backstopping unit\textsuperscript{59} and the ILO collaborating units.\textsuperscript{60} To bring this information together in a concise fashion, it is crucial to provide enough evidence for the relevant units and offices to have adequate administrative and technical capacity to carry out the project.

When describing the specific management structure of the project, including the role of the staff, it is essential to strengthen the critical mass of technical expertise where it is needed most – that is to say, closer to needs. In line with the ILO’s decentralization policy, the Office is committed to meeting the target of 80 per cent of all projects being managed by Field Offices by the end of 2017. The following criteria must be met before – on an exceptional basis – locating XBDC projects at HQ:

a) **Effectiveness**: Demonstrated benefits in terms of results and impact through synergies and/or complementarities with other HQ-based projects and programmes (e.g. research, global advocacy)

b) **Cost efficiency**: Significant savings resulting from the project’s location at Headquarters as compared to implementation in the field.

c) **Capacity**: Centralization of a project in the event that the field office concerned is itself of the view that it does not have sufficient capacity to implement it.

d) **Management efficiency**: Coordination requirements of projects covering more than one region in cases where the Regional Offices concerned are unable to ensure such coordination.

These criteria will be applied during the project cycle as follows:

- **Design**: If new projects are to be managed from HQ, the project originator will provide a justification for centralized management arrangements in consultation with the field office director(s) concerned.

- **Appraisal**: PARDEV will assess the justification provided and request that the relevant Field Offices and technical units to confirm the proposed management arrangements.

\textsuperscript{58} This is the office/department responsible for managing overall implementation of the project.

\textsuperscript{59} This is the technical unit or Decent Work Team that provides operational advisory, mentoring, training and support services to the ILO administrative unit/office responsible for office the overall implementation of a project.

\textsuperscript{60} These are the units/offices that provide certain inputs or are responsible for a specific output.
**Approval:** For additional contributions to existing HQ-based programmes and projects, the responsible ILO official will provide a justification based on the criteria above, and in consultation with the relevant field office Directors; PARDEV will assess the proposed management arrangements and make alternative proposals where necessary.

Where no internal agreement can be reached on the management arrangements, DDG/FOP (Field Operations and Partnerships) will take a final decision. It is important to bear in mind that implementing the **decentralization policy** is a collective responsibility; decentralization is compatible with a range of modalities, from stand-alone projects to global programmes.

### Table 7 - Situation analysis, logical framework and implementation plan

<table>
<thead>
<tr>
<th>Step 1 Performance Plan</th>
<th>Step 2 Work Breakdown Structure</th>
<th>Step 3 Responsibility matrix</th>
<th>Step 4 Schedule</th>
<th>Step 5 Resources</th>
<th>Step 6 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Structure</td>
<td>Indicator</td>
<td>Means of verification</td>
<td>Assumptions</td>
<td>Project Structure</td>
<td>Indicator</td>
</tr>
<tr>
<td>Develop. Objective</td>
<td>Immediate Objective</td>
<td>Outputs</td>
<td>Activity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Step 4 Progress Indicators</td>
<td>Step 5 Assumptions</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>DWCP</td>
<td></td>
<td></td>
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<td></td>
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</tr>
</tbody>
</table>
4.3.2 Planning for monitoring and evaluation

The Monitoring and Evaluation (M&E) system needs to be understood as an integrated system for reflection and communication. As with implementation and work plans, the development of a detailed M&E plan is not compulsory during the drafting of the project proposal.

However, it is recommended that the project design team summarize the project M&E system, including the processes, procedures and responsibilities foreseen for monitoring and evaluation activities. For example, monitoring might require carrying out a series of activities for data collection, processing and analysis, drafting reports, etc. that define the staff and resources that need to be included in the budget and schedule. Some of these activities – such as the drawing up of baselines – can be rather expensive. Indeed, keeping these activities, and their related costs in mind can reduce bottlenecks at the start-up of project activities.

A part of project design planning for M&E envisages and documents the resources needed to establish a baseline, and collects the necessary monitoring information during the implementation. In addition, there is still time during project design to change the set of indicators if it turns out that measuring one of them is not possible or too expensive.

Design of the M&E system can be organized into six consecutive stages:

1. **Establishing the purpose and scope.** The first question should be “why do we need M&E and how broad should our system be?” Ideally the M&E system should embrace all levels of the project: activities, products, immediate objectives and impacts. Resource partner requirements and interests of the stakeholders may also imply particular requirements for the scope of monitoring.

2. **Identifying indicators.** Once the scope of the monitoring system has been defined, the next issue is to define the knowledge needed to verify the progress towards the results in order to manage the project. The project indicators formulated during the preparation of the project logical framework are the tools which will be used to learn about the project’s advances.

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61 For more information on evaluation, consult the EVAL webpage; for designing an monitoring plan, consult the PARDEV intranet.

62 It is not compulsory because to prepare the M&E plan, in many cases specific surveys, studies or research are needed in order to obtain missing baseline information. An M&E plan is normally developed during project start-up.

63 When the M&E system is not planned as an integral part of the project design, there is a great risk that during implementation the project manager realizes that there are insufficient (human, technical or financial) resources to implement the monitoring and evaluation system.

64 This list of indicators produced with the log frame is validated and refined during planning of the monitoring system.
3. **Planning the collection and organization of information.**
   This step is concerned with designing the way in which the necessary information will be obtained. This includes the methods (which may be qualitative or quantitative), and the tools (e.g. surveys, document revision, interviews, etc.) It is necessary to establish the frequency of collection of information, which is determined by the needs of the project manager in terms of internal management and progress reports.

4. **Planning processes and events for reflection.** These processes are vital for attributing sense to the collected information and for using it to improve the project. Examples of reflection events include: participatory revision of the project strategy at the beginning of the project, development of the M&E plan with stakeholders, regular field visits, etc.

5. **Planning reports and communications.** Drafting of progress reports must be included in the work plan, so as to plan in advance the time and resources needed. The ways in which they will be communicated to the different stakeholders (which may vary between stakeholders) must also be planned.

6. **Planning the necessary conditions and capacities.**
   The last step is to determine the necessary means to make sure the M&E system functions in practice. For instance, the capacity building needs – such as tools, training, etc. – of the stakeholders participating in the project’s M&E system, must be reflected in the work plan and budget.

The Monitoring matrix facilitates the preparation of the M&E plan for projects. It is a tool that constitutes the main elements of the monitoring plan, and can be used to develop the M&E plan jointly with stakeholders during a planning workshop. Please refer to the PARDEV intranet to access the matrix template and an annotated example.

4.3.3 Analysing and managing risks

During project design, it is essential for each assumption to be assigned a risk level, rated according to its importance to the project and its probability of being borne out. For assumptions with medium and high risks, it is important to propose relevant mitigating and monitoring measures. This can be accomplished by carrying out a risk analysis.

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65 The frequency of data collection does not need to be equal for all indicators, but has to be consistent with the nature of the indicator and of its associated result.

66 Usually activities and products are regularly monitored every three or four months.

67 Communicating progress in a project is vital for keeping the different levels of the ILO informed, as well as the resource partner, stakeholders and constituents.

68 The project budget needs to incorporate the necessary resources, and the work plan the necessary activities.
The terms “risk” and “risk management” have evolved into common use throughout the UN system. However, despite their increased use, the terms are not commonly understood. Risk\textsuperscript{69} refers to the likelihood of occurrence of a set of factors that affect (or have the potential to affect) the achievement of a project. Risk management\textsuperscript{70} is the identification, assessment, and prioritization of risks, followed by coordinated and prudent application of resources to minimize, monitor and control the probability and/or impact of unfortunate events (or to maximize the taking of opportunities).

Once assumptions have been identified (see section 4.2.7), a risk level is assigned to each assumption – low, medium or high –. This is done by conducting a risk analysis in consultation with FIELDSECURITY. Please refer to section 4.2.7 – Critical Assumptions for tips and guidance for carrying out a risk analysis and consult the FIELDSECURITY intranet page.

A risk analysis is carried out using a risk matrix, which is a scoring instrument that assigns a risk level to each assumption. The risk matrix helps identify assumptions or associated sets of activities, outputs or outcomes that are considered high-risk areas.\textsuperscript{71} Below please find an example of what a risk matrix\textsuperscript{72} looks like:

\begin{table}[h]
\centering
\begin{tabular}{|c|c|c|c|}
\hline
\textbf{Importance} & \textbf{Low} & \textbf{Medium} & \textbf{High} \\
\hline
\textbf{Probability of occurrence} & Judgemental Boundary & Unacceptable risk & Unacceptable risk \\
\hline
High & & & \\
\hline
Medium & Acceptable & Judgemental Boundary & Unacceptable risk \\
\hline
Low & Acceptable & Acceptable & Judgemental Boundary \\
\hline
\end{tabular}
\caption{Risk matrix}
\end{table}

For instance, if the risk of, “exposure to natural perils\textsuperscript{73} like floods and storms” has a “low” probability and “high”

\textsuperscript{69} The UN Security Management System calls these factors threats. There are five kinds of threats identified: Terrorism, Armed Conflict, Crime, Civil Unrest and Hazards (natural or not).

\textsuperscript{70} An ILO Enterprise Risk Management Framework has been issued. It is designed to ensure that risk management across the Office is systematic, structured, efficient and effective. It incorporates the ILO Risk Appetite Statement, risk management guidelines and specific procedures in relation to aggravated risks. The distribution of roles, responsibilities and accountabilities is also specified in the Framework. The Framework complements risk management procedures and practices already established in relation to a number of the Office’s areas of work. For more information, please refer to IGDS Office Directive No 421 (Version 1) ILO Enterprise Risk Management Framework.

\textsuperscript{71} It further helps project management as a means of (a) identifying which risks are acceptable; and (b) identifying areas that require the development of a mitigation strategy.

\textsuperscript{72} Green flag means acceptable (low) risk; no further action is required at present. Yellow flag means judgemental boundary (medium risk): those assumptions that should be looked at on a case-by-case basis to determine whether additional management efforts are required. A red flag means unacceptable (high) risk; management must take some additional action to lower the risk level.

\textsuperscript{73} This example refers to the SRA (Security Risk Assessment) threat of Natural Hazards.
importance, then the risk level should be a yellow flag.\textsuperscript{74} Once risk levels have been assessed, those assumptions that have been weighed by management as being red or yellow flag will require the development of risk mitigation measures.

Mitigation measures refer to the additional efforts that must be taken to lower the likelihood of the risk. Remember that risks can never be totally eliminated, but they can be monitored and mitigated. For instance, politico-institutional risks can be mitigated by proposing governance options or actions to reduce threats and enhance opportunities.

Risks could be followed by the project steering committee, with for example a reference to risk during meetings, providing updates on progress on major risks, highlighting difficulties in progressing risk responses, and getting agreement to solutions. During formal progress reporting, project partners could be updated on important changes to the risk profile, such as new risks that have appeared, risks which have diminished.

The assessment of risks and mitigation measures related to safety and security should be performed in consultation with FIELDSECURITY, as the evaluation described above requires technical expertise and access to specific information. To that end, it is strongly advised that consultation with FIELDSECURITY should start at this stage, and thus project originators are invited to complete a programme assessment form\textsuperscript{75} to facilitate discussions with FIELDSECURITY.

After conducting the risk analysis\textsuperscript{76} – identifying risk levels and developing mitigation measures\textsuperscript{77} – a risk register\textsuperscript{78} can be completed by the project originator in consultation with FIELDSECURITY. An example of a risk register can be found in Annex A, of “How-to” Guide no. 1 on identifying and managing risks. However it is important to keep in mind that a risk register should be developed after the SRA is performed by FIELDSECURITY.

\textsuperscript{74} For a description of the significance of each colour of flag, please see table 8.

\textsuperscript{75} With the completion of a programme assessment form, FIELDSECURITY is able to perform an SRA related to staff, premises and asset safety and security. Ninety-nine per cent of the time, the recommendations do not include security personnel. However, it happens that due to the specificity of the country or the project (problem analysis), national or international security personnel could constitute an added value for the project.

\textsuperscript{76} The risk analysis is in direct line with the safety and security of the staff, but also with delivery of the project.

\textsuperscript{77} The mitigation measures are provided through the Residential Security Measures (SRM) compliance list to support staff and the project.

\textsuperscript{78} A risk register is a risk management tool that acts as a central repository for all risks levels identified. The register (or risk log) becomes essential as it records the identified risks, their severity and the action steps to be taken.
Chapter 5

Appraisal and Approval
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  5.3.1 Roles and responsibilities ......................................................................... 111
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This chapter introduces both the technical and design standards that project proposals should meet before resource partner submission, and highlights the steps to follow for project approval.

**Appraisal** serves the purpose of ensuring that ILO technical and design standards for development cooperation have been met and that the proposal is consistent with ILO objectives and priorities, the DWCPs, national development frameworks and resource partner criteria before being presented to a resource partner to obtain extra-budgetary resources. Appraisal constitutes the quality assurance mechanism within the project cycle, and also ensures that relevant country offices, regional offices and technical units, know about and endorse the project.

5.1 Principles and criteria for project appraisal

Appraisal has three main characteristics:

1. **It is based on a clearly-defined and solid set of criteria**
   - Appraisal focuses on the key criteria all ILO projects must satisfy, which includes compliance with ILO objectives and priorities, consistency with DWCPs and/or national development frameworks including the UNDAF, resource partner criteria, and principles of effective development cooperation, such as country ownership and results focus.

2. **It establishes accountability for quality** – The process of appraisal and office-wide endorsement of project proposals establishes accountability for the quality and the strategic relevance of DC projects.

3. **Appraisal is compulsory for every project** – Appraisal not only helps improve cooperation effectiveness and efficiency by strengthening project design but it also provides the ILO with knowledge and accountability on the efforts to improve its quality. Appraisal is a key step in the approval process and applies to all DC programmes and projects funded through extra-budgetary resources.

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1 As reflected in the appraisal checklist, please see section 5.1.2

2 These make up the framework of Decent Work Agenda which is the ILO’s overall policy objective
Project proposals must not be submitted to a resource partner for funding consideration and should not be approved until:

◊ The project budget has been reviewed and cleared by BUD/CT, and comments from FIELDSECURITY, PROCUREMENT, and relevant offices and units have been incorporated on the revised proposal;

◊ Technical and design aspects have been assessed by PARDEV (for projects with a budget over 1 million USD) or by the relevant ILO responsible official (for projects with a budget of less than 1 million USD). PARDEV certifies that appraisal has taken place and that the proposal is suitable for submission to the resource partner.

5.1.1 RBM in DC appraisal

Technical and design standards refer to the set of methodological principles that guide robust project design. To ensure project quality according to RBM principles, it is essential that project design be carried out following methodologies and using tools that are also results-oriented. For this purpose the ILO uses the logical framework approach, complemented by the theory of change and other necessary adaptations to make sure that ILO DC projects are set up in a way that encourages efficient management for and achievement of results.

The assessment of the technical and design standards covers all the main methodological issues that must have been addressed by the design team during project design. In other words, the role of the appraiser is to assess – through appraisal questions – the evidence provided in the PRODOC or PCN.

Appraisal questions allow the appraiser to assess, for instance, that the project strategy is logically consistent with the problem analysis, and whether

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3 IGDS 155, Appraisal mechanism for TC programme and project proposals, June 2010. A new IGDS on the appraisal mechanism will be available shortly.

4 See Chapter 4, section 4.2.5 – Logical Framework.

5 The Appraiser(s) is the person that assesses and questions project proposals before resources are committed. For proposals with a budget over 1 million USD, this assessment is done by a member of the PARDEV appraisal team; for proposal with budgets below 1 million USD, the ILO responsible official ensure that a quality check has taken place at the level of the originating unit, by signing a quality certificate.

6 To view some appraisal questions, please refer to the first column of the appraisal checklist.
effective factors for implementation of the project and achievement of the outputs and outcomes have been taken into account.

5.1.2 Appraisal checklist

The appraisal checklist is the key tool in the appraisal process. It consists of a number of questions that taken together correspond to recognise and interlink principles of effective development cooperation (relevance, ownership and sustainability, focus on results, and finally, transparency and accountability).

To guide appraisers in assessing the project, the appraisal questions are in turn operationalised through a number of quality criteria per question, and the appraiser notes whether the criteria is fulfilled (yes/no). Along with this observation, the appraiser provides feedback and comments to the project originator in the event that adjustments are necessary.

The checklist is disaggregated into the following four appraisal areas:  

1. **Relevance** – Relevance refers to the consistency of a project with the mandate and priorities of the ILO. All ILO DC proposals should contribute to ILO objectives, as stated in the P&B, DWCPs and SPFs. Along the same lines, proposals should indicate how the project will promote international labour standards gender equality, social dialogue and environmental sustainability (the four cross-cutting policy areas) and ensure alignment with national strategies and priorities, as well as with other cooperation frameworks like UNDAF.

2. **Ownership and sustainability** – Country ownership means that relevant stakeholders at the country level endorse the expected results and actively support the change process. Ownership usually depends on alignment with national priorities and strategies, but also on stakeholder involvement in the design process. An observable indicator of ownership could be the extent to which stakeholders are investing resources required for the realisation of expected changes in their sphere of work, responsibility or authority. Country ownership in combination with capacity development enhances the likelihood of sustainable results – results that remain after the end of the intervention. Ownership and sustainability of results are aspects that must be actively encouraged with by the project design team – as such, appraisal questions aim at assessing the extent to which the design process has sufficiently encouraged ownership and sustainability.

3. **Focus on results** – A results focus means that the results we need to achieve to ensure sustainable development change constitute the point of departure for the design process. During the design process, we consider e.g., the capacity required for sustainable results to be

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7 Instructions and tips for filling out each category are also available in the PRODOC and PCN templates.
delivered by partners, existing capacities, and how to address the gap identified. A results focus also entails that appropriate attention is devoted to the monitoring system required to follow progress made in the project towards sustainable results on the outcome level, and that indicators able to measure change as it is expected to happen (usually in an incremental manner) are identified. The theory of change is recommended as a tool to clarify and communicate how change is expected to happen (e.g., after trainings are held to increase levels of knowledge or skills), and where monitoring must occur to ensure that change happens as expected. The theory of change also helps to clarify the causal links between outputs and outcomes, and between outcomes and impact in a convincing manner.

4. **Transparency and accountability** – For the ILO, which receives funds to implement development cooperation interventions in partner countries, this criteria refers both to openness and inclusion in the relationship with the stakeholders in the relevant country (most often government, workers and employers, but also civil society groups), and transparency and accountability towards the resource partners. In addition, the criteria entails internal requirements such as the identification of the ILO responsible official, the backstopping responsibility, and the development of an overall communication strategy in certain cases.

In addition to the above, the appraisal checklist reminds us that the proposal should follow the official ILO template\(^8\) with the possible variations arising from specific arrangements with the resource partner/donor.

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\(^8\) For a PRODOC and PCN template, please see PARDEV’s intranet template page.
5.2 The appraisal process

PARDEV is responsible for the overall coordination of the Office-wide quality appraisal of development cooperation (DC) project proposals that are prepared for submission to development partners. Based on lessons learnt, and with the aim of making the appraisal process as efficient as possible, PARDEV is currently piloting a revised approach to the existing appraisal mechanism. The procedural steps of such a revised approach will, in due course, be outlined through an IGDS. In the meantime, the below serves to advise you of the main elements of the revised appraisal mechanism.

The appraisal of project proposals will be differentiated according to the financial size and nature of the proposal. The appraisal is categorized into the following three tiers:

**Tier 1:** For development cooperation project proposals with a budget below US$ 150,000, PARDEV will share the proposal, invite relevant departments to provide feedback, and liaise with BUD/CT for budget clearance. The Director/Chief of the external office or headquarters unit responsible for the proposal is accountable, however, for ensuring that the proposal is in conformity with ILO standards governing DC.

**Tier 2:** For development cooperation project proposals with a budget ranging from US$ 150,000 up to US$ 1 mill, PARDEV launches and coordinates the appraisal process. Management and support service units at headquarters, technical units and external offices are invited to provide feedback. The Director/Chief of the external office or headquarters unit responsible for the proposal is requested to sign a “Quality Certificate” confirming that the proposal is of sufficient quality for submission to a development partner. PARDEV concludes the appraisal by issuing a final appraisal report once the project budget is cleared by BUD/CT.

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9. Detailed cost estimates and budgets will be cleared by BUD/CT, in accordance with the financial rules, before discussion with any potential partner. Conclusion of the partnership agreement is contingent upon clearance by BUD/CT and JUR, and final approval by CABINET (Director-General’s Office).
**Tier 3:** Development cooperation project proposals with a budget above US$ 1 mill, will undergo a comprehensive appraisal of the quality of the project design undertaken by PARDEV. Management and support service units at headquarters, technical units and external offices are invited to provide feedback. PARDEV concludes the appraisal by issuing a final appraisal report once the project budget is cleared by BUD/CT.

The appraisal process for each of the three Tiers is explained in more detail in the graph below. Submission of project proposals for appraisal should continue to be uploaded in the Appraisal Management Space. For any questions, please send an e-mail to appraisaldc@ilo.org

Please also bear in mind that early involvement of PARDEV in the project proposal development phases may significantly improve the overall design of a proposal and, hence, minimises the need for comprehensive design revision following the appraisal. When designing a project proposal, it is strongly recommended to consult ACT/EMP and ACTRAV specialists as well as technical units.

In short, when the project budget has been cleared by BUD/CT, the procurement plan has been reviewed by PROCUREMENT (when required), and the programme assessment form has been revised by FIELDSECURITY, PARDEV issues a final appraisal report, signalling appraisal has been completed.

The project originator should continue to liaise with PARDEV desk officers to finalize and clear the draft agreement.¹⁰

The project originator creates the proposal in IRIS following the IRIS OGA guidelines. In the event that neither the originating unit nor the technical backstopping unit have access to IRIS, the unit responsible for the technical area of the project should create the project in IRIS. With the launch of the Development Cooperation Dashboard, many information entered by project originators into IRIS have become public domain. This means that an extra effort has to be done to ensure that information are accurate and understandable to a general audience. For instance, the executive summary is a compulsory field for every project in IRIS, and it serves the purpose of describing in general terms what the project is about. This information should be introduced in IRIS in a clear and concise fashion.

The project originator should upload in IRIS the proposal (PRODOC or PCN), cleared budget, and signed agreement. PARDEV will certify the appraisal in IRIS and check the necessary documents have been attached.

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¹⁰ In the eventuality that the agreement has been signed and funds have already been received, the project originator should create the proposal in IRIS following the IRIS OGA guidelines.
1. The project originator uploads the proposal onto the Appraisal Management Space (see guidelines)

2. PARDEV decides on the appraisal approach and assigns a DC code.

3. PARDEV launches for appraisal – involving BUD/CT, FIELDSECURITY, EVAL, PROCUREMENT and HRD, technical departments and field offices.

TIER 1
3.1 - PARDEV issues a note with the basic project details for creating the project in IRIS

TIER 2
3.1 - PARDEV requests the project originator to fill in an appraisal quality certificate

TIER 3
3.1 – PARDEV issues initial comments. In parallel, it coordinates with technical departments, field offices and relevant management & support units to receive appraisal feedback.

4. Management and support units, as well as relevant field offices and technical departments provide comments in the Appraisal Management Space.

5.1 The project originator submits the draft agreement to PARDEV’s donor desk officer for clearance when the budget is cleared by BUD/CT (Tier 1)

5.1 The project originator integrates appraisal comments received and resubmits in the Appraisal Management Space. (Tier 2 and 3)

6. PARDEV checks the revised proposal and issues a final appraisal report, when the budget is cleared by BUD/CT (Tier 2 and 3)
5.3 The approval process

Approval is the ILO’s official endorsement of a proposal that has been granted with voluntary funding. No project can be undertaken without it.

The approval process starts with the submission of an appraised proposal to a resource partner for funding. The process of submission of proposals may vary according to the different funding sources and arrangements. A donor relations officer will be able to provide you with specific guidance when preparing a submission for a proposal; see PARDEV’s who does what intranet page.

Box 2: Key documents to start the approval workflow

- **PRODOC** (project originator)
- Final appraisal report (PARDEV)
- **Budget** approved by BUD/CT
- Executive summary (project originator)

If overheads (PSI) below 13%, is approved by the Treasury before signing the agreement

- Waiver request

Resource partner agreements are Subsequently resource partner agreements are prepared and signed through coordination between PARDEV and the resource partner. Prior to signature, PARDEV will clear the legal and financial agreement, in consultation with the relevant HQ units (JUR, BUD/CT, HRD, FIELDSECURITY and PROCUREMENT). No resource partner agreement may be signed without clearance from PARDEV. The Director of PARDEV has been delegated, by the Director General, the authority to sign agreements on behalf of the ILO (IGDS No. 156). However, when needed this authority may be delegated to other ILO officials in HQ or in the field.

Once the agreement has been signed, the originating technical unit or field office can start the **workflow** in the Integrated Resource Information System (IRIS). If the project originator does not have access to **IRIS**, it shall contact the regional office or the technical backstopping

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11 Consult JUR and PARDEV one stop shop to find out about the privileges and immunities of the ILO in member States, and the list of ILO member States where the ILO has NO standing legal protection.

12 Project originator refers to the technical unit or field office where the project originates.

13 Please be aware that regional offices will only be able to enter country-level projects in IRIS for countries that fall under their jurisdiction. (See page 6 of the **Guidelines on how to create a project proposal in IRIS**.)
unit at HQ to create the project in IRIS (see the guidelines for creating a project in IRIS).¹⁴

The project will go to PARDEV for approval once the necessary clearances have been completed within the IRIS workflow. Following a review of the documents submitted, an approval minute will be issued by PARDEV, activating project funding. BUD/CT assigns a budget code and activates the project/budget within IRIS when the funds have been totally or partially received, depending on the modalities of payment mentioned in the agreement.

In some cases an umbrella agreement can cover a number of subprojects. In those cases each sub-project needs to be appraised, cleared and uploaded independently into IRIS.

When the project budget has been activated, the approval process ends and implementation can start.

An agreement workspace has been created in SharePoint; this workspace allows PARDEV to manage with BUD/CT and JUR the clearance and review of agreements to receive voluntary funding from partners. It also provides a repository for signed agreements.

### 5.3.1 Roles and responsibilities

- The project originator creates the project in IRIS, using the information indicated in the final appraisal report. Once the project has been created in IRIS, it will enter the workflow of various persons within the relevant department(s). Here it will require a number of approvals that are necessary for activation.

- PARDEV approves the project within the IRIS system, and issues the approval minute (see section below).

- BUD/CT assigns the budget account, activates the project/budget in IRIS and notifies the relevant unit.

¹⁴ An XBTC project should be entered in IRIS by the field office or HQ unit that will be responsible for managing project implementation and is responsible for the results. However at present only the regional offices, CO-Jakarta and DWT/CO (Decent Work Team and Country Office) Budapest have access to IRIS, and are responsible for entering field projects in countries that fall under their jurisdiction (see Appendix II of IGDS No. 150). Field projects under the responsibility of Field Offices that do not have access to IRIS should be entered into IRIS by the HQ unit responsible for the technical subject addressed by the project.
5.3.2 Approval minute

The approval minute is addressed to the ILO office or technical unit responsible for project implementation management. It is also copied to the unit providing technical backstopping (different) and other collaborating units. It:

- indicates the amount of funding that the resource partner has made available;
- establishes the start and end dates of the project;
- confirms the management arrangements;
- establishes reporting responsibilities, including the schedule and deadlines for financial as well as technical reports on the project;
- provides information on evaluation requirements.
Implementation and Monitoring
# Implementation and Monitoring

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This chapter provides an overview of the tools and methods of project implementation, as well as its procedural aspects.

Project implementation encompasses a set of actions aimed at achieving the project objectives that were previously planned and agreed during project design, and which are contained in the approved project document PRODOC/PCN. These include:

- Delivering project inputs in the quantity and quality required, and in a timely manner;
- Carrying out activities to produce the project outputs required to achieve the outcomes of the project;
- **Monitoring** project delivery and the use of project outputs by the project beneficiaries or target groups.

The tools used in project implementation derive from the methodology for implementation planning presented in Chapter 4 – *Project Design and Tools and methods for project design and implementation planning*. The logical framework (log frame) and the work planning methodology are the basis for project implementation. The first work plan is called an implementation plan, and is usually prepared at the design phase and included in the project document, to demonstrate the feasibility of the proposal. At the start of implementation, it is reviewed and further developed, and forms the basis for project management, the delivery of outputs, monitoring (indicators) and evaluation.

The experience of implementation engenders a greater understanding of the project and the different processes involved. It also highlights any need for changes to the original design plans, which can be incorporated at different stages and should be documented and justified so that learning can be used to assess progress and later to facilitate the evaluation process. Changes to project design need approval from the Office, the resource partners and/or the national partners.

This chapter provides tools and methods to be used by ILO officials during project implementation, as well as setting out good practices for project management. It also guides the reader to sources of information on the more procedural aspects of project implementation.

Project implementation covers the following components:

- **Pre-implementation**: Preliminary arrangements for the functioning of the project are set in place. These include establishing the accountability, management and governance structures of the project, both inside and outside the ILO, appointing the project manager, setting up office systems for finance and administration, and opening communications with ILO units and national constituents and partners.
• **Start-up of project activities:** The project design is reviewed, the work plan is revised, and monitoring and evaluation plans are developed, inputs are procured in accordance with ILO procedures, and activities are executed in order to achieve the expected results.

• **Monitoring and reporting:** The managerial function that takes place during implementation in order to track project progress so that, if necessary, timely corrective action can be taken. Project results are measured and compared with the intended plans in the project document, or subsequent revisions, in order to determine progress (monitoring) and the success of the project (evaluation). Managers, resource partners, constituents and other project stakeholders are kept properly informed about the progress of the project.

• **Completion and closure:** Activities are completed, project achievements are documented, the contracts of project staff are dealt with, physical assets are disposed of, and project accounts are closed.

Project implementation starts once the project has been officially approved and the budget has been activated in the IRIS system. See Chapter 5 – Appraisal and Approval and the training materials for the IRIS OGA module.

**Policy Issues**

The following key policy issues guiding the implementation and management of projects derive from the policy framework and approach referred to in Chapter 2 – Development Cooperation in the ILO.

The guiding principles\(^1\) for managing the implementation of projects include:

- Involving the tripartite constituents;
- Encouraging partnerships with other relevant agencies;
- Emphasizing national ownership;
- Strengthening national capacity;
- Focusing on results and impact;
- Promoting communication and teamwork within the ILO;
- Ensuring the ILO has the capacity to oversee and manage;
- Complying with ILO policies and procedures;
- Complying with resource partner requirements.

Successful project implementation requires of project management:

- Clear direction and vision;
- Strategic planning;
- Efficient management of all resources;

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\(^1\) IGDS No. 154 – Version 1
• Leadership and support;
• Networking and communication;
• **Monitoring** for results.

Project implementation should comply with the contractual obligations agreed with resource partners. PARDEV is responsible for ensuring that resource partners are kept informed on progress and that contractual obligations are met.

In line with the ILO’s decentralization policy, the Office is committed to strengthening the critical mass of technical expertise where it is most needed – that is, closer to needs – as stated in the Field Operations and Structure and Technical Cooperation **Review**. In exceptional cases, it may be assigned to regional offices or units at Headquarters, in which case the exception must be properly justified, by adhering to the following criteria:

a) **Effectiveness**: Demonstrated benefits in terms of results and impact through synergies and/or complementarities with other HQ-based projects and programmes (e.g. research, global advocacy) that cannot be realized otherwise (e.g. through collaboration between the Field Offices concerned and these HQ-based programmes and projects). This criterion may also apply to projects operating in more than one geographic region.

b) **Cost efficiency**: Significant savings, resulting from the project’s location at Headquarters as compared to implementation in the field.

c) **Capacity**: Centralization of a project in the event that the concerned Field Office itself is of the view that it does not have sufficient capacity to implement it.

d) **Management efficiency**: The coordination requirements of projects which cover more than one region, where the **Regional Offices** concerned are unable to ensure such coordination.

These criteria will be applied during the project cycle, as follows:

• **Design**: If new projects are to be managed from HQ, the project originator will provide a justification for centralized management arrangements, in consultation with the concerned Field Office Director(s).

• **Appraisal**: PARDEV will assess the justification provided and request that the relevant Field Offices and technical units confirm the proposed management arrangements.

• **Approval**: For additional contributions to existing HQ-based programmes and projects, the responsible ILO official will provide a justification based on the criteria above, and in consultation with the relevant Field Office Directors. PARDEV will assess the proposed management arrangements, and make alternative proposals where necessary.
Where no internal agreement can be reached on the management arrangements, DDG/FOP will be responsible for a final decision. However, it is important to bear in mind that implementing the decentralization policy is a collective responsibility, and that decentralization is compatible with a range of modalities, from stand-alone projects to global programmes.

6.1 Pre-implementation phase

The pre-implementation phase focuses on:

- Ensuring accountability and confirming management arrangements;
- Establishing the governance structure;
- Appointing the project manager;
- Inducting the project manager and the project team;
- Establishing relationships and initiating communication on the project;
- Assessing emergency conditions in a project country.

6.1.1 Ensuring accountability and confirming management arrangements

All projects must have structures in place that define roles and responsibilities and ensure accountability. The organizational and management arrangements of the project should have been clearly set out in the project proposal, i.e. Project Document/Project Concept Note (PRODOC/PCN), as well as being appraised before the approval of the project. They should ensure that it is “reasonable” to hold project management accountable for the delivery of the outputs of the project.

The approval minute\(^2\) assigns the responsibility for project implementation, e.g. the overall direction and decision making, to a specific ILO office/policy department (“organization” in IRIS terminology) and the functional role of technical backstopping unit. It also provides information on other units collaborating in the project (see Chapter 5 – Appraisal and Approval).

Efficient project management requires that different roles be assigned to different individuals:

- Project manager: Responsible for the day-to-day management of the project;
- ILO responsible official: Responsible for overall direction and decision making (the line manager of the “organization”);

\(^2\) For more information on the Approval Minute, please see Chapter 5, section 5.3.2 – Approval Minute.
• Specific support functions: Such as technical backstopping, administrative support, and other specific functional support.

**Project manager**

The designation of a single individual responsible for the day-to-day management of the project is essential. This job can be held by a CTA, a NPC\(^3\) or, in some cases, an ILO specialist. The project manager reports to the ILO responsible official,\(^4\) and keeps the concerned Field Offices and policy departments properly informed of project developments.

The project manager is also responsible for project implementation and management, including: organizing and coordinating resources; managing project personnel and funds; ensuring timely action; technical work; and the quality and effectiveness of outputs. A detailed description of the responsibilities of the project manager can be found on Responsibilities of the DC project manager checklist.

**ILO responsible official**

The ILO responsible official is a designated and named individual responsible for overall direction and decision making during project implementation, and is the person to whom the project manager reports. S/he is responsible for ensuring that the necessary capacities (technical, administrative, financial, and managerial) are available during implementation.

This includes liaising with ILO policy departments and branch units in order to ensure the project manager has the inputs and support required from other units, for example, technical backstopping or administrative support, and financial clearance. The role of the ILO responsible official is different to that of the technical backstopper, which is a more functional role, although the person may in this case hold both responsibilities.

However, it is important to reiterate that the roles of ILO responsible official and project manager should never reside with the same individual.

• **Field projects:** The ILO responsible official is the corresponding ILO Field Office Director of the country, subregion or region concerned. The official should work in close collaboration and consultation with the policy department concerned, and keep the department

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\(^3\) Someone with the NO category can perform representational, managerial, supervisory and/or financial responsibilities, and s/he can perform the role of project manager at the national level. They are nationals or residents of the duty station, and are referred to as National Project Coordinators/Managers, to differentiate them from international experts (CTAs). The use of national professionals should be encouraged, for their knowledge of, and sensitivity to, local conditions. They also contribute to national capacity building, national ownership and sustainability of project results.

\(^4\) Please keep in mind that for decentralized projects, the ILO responsible official is the Director of the Field Office or Regional Office concerned.
fully informed on progress being made. Although some functions may be delegated (with the exception of financial authority), s/he is ultimately responsible for overall project management and for the project achievements.

Technical units at HQ or DWTs are responsible for fulfilling the functional role of technical backstoppers, as determined in the project proposal (see: technical backstopping). They are also in a good position to judge the technical performance of the project and decide on technical matters.

An ILO Field Office Director has the primary political and programmatic responsibility for all ILO activities carried out in the countries under his/her jurisdiction. S/he is also responsible for maintaining relations with the tripartite constituents, and for ensuring the efficient management of human and financial resources in his/her area of jurisdiction. Even when an ILO office is not directly responsible for project management, as in the case of centralized projects, the Director is responsible for authorizing financial, human resource and procurement project transactions under the authority delegated to him or her, and will need to provide all the necessary administrative support.

These instructions are known as EPAs, Local Purchase Authorizations (LPAs), Local Contracting Authorizations (LCAs) or others related to HRD. In countries where no ILO office exists, the UNDP is usually in charge of the execution of these transactions. In exceptional cases, project resources are managed through an Imprest account administered by the project office established in the country. Requests to open an Imprest account should be sent to the Regional Office for preliminary approval, and then forwarded for final authorization by the Treasurer. Regional Directors should be informed of any activity in their respective regions.5

In exceptional cases, a field project may be centralized; see the ILO’s decentralization policy.

- **Global projects:** The ILO responsible official is the corresponding line manager of the technical Department or Branch (Chief or Director). The official should work in close collaboration and consultation with the Director of the respective Field Offices concerned, keep them fully informed on progress and consult them before taking project decisions on issues that may have political, representational or administrative implications. As is the case with Field Projects, certain functions (although not financial authority) may be delegated, but the official is ultimately responsible for the overall direction of project implementation and for project achievements.

**Technical backstopping**

The technical backstopping function oversees the consistency of project implementation with ILO technical approaches, ensures cross-fertilization among different

5 More information is available on the Finance webpage: ilo.org/finance
projects in the same technical area, and communicates with the ILO responsible official. The technical backstopping function\(^6\) contributes technical advice and resources towards the delivery of results, as defined in DWCPs, and assists the regions by monitoring progress against stated outcomes, indicators, targets and quality standards, in particular by:

- Advising on work plans, production of technical material and the design of research activities;
- Drafting/reviewing terms of reference and advising on the selection of project personnel;
- Advising on and reviewing draft progress reports, together with the final technical reports, before the ILO responsible official submits them to PARDEV.

Support unit function

The project manager, under the guidance and support of the ILO responsible official, is responsible for procuring and organizing personnel and resources, and for monitoring progress (outputs and inputs). The procurement of both personnel and resources may involve working with staff from ILO service units such as FINANCE, Human Resources Department HRD, INTSERV (FIELDSECURITY), PROCUREMENT, JUR and PARDEV.

These units provide support to the project through the ILO office, or through the unit (“organization”) responsible for project implementation, while ensuring that good practice is followed and the ILO’s interests are protected. It is therefore essential that ILO offices in the field, in collaboration with relevant ILO HQ support units, both guide and support the project’s personnel as necessary, and that their roles and responsibilities in this respect are clear to project personnel.

Distributed and geographically remote management arrangements are naturally more difficult situations than when project personnel share offices and interact frequently; so in order to facilitate communications and the management of remote projects, it is important that:

- Clear lines of responsibility are developed, in line with the ILO Staff Regulations, and agreed by all concerned;
- Opportunities are promoted through which to build positive relationships between the project team, country offices, and the Headquarters policy departments.

\(^6\) Please refer to the IGDS No. 212 – Principal functions of HQ, regional offices, country offices and Decent Work Technical Support Teams.
Institutional arrangements

Delivery of services or project implementation may also be assigned to other partner agencies, government agencies or social partners outside of ILO departments, but in many cases they will be managed by the ILO – either separately, in partnership with the respective agencies, or contracted to a third one.\(^7\)

Based on the selection criteria of implementing agents established in Office Procedure IGDS No. 270 on Implementation Agreements, the approving officials are authorized to sign implementation agreements meeting the requirements for selection.\(^8\) For the implementation of development cooperation activities of short duration, and of a value below US$ 50,000, approving officials can sign service contracts instead of implementation agreements, where this is considered more appropriate, and in accordance with the applicable rules.\(^9\)

It is important to clearly establish the relationships and roles of the different institutions and partners involved in project implementation (the institutional map),\(^10\) all of which should have agreed to their obligations and respective responsibilities for ensuring the project’s results.

A detailed **responsibility matrix** is used to set out who is responsible for each activity (see the section on work planning). The responsibility matrix allocates duties to different people within the project team, but can also assign responsibility to other agencies, implementing partners and organizations. (See also Chapter 4 – Project Design and Tools and methods for project design and implementation planning, Tool 4 – Institutional Map, and Tool 8 – Accountability Analysis)

These tools provide a way of checking that it is “reasonable” to hold project management accountable for delivering the outputs of the project. The ILO responsible official has overall responsibility for addressing problems that arise with the accountability and institutional arrangements of the project.

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7 An “implementation agreement” is the name given to a written agreement with (1) a legally recognized non-profit-making entity; (2) an international organization; (3) a constituent of the ILO and/or an affiliated member of such a constituent; and (4) an implementing agent, to implement development cooperation activities on behalf of the ILO, which would normally include capacity building components. For more information on procurement-related contracting activities, please visit the PROCUREMENT intranet page and refer to the PROCUREMENT Manual.

8 Please refer to IGDS No. 270, Annex 1 – Facilitated Procedure: Conditions and procedural steps.


10 For more information on Institutional Mapping, please refer to Chapter 4 – Project Design, Step 4 - Institutional Analysis.
6.1.2 Establishing a governance structure

All projects have a governance structure to which project management reports, the exact nature and composition of which are presented in the project document.

ILO projects closely involve the tripartite constituents and other agencies and partners at the country level, which are not directly involved in project implementation or delivery, but contribute to the project at the governance level. It is also important to maintain close relations with funding partners during the implementation itself.

Projects work, consult and communicate with many different partners, through governance structures such as tripartite committees, advisory boards or steering committees. Governance structures guide and facilitate project implementation, further communication and coordination between members and other partners, advocate for the issues addressed by the project, enhance visibility, and foster joint accountability and ownership – all of which ultimately determine the sustainability of a project’s results.

They are composed of representatives of governments and of workers’ and employers’ organizations, and depending on the project and its scope, include resource partners, beneficiaries or their representatives, and other partners or international organizations that participate or are considered relevant to the achievement of a project’s objectives.

The project manager sets up and services such governance structures, sharing M&E plans, progress reports, general information on project implementation, evaluations and events, and consulting them on decisions concerning the project.

The ILO responsible official has overall responsibility for addressing problems that arise with the governance structure of a project.

6.1.3 Appointment of the Project Manager – Design of the position(s) and recruitment aspects for DC projects

Organizational design of the project:

Based on the information provided in the project document, the ILO responsible official ensures that the job descriptions for the positions are developed based on the needs of the project (see section 3.2 on management arrangements in the PRODOC). These job descriptions should be drafted using the relevant guidelines and submitted to the relevant Regional HR (Human Resources) Partner (in the Regional Office) and/or the HR Partner for Technical Cooperation (in HRD-HQ) for review, classification (based on the ICSC (International Civil Service Commission) New Master Standards, combined with the ILO generic job

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11 The exact nature and composition of such a governance structure should be presented in the project document. All projects should have as a minimum a project advisory committee. In countries where a DWCP is being implemented, coordination and complementarity with other existing tripartite structures should be given due attention, in order to avoid overlaps.
descriptions) and final approval. These job descriptions should be sent, together with the approved staffing structure (organizational chart) for the project, and the PRODOC. For ease of reference, HRD has developed sample templates of job descriptions at different levels, i.e. P1, P2 and P3, in addition to the above-mentioned templates for CTAs. These templates are only for guidance purposes though, as the specific duties of each position need to be established in the context of the specific needs of each project, and relevant information must be included. Sample templates for local project positions (NO and General Service/GS category) can also be requested from the Regional HR Unit or the TC Unit in HRD-HQ.

It is important to note that NOs are mainly employed in DC projects, in view of their local expertise. ILO usually employs NOs in grades A and B. Other UN agencies, such as the UNDP, also recruit National Officers in grades C and D for positions with higher responsibilities. In DC projects NOs are often NPCs. As NPCs, they can be assigned the responsibility to coordinate project activities in one country only, i.e. the country of their nationality and where they live. A National Professional Officer cannot assume or be assigned to subregional project coordination functions. In subregional projects, National Officers can only have some limited monitoring or reporting/planning functions, to be performed from their duty station under the supervision of an international CTA, and cannot be subject to assignment to any duty station outside their own country. The fundamental criterion to be upheld is that national professionals should be employed only for those functions at country level which by their very nature require national knowledge and expertise.

Recruitment of the staff members of the project

In order to attract the most qualified candidates, whenever possible HRD strongly advises the advertisement of the position on the Organization’s website, and/or using other communication tools, i.e. social media, local newspapers, or UNCT recruitment websites (where available) for local staff for instance. In any case, the relevant technical department, as well as the responsible Regional HR Partner and HRD TC Unit, depending on the position’s profile, should be consulted for each key step of the selection process, including the shortlisting and selection of the successful candidates.

The selection and recruitment of CTAs – as well as technical staff members on DC contracts, including NPCs should be in line with procedures established by the ILO’s Human Resources Department. Depending on the position’s profile, the HRD-HQ (Headquarters Human Resources Department) TC Unit (mainly for international CTAs and GS staff at HQ) and the Regional HR partner (for all locally recruited positions in the NO and GS category) and the relevant field office HR assistant (for local recruitment) oversee the recruitment process, in consultation with the ILO responsible official and the technical units. Please consult the Guidelines on Recruitment, which will provide you with the different steps to follow when recruiting TC staff members on fixed-term contracts.
Care should be taken to ensure that the requirements outlined in the above-mentioned steps do not lead to the exclusion of particular groups, but rather encourage diversity and gender balance.

Within the framework of the recruitment process mentioned above, the ILO responsible official is responsible for initiating/finalizing the selection of the project manager, as determined in the project document. It is usual for the project design team to start prospecting for a candidate (CTA/NPC). However final selection and recruitment take place at the implementation phase.

It is important that the recruitment of staff be undertaken in accordance with ILO employment terms and contractual conditions. No expectations should be raised with candidates beyond these provisions. Project staff cannot be offered remuneration conditions that are not reflected in (or are below those provided for by) the ILO Staff Regulations, nor be hired at a higher level than foreseen in the budget as approved by the resource partner.

Procedures for the appointment process concerning local project staff (NO and GS) are changing as a result of the implementation of IRIS at Headquarters. HRD should be consulted for up-to-date IRIS procedures on the personnel actions (PAs) that are necessary to process the appointment of local project staff.

It is important to remember that the selection and recruitment of a CTA and an NPC is:

- **A timely process**: It starts when there is a firm commitment from the resource partner, in order not to delay project implementation. The design of the job descriptions, as well as the publication of the vacancies, can also be done before the final signature, provided it is clearly stipulated in the vacancies that such publication depends on the finalization/signature of the project and availability of the budget. For international experts, HRD requires at least six weeks to process the recruitment before the effective date of appointment. This process can start when the resource partner has transferred the first instalment. The entire recruitment process, including consultations among technical units and offices, clearances of terms of references (TOR), etc. may take between four and six months, hence the importance of starting as soon as possible.

- **A consultative process**: The ILO responsible official initiates the drafting of the job description and the selection process, in collaboration with the relevant HR Partner (either at the Regional Office or in HRD-HQ), and ensures that consultations between technical sectors and Field Offices (and with host governments, as required) are effectively carried out before a decision is taken.
**Policy departments** (and/or the technical backstopping unit, even when different from the “organization”) are responsible for preparing/completing the TOR for the expert, assessing the technical competence of candidates, and deciding on technical matters.

Field Offices reach decisions on political questions and carry out consultations with host governments, as required. They should always be consulted, even when a project is managed from Headquarters.

In cases where the Project Manager’s post is to be held by an ILO technical specialist, s/he should have been identified and involved from the project planning and design stage. Usually it is someone who is already reporting to the ILO responsible official.

### 6.1.4 Induction of the Project Manager (CTA/NPC) and his/her team

Appropriate induction is necessary for the Project Manager and his/her team.

The CTA/NPC should be briefed not only on the project she or he will be managing, but also more generally on the ILO, its mandate, values and principles, as well as its financial and administrative rules and regulations. S/he will also need to establish contacts with the office colleagues who will be providing support to the project. For more information on the issues to be covered in the briefing, see the **Induction of the CTA/NPC checklist**.

The induction needs to be arranged in a cost-effective manner by the nearest office. It is usually planned as part of the travel at the time of appointment, and the cost is charged as part of the partial standard cost. Depending on the size and scope of the project, other arrangements may be envisaged. For example, a mission to Headquarters and to the ITCILO may be considered as necessary. The cost of extensive or special briefings should have been foreseen in the project budget.

The ILO responsible official coordinates all of the aspects related to the induction of the Project Manager, with HRD and the **Regional Office** concerned. Even when they are not directly responsible for project implementation, Field Offices are responsible for briefing development cooperation project personnel as required, and for assisting them when they start their new assignment.

The reception of newcomers – national or international personnel – requires particular attention. Involves meeting the new staff members upon their arrival, reserving necessary accommodation, making arrangements to help them and their families to settle in, introducing them to the rest of the office and/or project team and, most importantly, briefing them on office policies, practices and systems.
Systems for finance and administration

The project manager has to establish internal control systems from the start of the project. In particular, these systems are required to set, manage, and control:

- Finance and accounting (the scheduling of commitments against obligations, dates, financial clearances requested, actual expenditures, etc.), including the use of “petty cash” (for minor payments such as vehicle running costs, stationery, postage, etc.);
- Equipment reception, inventories, and disposal;
- Personnel and other confidential records concerning the administration of project personnel, Office administration records and floats.

Standard ILO practices, procedures and requirements should be introduced, to ensure that ILO rules and regulations are followed. As previously mentioned, these should constitute an important part of the Project Manager’s briefing and induction programme, and of the support provided by the concerned offices in the field.

For additional information, and to obtain the appropriate forms, the project team should consult the ILO responsible official, the Field Office providing administrative support to the project and/or FINANCE, Human Resources Department HRD, INTSERV (FIELDSECURITY), and PROCUREMENT.

6.1.5 Establishing relationships and opening communication channels

The Project Manager and team will need to ensure that constituents, partners and other project stakeholders are kept informed and fully involved during implementation.

To a large extent the success of the project depends upon harmonious relations between all those who participate in its activities, with a key element of the Project Manager’s job being the integration of everyone’s efforts. This requires developing and maintaining close relationships with:

- Government implementing agencies and coordinating authorities;
- Employers’ and workers’ organizations;
- Project beneficiaries or their representatives;
- UN Resident Coordinator;
- Other international agencies relevant to the project;
- Resource partner and development partner representatives;
- ILO offices and Headquarters;
- Project personnel;
- Other partners, including civil society organizations.
Box 1: Relationships with the UN at country level

The Resident Coordinator System (RCS) encompasses all organizations of the United Nations System (UNS), dealing with operational activities for development at country level, regardless of their formal presence.

Within the RCS, the RC is the leader of the UNCT, and as such plays a central role in coordinating the UN, operational activities for development while ensuring alignment of UN assistance with national development priorities, plans and capacity building, in the context of internationally agreed treaty obligations and development goals, including the SDGs, and placing the UN in a central position in development and international cooperation in the country. This authority has been reinforced in countries which are Delivering as One (DaO), where UNCTs work, among others, on programming and resource allocation through the UNDAF. The RC acts on behalf of the UNS in an impartial way, strategically positioning the UN in each country. For the ILO, as a specialized UN agency, it is important to position the DWA and tripartism, as well as the ILO’s development cooperation projects and programmes, within the broader UN operational, programming and resource framework, as well as to maintain close relations with UN colleagues (see Chapter 2 - Development Cooperation in the ILO).

6.1.6 Security conditions in the project country

At country level, the CTA/NPC and project staff follow the instructions issued by the Director of the ILO office concerned. Where there is no ILO office in the country, project staff (CTA) should represent the ILO at the Security Management Team meetings chaired by the Designated Official (DO), the highest authority within the United Nations Security Management System in the country.

At Headquarters, the FIELDSECURITY unit within the Department of Internal Services and Administration is responsible for ensuring the safety and security of ILO staff, as well as the security of the Organization’s premises and assets in the field. It collaborates with departments and services at ILO HQ and maintains regular contacts with the Regional and Country Offices. FIELDSECURITY can be contacted directly at any time for assistance or support.

Managers at HQ and field duty stations are responsible for ensuring compliance with applicable security policy and instructions by all staff under their supervision.12 Those who plan and approve missions, programmes and field projects must ensure that compulsory travel requirements are fulfilled, and adequate provisions are made regarding safety and security management in projects.

All official travel must first obtain an approved security clearance. FIELDSECURITY provides information and assistance on all necessary security procedures to be fulfilled by ILO staff and external collaborators prior to travel.13 In addition, all travellers must have valid security

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12 Please refer to Office Directive IGDS No. 14 – Field Security and to the Emergency Quick Guides, for more information on personal preparedness, radio operating procedure, etc.

13 Please refer to Office Directive IGDS No. 224 and Office Guideline No. 393, for more information on security clearance for external collaborators and financing security requirements for projects and personnel.
certificates prior to travel to any duty station, other than UN or ILO HQ, regardless of the security level in effect. For information and local contacts, consult the weekly travel advisory on the FIELDSECURITY intranet page.

All development cooperation projects should be provided with safety and security recommendations issued by FIELDSECURITY. This process is initiated by the Project Manager when submitting the duly completed security programme assessment form. In return, FIELDSECURITY will provide a Security Risk Assessment for the project, along with the safety and security recommendations to ensure compliance. In exceptional circumstances, due to a continuing level of residual risk, FIELDSECURITY may recommend the inclusion of security personnel.

6.2 Start-up of project activities

Project start-up comprises a set of technical activities that begin as soon as the Project Manager is in place. In practice, some of the functions described under this section may overlap, and they are often interrelated. They include:

- Reviewing contractual obligations;
- Reviewing project design;
- Developing the work plan;
- Developing monitoring and evaluation plans;
- Creating a project team and organizing personnel;
- Procuring equipment, materials and services;
- Financial management.

6.2.1 Reviewing contractual obligations

The Project Manager and the ILO responsible official should familiarize themselves with the details of the signed funding agreement between the ILO and the resource partner, to ensure that the project is implemented in line with contractual obligations. These often concern reporting obligations and conditions for closure of project, but could also entail requirements to keep time sheets (see the sections on Implementation Monitoring and Reporting and Completion and Financial Closure, and consult PARDEV if needed). Failure to do so may have dramatic financial consequences for the ILO, and leads to reputational risk. This is particularly important for resource partner such as the European Commission and the United States of America.
6.2.2 Reviewing project design

At the start of the project, the Project Manager should review the original project document, because:

- The situation may have changed if there was a time delay between the completion of the project design and the actual start-up of the project;

- The individuals responsible for implementation may not have been fully involved in project design and formulation;

- The start and end dates of the project are no longer realistic, due to delays between project design and approval, or between project approval and receipt of resource partner funds.

The project manager and project personnel should return to the original project design and ensure that both the project objectives/outcomes and the strategy are well understood and still valid, and that the agreed dates and duration are realistic.

Changes required in respect to the project structure (outcomes, outputs, inputs), or in the agreed start and end dates (due to the time lag between design and approval, or approval and funding), have to be approved by the resource partner, through PARDEV. Local governance structures, constituents and other stakeholders should be consulted and/or informed about major changes in the initial design or timeframe for project implementation.

As many individuals, units, offices and stakeholders are involved in project implementation, any relevant documentation should be kept so as to ensure the appropriate management and the proper assessment of progress and evaluation of project results. Changes or revisions to the originally approved project document or project budget are usually processed as budget revisions. The ILO responsible official should ensure that sufficient and appropriate documentation is prepared and maintained during project implementation.

6.2.3 Developing the workplan

The workplan is the most important element in project implementation, and is the basis for:

- Effectively organizing the work of the team;

- Procuring inputs and incurring expenditure;

- Obtaining financial and administrative clearances;

- Monitoring and reporting.

RULE

All changes to the original approved project design must be documented, justified, and approved as necessary.
The tentative implementation plan prepared at the time of design is revised and further developed prior to project start-up.

Even when there has been no gap between the project design and its implementation, project managers will want to break down the workplan into shorter time periods, as well as develop and expand on the plan’s details. The design team usually prepares yearly plans, but these have to be extended for project implementation.

The implementation team will need to:

- Begin breaking down the final project outputs that will be delivered in a year’s time, into quarterly or even monthly targets. This is very important for results-based management, as it provides the link between the overall design plan (the log frame), and the detailed workplan.

Table 1 - Format for annual performance plan (quarterly or monthly targets)

<table>
<thead>
<tr>
<th>Output</th>
<th>Indicator</th>
<th>Resp.</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>End of the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ind. 1</td>
<td>AA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Ind. 1</td>
<td>AA</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
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<td>Ind. 1</td>
<td>AA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Plan activities and tasks (the work breakdown structure) and assign responsibility for each of them to the different members of the team (responsibility matrix). The rows should show the responsibilities associated with an activity. The columns should indicate the tasks assigned to each individual.

Table 2 - Format for WBS and responsibility matrix

<table>
<thead>
<tr>
<th>Output</th>
<th>Activity</th>
<th>Task</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>...</th>
</tr>
</thead>
<tbody>
<tr>
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<td>1.1</td>
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<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1.1.2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.2</td>
<td>1.2.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1.2.2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
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<td></td>
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<td></td>
</tr>
</tbody>
</table>

- Prepare a detailed schedule (monthly or weekly) indicating when each activity starts, its duration and when it will be completed (Gantt or bar chart), and include the interrelationships between the different project activities (milestones).

This should be done in sufficient detail to allow for the accomplishment of activities or milestones on the planned dates, and so as to provide a means of monitoring progress. Excessive detail should be avoided,
as planning and replanning can become too time-consuming and counterproductive.

**Table 3 - Format for schedule**

<table>
<thead>
<tr>
<th>Schedule format</th>
<th>Quarter/Month/Week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output 1</td>
<td>Activity</td>
</tr>
<tr>
<td>Activity</td>
<td>Task 1</td>
</tr>
<tr>
<td></td>
<td>Task 2</td>
</tr>
<tr>
<td></td>
<td>Task 3</td>
</tr>
<tr>
<td>Activity</td>
<td>Task 1</td>
</tr>
<tr>
<td></td>
<td>Task 2</td>
</tr>
<tr>
<td>Activity</td>
<td>Task 1</td>
</tr>
</tbody>
</table>

- Prepare a resource plan setting out the type of resources needed to carry out the different activities and tasks.

**Table 4 - Format for the resource plan**

<table>
<thead>
<tr>
<th>WBS Output</th>
<th>Activity/Task</th>
<th>Resources Required</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Equipment</td>
</tr>
</tbody>
</table>

The methodology and tools for work planning are further explained in Chapter 4 - Project Design and Tools and methods for project design and implementation planning.

Revision of the tentative implementation plan prepared during design is also important, to ensure that project activities have a “real starting date”, otherwise performance and reporting will always be affected by pre-implementation slippage (delays in recruitment, setting up of project premises, etc.) Start-up delays tend to be cumulative, and therefore add to problems in the delivery of project outputs.

Apart from changes in circumstances between project design and start-up, there can be a tendency at this stage for project planners to make optimistic assumptions, especially regarding the length of time it will take to meet the outcomes. This can result in the “front-loading” of activities and funds, which in turn has a negative effect on the overall expected delivery rate of the project.
Revising the budget

The budget is the workplan expressed in monetary terms. If the revised work plan can be completed within the project duration, but the rescheduling of activities has implications for the annual planning of resources and annual project budget (allocations), the budget should be revised accordingly by reflecting the new workplan. It is important to do this at start-up, as it resets the reporting baseline. If instead the change is just a rescheduling, with no changes to the budget lines, it is called initial budget rephasing. In this case, the process to follow is that for a budget revision.

If the revised work plan cannot be completed during the established duration of the project (agreement start and end dates), a project extension may be necessary. Project extensions require resource partner approval, and should be requested by PARDEV. The request for extension follows the procedures for budget revisions.

Where updates to the workplan have no implications for the duration or budget of the project, they do not need an official request for a revision, but can be carried out independently by the Project Manager and the ILO responsible official.

The workplan is developed by the Project Manager and approved by the ILO responsible official, after clearance by the relevant backstopping units. It is important to consult and keep all project stakeholders informed about changes to the project implementation plan.

6.2.4 Developing monitoring and evaluation plans

M&E systems support those involved in project implementation and encourage internal reflection and the development of communication systems within the project. They must be planned, managed and resourced, and are not simply a statistical task or external obligation.

The log frame provides the starting point for all monitoring and evaluation systems, but M&E systems track progress at each level of the logical hierarchy of the project – the activities, outputs, outcomes and impacts – as monitoring at different levels serves different functions.¹⁴

- **Implementation monitoring for effective operations:**
  Focuses on the monitoring of activities, outputs and the flow of resources. It is used for implementation management and for short-term project progress.

¹⁴ What is being monitored is the strategic orientation towards the impact of the project, not its impact itself. By definition impacts are long-term effects, and are only visible after a certain time has passed. Usually it is impossible to attribute a development impact to a single project; what occurs is that a project usually contributes to it. However the plausibility that a project will make a significant contribution to a development impact can and must be assessed.
reporting, when properly linked to the project outcomes (e.g. quarterly or biannually). Conversely, outputs and activities are monitored continuously; they can indicate progress but cannot be used to assess development results. Comprehensive guidance on implementation monitoring with the focus on project management is presented in the section on Implementation Monitoring and Reporting.

• **M&E for development results to guide project strategy:** M&E of the outcomes and the impact orientation of a project are essential in assessing development results and for guiding the project strategy. A more comprehensive reflection and reporting on the achieved outcomes and the strategic orientation towards impact should be done periodically, but with longer gaps – for example annually.

• **M&E plan for development results (outcomes and impact orientation):** Some basic guidance is provided below. A more comprehensive guide can be found on EVAL’s intranet page.

The design of the M&E system, the M&E plan, is developed during the initial project design phase and is refined during start-up. All stakeholders should agree on a well-documented but simple M&E plan, which defines what the M&E system will monitor and how it will do so. Adequate resources should be set aside to administer the system together with the necessary conditions and capacities.

M&E defines the following:

• **Purpose and scope:** The key areas of observation of the project are the planned outcomes. If outcomes are complex, more than one area of observation should be defined. If the project logic builds on risks and assumptions, these also require additional areas of observation.

• **Performance questions, indicators and information needs:**
  ◊ **Define indicators and performance questions** for each area of observation. The indicators and targets in the project document should be revised and refined. They should be reviewed regularly during project implementation, in order to ensure their continued relevance and usefulness;

  ◊ **Identify any information needs:** Based on the indicators and performance questions, identify the necessary data to be collected, which should be useful to all stakeholders in the project, including the partners;

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15 Please see the above footnote.
16 Many parts of this sub-chapter are adapted from the International Fund for Agricultural Development Guide for Project M&E, Section 4 - Setting up the M&E System.
17 This section has been developed in collaboration with EVAL.
Establish a baseline for comparison: For subsequent evaluation, the project needs to establish a starting point. **Baseline** information is the reference point for assessing progress and thus constitutes the foundation of any M&E system. Do not exclude mainstream concerns, such as gender and disability.

- **Data collection:**

  Choose data collection methods for each identified information need. Data and methods can be quantitative or qualitative, although mixing different methods and types of data (triangulation) helps to get a more complete picture. Consider the practical implications, including the cost. Decide on the frequency of data collection, and identify the person who will be doing it.

- **Plan for the analysis and use of the data.** Information is collated and analysed by appropriate project staff. It must be planned at start-up how the data will be organized, how such an analysis will be done, who will do it, and how the data will be used.

- **Critical reflection processes and events.** Plan this from the outset. Critical reflection can occur formally and informally: formally, it can be facilitated during project meetings, workshops with partners and primary stakeholders, or as part of external evaluations; informally, it can occur during ongoing discussions between project stakeholders, but there are several different instances where reflection can be encouraged.

- **Communication and reporting strategy.** Develop from the beginning a detailed communication strategy. Regular two-way communication with the partners on project implementation and achievements is essential for building a sense of ownership and co-responsibility. A more formal element of communication consists in the progress reports.

- **Conditions and capacities.** Make necessary resources available, establish an appropriate organizational structure, and create the needed capacities.

### Using the M&E matrix

A Monitoring matrix is a useful tool to help manage the M&E system and process. When the M&E plan has been agreed, the major components can be placed in a matrix that will facilitate management of the monitoring and evaluation process.

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18 The situation and needs analysis included in the project document is, in most cases, in sufficient; the information should be further quantified or qualified.

19 The standard ILO progress report format can be found on PARDEV’s intranet.
Table 5 - Monitoring matrix

<table>
<thead>
<tr>
<th>Area of observation</th>
<th>Performance question(s)</th>
<th>Information needs</th>
<th>Baseline information</th>
<th>Data gathering Methods Frequency Responsibility</th>
<th>Support for data gathering Tools Storage system Training Resources</th>
<th>Analysis and use of data Methods Frequency Responsibility Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project outcome 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Project outcome 2</td>
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<tr>
<td>Other area of observation</td>
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<td>...</td>
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<td></td>
</tr>
<tr>
<td>Project assumption</td>
<td>Verification question(s)</td>
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</tr>
</tbody>
</table>

6.2.5 Creating a project team and organizing project personnel

Terms of reference – Job descriptions

The TOR for project personnel are based on a responsibility matrix that is prepared during implementation planning, and reviewed at the beginning of the project when revising the workplan (see the section on Developing the work plan above).

The matrix constitutes a summary of individual terms of reference. Each column assigns responsibility for specific tasks, activities and outputs. This methodology is very helpful in assigning responsibilities to project personnel, because it ensures that staff time and expertise are focused on results and each staff member sees clearly their own contribution towards the final outputs.

From a results perspective, the advantage of defining the project personnel's responsibilities is that it increases the sense of motivation and encourages team building and support.
Job descriptions are essential to the recruitment process, and the Project Manager will need to ensure that staff is recruited with the tasks in mind. This is best undertaken by setting out the skills, competencies, experience and personal attributes required to undertake the tasks of each project team member. Please refer to the pre-implementation section (above), including guidelines on how to write a job description from P1 to P5 positions, as well as templates for guidance purposes.

Where there are skills gaps within a team, the project manager should try to fill them using additional resources, or by entering into agreements with partners who can supply complementary expertise. Recruitment guidelines are also inserted in the pre-implementation section.

Management and leadership

Project Managers are both leaders and managers, whose key function is to keep the focus on outputs and results. The results-based planning process set out in this Manual supports this approach and enables them to easily relate inputs and activities to outputs.

Management emphasizes work planning, good practices and procedures, and control mechanisms to achieve results. Leadership focuses on vision, clear direction, collective decision making, communication, teamwork, motivation, recognition and achievement.

A broad understanding and ownership of a project’s objectives and rationale within the project team will encourage teamwork and ensure high morale, even in difficult circumstances. It also encourages high performance, a “can-do” approach and joint problem solving, rather than a “it can’t be done” approach focusing on problems with resources and inputs.

A clear organizational structure (chart) of the project is necessary for members of the project team to understand their relationship to other project members, units and partners in project implementation, and the lines of communication.

*ILO Performance Management Framework*

**Performance** management aims to enhance the accountability and effectiveness of delivery of the project through work planning, communication, evaluation and staff development.

Managing performance is an integral part of the work of the Project Manager and the supervisors concerned, all throughout the year. It is a continuous dialogue between staff and their supervisors about the project, its objectives and priorities, the results expected and contributions made. It involves planning, performance evaluation and feedback.

Each staff member is responsible for carrying out the duties and responsibilities of his/her position to the best of his/her abilities, in order to meet the performance management standards of the position s/he occupies.
The ILO **Performance Management Framework (PMF)** builds on regular dialogue and feedback between staff and their managers. The outcomes of this ongoing communication are formally recorded at the beginning of cycle (BoC), at Midterm Review (MTR) and at the end of cycle (EoC).

The PMF is supported by the new online Performance Management and Employee Profile modules of the **ILO People e-tool**. For more information on the PMF, please consult the **HRD website**.

**Hiring of project personnel (staff categories and skill profiles)**

In addition to the guidance mentioned in the pre-implementation chapter phase, there are additional operational aspects as follows:

The different categories of human resources and expertise that may be employed on development cooperation projects include:

- Professional and technical experts; internationally recruited: CTAs, grade P4 or P5 Technical Officers (grade P1 to P3) or Technical Specialists (grade P4 or P5); and locally recruited: NPCs grade NO/A or B and National Project Manager (grade NO/C);
- Administrative and other support personnel (locally recruited – grade G1 to G6);
- Consultants (external collaborators/not ILO staff);
- Local experts supplied by a national resource partner agency under a specific arrangement, or Junior Professional Officers (JPO) employed by the ILO under specific bilateral agreements with resource partners.

The appropriate combination of skills and expertise to form the project team must be determined by the requirements of the project, based on the specific project tasks and outputs to be delivered. National expertise should be used as much as possible, with a view to building national capacity as a key objective of the ILO’s overall development cooperation programme and approach.

**NB:** In planning the recruitment of international staff, a time lapse of four to six months between the request and the actual arrival of the individual to take up the post should be taken into account. However, there are good practices that could speed up the process and avoid delays – for example, launching calls for expression of interest, obtaining job description cleared by **HRD** at an early stage, a pool of TC staff about to finish contract obligations, etc. **HRD** requires at least six weeks in order to process the recruitment before the effective date of appointment, i.e. medical clearance, UNLP (United Nations Laissez-Passer), visa issuance for the contract, travel, etc.

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\(^{20}\)**HRD** requires at least one month in which to process the recruitment before the effective date of appointment.
For consultancy assignments, local consultants should be favoured whenever possible.

For short consulting assignments, ILO technical specialists (in DWTs or HQ departments) can be considered, based on their expertise, familiarity with and interest in the project. If this entails periods of four weeks or more, it is appropriate for the project budget to cover the salary and other costs of the official (on temporary assignment). This is also the case of an ILO official performing the role of Project Manager, or when the project requires the direct involvement of ILO technical staff.

For shorter periods, the project pays only the travel and the daily subsistence allowance (mission status). It is sometimes difficult to draw the line between an ILO technical input, which should not be at the expense of regular budget, and general project support work. Direct consultancy inputs from ILO expertise should be included in the project budget.

The arrival and on-boarding of new project staff, national or international, deserves close attention. Please refer to the pre-implementation section (above) for more information.

The Project Manager should introduce internal systems for the administration and management of project personnel. These should follow standard ILO practices, procedures and requirements so as to ensure that ILO rules and regulations are followed.

**Who does what?**

- Regional and External Offices have decentralized responsibility for the recruitment and appointment of local project staff (GS and NO category), and for the processing of their employment contract and entitlements, including grading and classification;

- HRD-HQ, through its TC Unit in HR/OPS, (Staff Operations Branch), has responsibility for the recruitment of international project staff (P category) as well as the classification of P positions, in liaison with Regional and External Offices and HQ department, and administers their employment contracts and entitlements;

- The HRD TC Unit is also responsible for the recruitment and administration of local project staff (GS category) based at Headquarters. HR/OPS and its Technical Cooperation Unit are responsible for the recruitment and administration of international development cooperation personnel. Recruitment and administration of local/national project personnel is decentralized to Field Offices. However the classification of National Professional Officer posts is the responsibility of Regional Offices or HRD.
The different categories of personnel, recruitment processes and ILO systems and procedures for administration of project personnel are fully described in the Human Resources Development Internal Governance Manual. The necessary administrative tools for the management of project personnel can be obtained from the ILO responsible official or the Field Office providing administrative support to the project HRD-TC Unit. Specific information is also available on the HRD website in the Staff Operations Section.

With **IRIS** and the introduction of the new ILO Talent Management System, **ILO People**, certain processes and procedures are changing. Consult **IRIS training materials (HR module)** and HRD regularly for updates.

### 6.2.6 Procuring equipment, materials and services

Equipment, materials and services are procured on the basis of the revised project work plan. The requirements are based on the activities in the work breakdown structure and the timing depends on the project schedule. If the project strategy or work plan needs to be further revised during implementation, the budget and the resources/inputs plan should also be revised.

The procurement and acquisition of all goods and services must be carried out according to established policies and procedures. It is particularly important that the CTA/NPC be thoroughly briefed on the procedures and templates, during the induction process at Headquarters or the Field Office. The programming officers and administrative and finance staff in the Field Office should also be familiar with the procedures, including the specific functions assigned to them.

- **Procurement of equipment and contracting:** Policies and procedures are found on the PROCUREMENT intranet. Competitive bidding is required for the acquisition of goods and services that cost in excess of US$ 50,000 or the equivalent in local currency. Details of procedures covering requests for waivers of competitive bidding requirements can be found on the PROCUREMENT intranet.

- **External collaborators:** An external collaborator is an individual working with the ILO who but is neither a staff member nor an ILO official. External collaboration contracts are task-oriented, linked to a specific output over a defined contract period. They do NOT involve tasks associated with a continuous

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21 Please refer to the PROCUREMENT Manual and to Office Directive on Procurement IGDS 239.
process or management, and payment is normally made in full at the end of the contract when the work has been completed, and the output submitted and judged satisfactory. Interim payments may be allowed in conformity with Financial Rule 7.50, subject to satisfactory completion of work in accordance with the payment schedule set out in the external collaboration contract. Regular monthly payments are not normally appropriate, in line with Office Directive on External Collaboration Contracts, IGDS No. 224 (Version 1). No payment will be processed without a request (invoice) having been received from the external collaborator.

- **Seminars and workshops**: Seminars and workshops may be undertaken by the project or by a partner organization. Their aim is usually to strengthen national capacity or enhance the expected outcome of the projects through networking and visibility. Requests to hold seminars should be in line with project requirements, and should follow specific procedures (see ILO Circulars, Series 5, No. 75).

The project manager should also follow ILO rules and regulations for the reception of equipment, maintenance of inventories and other asset registries, and the disposal of non-expendable equipment after the project ends.

Information on current policy and procedures on equipment and contracting are provided in the PROCUREMENT Manual, although with the implementation of IRIS some procedures and practices are changing. Updated information on new procedures can be found in the ILO training materials on procurement.

### 6.2.7 Financial management

**Financial clearances**

All activities planned during the project directly or indirectly require the disbursement of funds. These activities can take the form of the procurement of goods and services, or operational expenditures. The administrative procedures required to request approval of such expenditure depend on the nature of the activity and on the expected “product” or “service”. No project inputs can be obtained without the necessary financial clearances.

The Project Manager is responsible for requesting that the ILO responsible official (Director of the office/unit responsible for project implementation) initiate the process of creating obligations (encumbrances/commitments) and issuing the appropriate expenditure authorizations against the project budget.

Expenditure authorizations may take the form of:

- Purchase Orders (POs);
- PAs;
- Office Financial Clearances (OFCs);
• EPAs;
• LPAs;
• LCAs;
• Travel Authorizations (TAs); and
• HRD instructions.

The rules governing these different expenditure forms and the process of securing financial and administrative clearances are different, as established in the Finance manual. The financial systems used are IRIS, or IRIS plus FISEXT, depending on the office.

Other direct payments

• **Petty cash**: These are cash advances to the Project Manager to be used for local miscellaneous expenditures, such as vehicle running costs, stationery, postage, etc. The establishment of a petty cash account requires the approval of the Regional Office.

• **Imprest accounts**: Bank (imprest) accounts are opened for the needs of ILO offices in the field, including for DC projects. The opening of bank accounts has been delegated to the Chief, TREASURY and TRES/OPS. The latter is responsible for communicating the necessary instructions to the bank concerned. Requests to open a new ILO bank account or transfer an existing account to a new bank are handled by TRES/OPS (Treasury Operations Section) at Headquarters. The choice of the bank in which ILO funds are deposited ultimately rests with the Treasurer, who has delegated this responsibility to TREASURY for external office and project imprest accounts. The procurement section of the Financial Rules, which establishes general principles and rules to be considered when exercising procurement functions, also applies to the procurement of banking services.

Financial monitoring

Project managers should plan and monitor the use of financial resources, by tracking the commitment of finances (encumbrances) against allocations, dates and clearances obtained. These records can be compared with official reports from the ILO financial systems. The ILO responsible official should make sure that these reports are made available to those project managers who do not have access to these systems. Discrepancies between the Project Manager’s records and the Office’s official reports may occur, due to a time lag or recording processes. However any major discrepancy or one that is outstanding over a long period of time must be clarified with the ILO responsible official and BUDFIN.
6.3 Implementation monitoring and reporting

6.3.1 Monitoring implementation

*Monitoring* is an integral part of the project cycle. It is an ongoing process that tracks project progress, with the primary objective of enabling management to take corrective action. Undertaken at different levels of the project structure, it also provides data for reporting, both within the ILO and externally to resource partners, constituents and other project stakeholders.

Monitoring is an important management tool that:

- Assesses progress on project implementation;
- Assists in the effective management of resources;
- Detects problem areas;
- Enables management to take early corrective action;
- Provides the basis for good communication with constituents and other stakeholders; and
- Provides the basis for resource partner reporting.

Monitoring implementation addresses the question of whether the project is on track. It has a narrower focus on outputs, activities and resources, and compares progress against the work plan. It is essentially a tool to be used on an ongoing basis as part of management supervision. Moving further up the project structure to track progress on the use of project outputs by the target groups can also constitute useful monitoring.
Evaluation is an assessment, conducted as systematically and impartially as possible, of an activity, project, programme, strategy, policy, topic, theme, sector, operational area or institutional performance. It analyses the level of achievement of both expected and unexpected results by examining the results chain, processes, contextual factors and causality using appropriate criteria such as relevance, effectiveness, efficiency, impact and sustainability. An evaluation should provide credible, useful evidence-based information that enables the timely incorporation of its findings, recommendations and lessons into the decision-making processes of organizations and stakeholders.\(^\text{24}\) (see: Chapter 7 – Evaluation).

### 6.3.2 The monitoring plan

**Monitoring** involves comparison, measurement and action:

- **Comparison:** Monitoring involves a comparison of actual and planned results. This requires not just measurement of actual results, but statements of planned or intended results. The log frame, the work plans and the budget set out a project’s intentions, and these documents form the basis for monitoring progress. However there may be other required reporting documents, such as the resource partner agreement or the Approval Minute, which may need to be incorporated into the monitoring plan. Without these documents, or equivalent

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\(^\text{23}\) Although an intent to investigate impact might be included within an evaluation plan, the planning, management and funding of IEs are the responsibility of technical departments. For more information refer to EVAL Guidance Note 13: Impact Evaluation.

statements of intention, monitoring makes little contribution to project implementation.

- **Measurement:** Monitoring systems generally use indicators to measure progress. Indicators are variables that can be measured and that provide management with an “indication” of progress. Indicators measure progress towards outputs, outcomes and the development objective (impact). In results-based management (RBM), activities are not results, and indicators for them are not mandatory.

- **Action:** The benefit of monitoring arises from the action taken on the basis of monitoring information. The monitoring plan should set out how monitoring data will be used, and identify the officials responsible for ensuring that action is taken.

Monitoring plans must be designed with both periodicity and accountability in mind:

- **Periodicity:** Monitoring should be based on the periodicity of events (monthly, quarterly, seasonally, annually) and on decision making (corrective action, review meetings, etc.) It should be done in sufficient detail to allow for the accomplishment of activities (or milestones), but should not become time-consuming.

- **Accountability:** Monitoring should lead to action. As a result, data and reporting should be directed at responsible officials, and should focus on governance structures and accountable offices departments.

The monitoring plan should prescribe a reporting period and unit of reporting that is consistent with the project structure, capture the periodicity of events, and provide information that is useful to project teams, units, constituents, resource partners and other project stakeholders.

The plan should also include communication and reporting plans. Keeping constituents and project stakeholders at the local level informed and involved on progress is essential towards building a sense of ownership and a shared view of planning and monitoring. The monitoring plan is usually prepared in consultation, or shared with project partners.

The monitoring plan should set out a schema for data collection (Table 7). This should include: (a) the indicators; (b) the source of data, frequency of collection and responsibility for collection for each indicator; and (c) the report format (unit, level of aggregation, periodicity), and the individual(s) responsible for updating/using it.

The following elements should be included in the monitoring plan:

- **What? Progress indicators, definition and targets:** Indicators define how performance will be measured along a scale or dimension, while the targets identify the planned level of results to be achieved within a given timeframe. Indicators and targets included in the project design should be revised and refined.
### Table 7 - Elements of a monitoring plan

<table>
<thead>
<tr>
<th>Project structure</th>
<th>Indicators</th>
<th>Data source</th>
<th>Report use</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>WHAT?</td>
<td>Frequency of collection</td>
<td>Method of collection</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WHEN?</td>
<td>HOW?</td>
</tr>
<tr>
<td>Impact</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outcome</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outputs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inputs</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **When? Frequency and schedule for data collection:** Depending on the level (outputs, activities, inputs) it may make sense to collect data monthly, quarterly, bi capacity-development, annually or less frequently. There is no general rule on how often data should be collected. Frequency may also vary by data source.

- **How? Means of verification and data source:** The approach or method of data collection for each indicator should be described; and it should be specified whether or not it consists of primary data collection (collected directly through feedback or surveys from project beneficiaries), or secondary data collection (from existing sources such as national statistics or reports). The former is both more specific and costly than the latter. Primary data will often be needed to examine project specific outputs or outcomes. Secondary data can often be used to put the results in context, or to benchmark the project results.

- **Who? Responsibilities for acquiring data:** Responsibilities should be clearly assigned to a particular individual, team or office. However, it is critical that whomever is assigned the responsibility for collecting this data have the appropriate skills.

- **As what? Data analysis plans:** It is advisable to plan in advance not only for the collection of data, but also for data analysis, reporting and use, and to identify analysis techniques and the data presentation formats to be used. It is important to consider the following point when making these plans because certain audiences will have certain needs when it comes to how data should be analyzed and presented.

- **For whom? Reporting and information plans:** *Constituents* and other project stakeholders should be kept informed on progress, either informally through periodic meetings, or through more formal progress
reports. Reporting requirements (resource partner reporting, review meetings, governance structures, ILO management) should be taken into account in the monitoring plan.

6.3.3 Monitoring formats

The formats used for monitoring are extensions of the formats required for work planning. There are three types of monitoring: **Output** monitoring, activity monitoring and budget monitoring.

1. **Output monitoring**

Output monitoring is based on the performance plan (see Chapter 4 - Project Design).

### Table 8 - Output monitoring format

<table>
<thead>
<tr>
<th>Reference period:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output</td>
</tr>
<tr>
<td>--------</td>
</tr>
<tr>
<td>1</td>
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<tr>
<td></td>
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<tr>
<td></td>
</tr>
</tbody>
</table>

2. **Activity monitoring**

Activity monitoring is based on the same bar chart that is used to prepare the project schedule. Underneath each of the scheduled activities, a parallel bar is used to illustrate actual performance (Table 8), which can then be compared with planned start dates and durations.

### Table 9 - Activity monitoring format

<table>
<thead>
<tr>
<th><strong>WBS: Output 1</strong></th>
<th><strong>Schedule</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Activity</strong></td>
<td><strong>Task</strong></td>
</tr>
<tr>
<td>1.1</td>
<td>1.1.1</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td>1.1.2</td>
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<tr>
<td></td>
<td></td>
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<tr>
<td>1.2</td>
<td>1.2.1</td>
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<td>1.3</td>
<td></td>
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<tr>
<td></td>
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</tr>
</tbody>
</table>
3. Budget monitoring

Project managers should keep their own records on the use of the project budget, monitoring encumbrances (obligations) against allocations. The ILO responsible officials monitor the budget through the ILO financial systems, and need to ensure that project managers are regularly informed of the ILO’s financial system information on the project, as well as any other relevant information such as:

- Circulars from FINANCE, HRD and PROCUREMENT
- DSA figures;

See also Financial Monitoring, in the section on Financial Management.

Field visits and project reviews

- **Field visits**: This is another tool that can be used to monitor progress and to collect information on a project’s progress. Such visits are usually carried out by ILO Headquarters and field officials, or by resource partner government representatives. Such missions should have been planned in the work plan and included in the budget at the design stage. Mission reports form part of the information used to prepare the progress reports, and PARDEV’s Development Partners’ Relations Unit should be informed when the participation of a resource partner is foreseen.

- **Project reviews**: The commissioning of a project review provides project managers with an external perspective on project progress. However, reviews are costly and must be planned and budgeted for during project design.

A useful approach to presenting monitoring results is to tabulate planned and actual results together, present an analysis explaining any deviation, and record the action proposed (see Table 9). An extension of this approach is to use the monitoring results to reset the planned targets for the next period.
### Table 10 - Reporting format

<table>
<thead>
<tr>
<th>Reference period: Q2 2007</th>
<th>Indicator(s)</th>
<th>Targets (plan)</th>
<th>Achievements (actual)</th>
<th>Analysis (reasons for difference)</th>
<th>Target (for next period)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Development objective/Impact</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Immediate objective/Outcomes</strong></td>
<td></td>
<td>Desired changes in key agencies</td>
<td>Actual changes in key agencies</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Outputs</strong></td>
<td></td>
<td>Planned targets</td>
<td>Actual achievements</td>
<td>Revised targets for period</td>
<td></td>
</tr>
<tr>
<td><strong>Activities</strong></td>
<td></td>
<td>Planned schedule/deadlines</td>
<td>Actual progress</td>
<td>New schedule</td>
<td></td>
</tr>
<tr>
<td><strong>Inputs</strong></td>
<td></td>
<td>Budget</td>
<td>Expenditure</td>
<td>Revised budget</td>
<td></td>
</tr>
<tr>
<td><strong>Action proposed</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 6.3.4 Reporting and communicating results

The monitoring plan sets up communication and reporting plans designed to share information and keep partners regularly informed and involved in project implementation. Meetings with constituents and other stakeholders are a good way of giving and receiving feedback on project implementation, as well as allowing them to be active participants.

Progress reports\(^{25}\) are prepared for the governance structure of the project (advisory boards, steering committees, etc.), for ILO management, and for the resource partners.

The purpose of reporting is to:

- Record the knowledge of the project;

\(^{25}\) The standard ILO progress report format can be found on PARDEV's intranet.
• Keep project stakeholders informed on progress, achievements, corrective measures, etc.;
• Comply with resource partner reporting requirements (including significant risks identified during the implementation of the project).

Quality reporting fosters two-way communication: reports should take into account the needs of different audiences and be meaningful, concise and issue-focused, reinforce mutual accountability, as well as be interesting to read.

**ILO reporting**

The Project Manager has to prepare regular reports on project implementation for the ILO responsible official. The preparation and analysis of the reports require dialogue and consultation among the individuals responsible for the activities and outputs, together with supervisors. It is an opportunity to assess progress, to review the work of the project team, and to become aware of any problem at an early stage.

Reporting frequency is agreed with the ILO responsible official and should occur at least on a quarterly basis. Reports should be shared with the technical backstopping unit and with the respective ILO Field Office, if it is different from that of the ILO responsible official (i.e. in centralized projects).

Reporting frequency is often dependent on the geographical location of the project. If direct communication is difficult and the project site inaccessible, more frequent reporting may be required, as direct control on operations and progress may otherwise be difficult.

A **Reporting** workspace has been recently created in SharePoint; this workspace provides a central repository for donor reporting, including financial statements. It allows Field Offices, Technical Units and PARDEV to set-up reporting schedules for projects, manage compliance with reporting requirements and upload reports that have been submitted to donors.

**Resource partner reporting**

Resource partner reporting obligations are specified in the signed agreement. The ILO responsible official should ensure that reports are prepared on time and meet quality standards, while the project manager plans reporting obligations. Timely and good quality reporting is not only a contractual obligation, it is essential in maintaining good relations with resource partners and in facilitating support for future funding.

Resource partner reporting includes:

- **Technical progress and final reports:**
  - Preparation of the report according to the progress reporting format: responsibility of the Project Manager.
  - Submission of report to technical backstopping units and **ILO responsible official**: responsibility of the Project Manager.
Clearance of report by technical backstopping units and ILO responsible official: responsibility of the heads of technical backstopping units and ILO responsible official.

Submission of final report to PARDEV: responsibility of the ILO responsible official.

Submission of final report to resource partner by PARDEV: responsibility of PARDEV.

Submission of final report to resource partner by ILO responsible official, in the case of locally mobilized resources: responsibility of the ILO responsible official (with copy to PARDEV).

**Certified financial statements and final financial statements**: These are prepared by BUD/CT and sent to PARDEV for submission to the resource partner.

**Evaluation reports**: These differ according to requirements. The evaluation manager sends the final report to EVAL who then sends the approved report to PARDEV for submission to the resource partner. Independent evaluations are approved by EVAL before being sent to PARDEV.

Consult PARDEV for further information on reporting requirements for individual resource partners, and EVAL for ILO’s evaluation requirements.

**Technical progress reports** should contain:

- A brief description of the most important activities carried out, and outputs delivered during the period under review, i.e. work done versus plan;
- An assessment of progress towards outcomes;
- Achievement of project outcomes;
- **Relevance** to target populations;
- Contribution to ILO’s objectives and mainstream strategies;
- Contribution to DWCP;
- Alignment to national strategies;
- Analysis of problems or constraints, and remedial action taken; and
- Follow-up action and lessons learned.

The **final technical report** follows the same structure as the progress reports, but contains an assessment of the achievements of the project during the duration of the intervention and not only the period under consideration. It is more comprehensive, and includes a major section on recommendations and lessons learned.

**Financial reporting** usually follows a 12-month cycle, based on a calendar year, although some resource partner
require two financial statements per year; financial statements are certified by BUD/CT and sent to the resource partner by PARDEV.

The ILO responsible official should provide these financial statements to the Project Manager for information, and any discrepancy should be reported. In addition, some resource partners require specific formats be used for reporting. (For further information, consult PARDEV.) PARDEV is responsible for submitting all reports to the resource partners and for ensuring that units and offices comply with resource partner reporting requirements. If necessary, PARDEV requests that the technical departments, Field Offices and BUD/CT prepare pending reports.

6.4 Project revisions and budget revisions

Taking early corrective action is the main objective of monitoring project implementation, and a major responsibility of project management. Understanding the causes of discrepancies is key to successful corrective action.

Discrepancies and shortfalls may be due to problems or conditions within the project’s control, such as project organization, administrative systems and personnel changes (project managers), or shortages or delays in the provision of inputs. The Project Manager can remedy such problems by instructing personnel to take action, or by making minor modifications to the work plan.

However disappointing results, delays or cost overruns may also be due to situations or changes outside the control of the project, such as political disturbances, natural disasters, etc.

These external issues may have been specified as assumptions during project design, or they may have emerged at a later stage. In these circumstances, the project staff should monitor the external assumptions affecting the results. The same approach and formats proposed for measuring project results can be used for monitoring external factors and trends. When disappointing results fall outside the control of the project, and the project can no longer hope to achieve the objectives foreseen in the project document, project strategies or implementation, arrangements need to be adjusted. Alternatively, in the event of a delay, a project extension may allow the achievement of results, without modifying the PRODOC.

Because project revisions entail budget revisions, they always require resource partner approval.

6.4.1 Budget revisions

If budget revisions are required in the course of project implementation, a Budget Revision Request Form needs to be submitted for clearance to PARDEV and BUD/CT.
There are five types of budget revision requests:

- **Change in the work plan**: A budget revision request may be submitted after revision of the work plan, during the year. This revision should be accompanied by the **Budget Revision Request Form** explaining the proposed changes.

- **Project extensions**: This entails prolonging project activities beyond the original end date established in the agreement between the resource partner and the ILO, and therefore requires resource partner approval, which should be requested by PARDEV. A no-cost extension request should be submitted in time to enable PARDEV and the resource partner to process it before the end of the project. Three months before the expected project end is the minimum time necessary. To initiate a project extension, the ILO responsible official needs to submit a detailed justification of the need for the extension, a revised budget, and a revised work plan to PARDEV (after consultation with the technical backstopping unit). In the case of locally mobilized resources, the ILO responsible official may submit the request directly to the resource partner, after consultation with PARDEV, BUD/CT and the technical backstopping unit.

- **Budget changes involving modifications to the originally approved budget**: This concerns any changes to the budget as approved by the resource partner, and requires resource partner approval, depending on the contractual requirements. Budget changes beyond a certain percentage of the budget as approved by the resource partner normally always require prior resource partner approval. For the purpose of the calculation of the threshold, budget revisions are cumulative. Therefore, the PARDEV desk officer will always compare the proposed revision with the latest version of the budget approved by the donor. Please consult PARDEV on specific resource partner requirements.

- **Budget rephasing**: Immediately after the year-end closing of accounts (usually mid-February), the project budget must be rephased, unless the project is being closed.

- **Final revisions** involving budget changes at the end of the project, at the time of financial closure and of preparation of the financial statement.

All budget revision requests should include the proposed new budget (either in BPS format for **FISEXT** locations, or the budget report in IRIS locations), an overview of changes compared to the budget as approved by the resource partner, and a justification for the proposed changes in the **Budget Revision Request Form**. This is particularly important if modifications entail funds being

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26 Non-IRIS locations continue to send their budget revision requests to both PARDEV and BUD/CT desk officers.
transferred from project activities to staff lines, or if important modifications on the project strategy or scope are being proposed. Without appropriate justification, PARDEV cannot clear the revision request (see BUD/CT’s Technical Cooperation Budget Preparation Procedures, and PARDEV’s Budget Revision Requests (BRR)).

6.5 Completion and financial closure

Project completion and closure are determined by the dates indicated in the original agreement signed with the resource partner, or in subsequent approved project extensions. The project manager and ILO responsible official should be aware of the provisions of the agreement, as they are responsible for complying with them (see Reviewing project design).

The end dates of the project are communicated to the ILO responsible official by PARDEV in the Approval Minute, and constitute the basis for the initial revision of the work plan, the subsequent updates, and the final planning, including the final evaluation activities (see Chapter 5 – Appraisal and Approval). PARDEV issues a project closure minute, approximately three months before the project end date. The project closure minute provides information on the key requirements for a smooth conclusion.

The timely ending of activities and closure of projects require the key managerial roles of the ILO responsible official and ILO office Directors, together with well-coordinated action by all support units concerned. It is of utmost importance to plan the end of activities and financial transactions of the project in line with the established end dates of the proposal and resource partner agreement, in order to maintain good working relationships with resource partners.

6.5.1 Project completion

It is important to differentiate the completion of activities of a project from financial closure.

A project is considered completed when:

- All operational activities have ended;
- No further encumbrances will be raised;
- The final progress report has been prepared; and
- The final evaluation report has been approved (as per requirements) and the management response to evaluation recommendations have been completed by the line manager.\(^\text{27}\)

\(^{27}\) For requirements on ILO’s evaluation policy, please refer to Chapter 7 – Evaluation, EVAL’s internet page, and the approval minute and agreement of the project in question.
The **Final Report** is prepared by the Project Manager and sent to **PARDEV** by the ILO responsible official, following consultation and clearances with the respective technical backstopping unit. For information and a template for the final report, see the section on **Monitoring and reporting**.

The **Final Evaluation Report** is prepared (as required) by an independent or internal evaluator, and submitted to **PARDEV** for transmission to the resource partner. In the case of independent evaluations, the final evaluation report is approved by **EVAL** before it is sent to **PARDEV**.

### 6.5.2 Financial closure

**Initiating the process of financial closure**

Once project activities have been completed, the ILO responsible official initiates the process of financial closure by informing **BUD/CT** through **PARDEV** that project activities have ended and that no further encumbrances against the project will be raised.

In cases where contractual project end dates have expired and project financial closure has not been initiated, **PARDEV** consults with the respective unit/office, and initiates the process of closure, jointly with **BUD/CT**.

Any encumbrances and expenditure that are initiated after the project end dates are charged directly to the regular budget allocations of the responsible office. A project is considered financially closed when:

- Funds have been received;
- **Encumbrances** have been paid and liquidated;
- Expenditure has been recorded;
- The final budget revision has been carried out;
- The final financial statement has been prepared and submitted to the resource partner;
- The final balance has been refunded or transferred in line with resource partner instructions; and
- **BUD/CT** has changed the status of the project to “financially closed” in **IRIS**, and the award is closed.

**BUD/CT** is responsible for preparing the **Final financial statement** for submission by **PARDEV** to the resource partner, while **BUD/CT** is responsible for the financial closure of the project once all necessary information has been provided by the Responsible Office and **PARDEV**.

The agreement signed between the ILO and the resource partner usually contains provisions concerning unspent allocations and accrued interest. When this is not the

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28 See above footnote.
case, PARDEV will discuss with the resource partner the possibility of using the funds for reprogramming activities.

The ILO responsible official also initiates action with respect to the following matters:

- **Cessation of service for project personnel**: This entails coordinating with HRD (for international experts) and the respective field offices and the project manager (for national personnel) the process of ending contracts for project personnel, and preparing and initiating international expert departure formalities and debriefing schedules. For decentralized projects, it entails debriefing national and international staff in the field with the field offices concerned.

As per the applicable ILO Administrative Tribunal jurisprudence, proper notice of non-extension should be given to the staff member concerned at least two months before the contract’s expiry date.

The reason for the non-extension due to the end of the project or for budgetary reasons should be clearly outlined even when this coincides with the proposed end date of project/programme activity. The notice of non-extension letter should be signed by the manager having the appropriate delegated authority. Without prejudice of the authority given to the Director of the Human Resources Development Department or the designated officials, Directors of external offices, Director of Development Cooperation Programs and Chief Technical Advisers of Development Cooperation Projects have delegated authority and accordingly the responsibility to notify staff within their programs or projects of the non-extension of their appointments.

The staff member concerned should acknowledge receipt of the letter by dating and signing it. A copy should be sent to all parties involved for record purposes and follow up if/when necessary.

Where it is not possible to provide adequate notice prior to the date of expiration of the contract, payment of a sum corresponding to the amount of salary and allowances for the period of notice may be substituted for it.

HRD has developed some templates and guidelines for ease of reference. These guidelines apply to both international and locally-recruited staff members.

Bearing in mind the delivery of the project and confidentiality, it is important to liaise as soon as possible with the relevant entities including HRD to examine potential redeployment possibilities within the ILO. This is particularly valid for staff members who have been working on TC contracts for more than five years at the international or local level.

**NOTE**: Any decision concerning non-extension or termination of contract for performance related reasons cannot be taken without completion of the appropriate performance appraisals and review by the Reports Board. Always liaise with HRD and the Regional HR Partner in such situations.

For any further clarification please contact HR/OPS – Technical Cooperation Unit (laval@ilo.org) or the responsible Regional HR Unit (for locally recruited staff).
For information on procedures and formalities regarding the end of contracts, please refer to HRD's intranet page. As some processes at headquarters are changing with the implementation of IRIS, HRD should be consulted.

- **Disposal of equipment and other assets:** The final destination of equipment, furniture and other assets is often stipulated in the agreement, or can be agreed and negotiated between the ILO, the resource partner, and the national counterpart prior to the end of the project. HRD should be consulted in the latter case. As a general rule, project equipment purchased with project funds is transferred to the project beneficiary at the conclusion of the project. However, communication equipment (walkie-talkies, satellite phones, GPS units) must be returned to ILO Security Services for “security cleaning” prior to their delivery to the beneficiary. Vehicle communication equipment (VHF, UHF) should not be transferred to the beneficiary but returned to the country office or regional office for future use, so as not to undermine UN-wide security communications. For more information, please refer to the office guidelines on Financing Security Requirements for extra-budgetary projects and personnel, IGDS No. 338 (Version 1) and the Procurement Manual.

29 In accordance with Office Procedure on Furniture and equipment, IGDS No. 281 (Version 1), dated 9 May 2012. ILO Field Offices are responsible for maintaining an inventory of security equipment allocated to their offices and to projects within their geographical area of responsibility. The furniture and equipment management system (INI), should be used for this purpose.

### 6.5.3 Project extensions at the end of the project

Depending on the terms of resource partner agreements, no-cost extensions of the project deadline may be approved, although resource partner approval will still be required. No-cost extensions requests should be submitted in time to enable PARDEV and the resource partner to process them before the end of the project, which means three months before the expected end. Extensions should be justified objectively with an explanation of why the project schedule suffered a delay. The process to follow is that of a budget revision, and a revised project budget should be approved in accordance with the different resource partner policies.

Project extensions entailing new funding (new project phases) are usually treated as new project proposals. Therefore they should be negotiated well in advance, in order to ensure that resources are still available and activities can continue without major disruption.

Delays in obtaining approval for the new project phase or in securing funds have serious implications regarding contract extensions for both international and local staff, because the use of regular budget funds is usually not authorized. It is very important to liaise with the relevant entities, including HRD, so that options can be explored. In some cases, FINANCE may authorize the continuation of activities and contracts before payment of the new contribution, on the basis of the resource partners written assurance that the new project phase has been approved, and that the funds will be secured.
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This chapter explains the ILO’s evaluation policy and management, and indicates how evaluation results can be used for organizational learning.

In the ILO, evaluation is used as a management and organizational learning tool to support ILO constituents in advancing decent work and social justice. It is a critical means for improving decision making, generating knowledge within the organization and providing verifiable evidence of effectiveness. An evaluation is an assessment of an intervention, focusing on what worked, what didn’t work, and why this was the case. The evaluation process also examines if the best approach was taken, and if it was executed in an optimal fashion.

There are specific tools and mechanisms\(^1\) in place to encourage ILO staff and implementing partners to learn throughout the evaluation process, and once the work has been evaluated. Considerations for evaluation should start at the project design and appraisal stage, and carry through to project implementation, as noted in Chapter 6. Thinking of evaluation early in the process ensures that lessons from previous projects are taken into account, leading to improved design. It also optimizes the potential for generating meaningful and relevant findings at the evaluation stage. Furthermore, involving key actors\(^2\) at the different stages increases their interest and participation, leading to a higher quality response to recommendations by management.

This chapter provides an overview of the ILO’s evaluation policy and operational approach to project-level evaluations, guided by the ILO policy guidelines for evaluation. It was published in August 2017. It presents the different types of evaluations undertaken within the ILO, clarifies the roles and responsibilities of different key actors, and discusses the use of evaluation results in the project cycle. Particular attention is given to independent project evaluations. Throughout the chapter, references are made to existing guidance, checklists and tools developed by EVAL.

### 7.1 Project evaluation requirements

The ILO policy on project evaluation requirements states that all ILO \textit{XBDC} - funded projects are subject to evaluation. To this end, EVAL has prepared a note, in consultation with PARDEV, to explain the process of quality control in line with EVAL’s policy guidelines and guidance for results-based evaluation.

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\(^1\) Please refer to pages 176-177 for more information on these specific tools and guidance documents.

\(^2\) Please refer to Guidance Note 7.
The type and timing of these evaluations depend on the budget and duration of the project, as shown in Figure 1 below. A single evaluation may be conducted to cover several projects that are clustered by theme or geographic focus, provided that the evaluation (1) applies a scope, purpose and methodology comparable to what would be used for an individual evaluation; (2) has resource partner consent; and (3) is approved by an EVAL officer in HQ or the appropriate regional office, for projects with a budget over US$ 1 million.

**ILO policy requirements for project evaluations**

<table>
<thead>
<tr>
<th>Project US$</th>
<th>Under 18 months</th>
<th>18 to 30 months</th>
<th>Over 30 months</th>
<th>Multiphase projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over 5 million</td>
<td>Initial M&amp;E appraisal by EVAL, see Evaluation Tool: M&amp;E plan appraisal tool, Independent Mid-term and Final independent, Recommended: evaluability assessment</td>
<td>Initial M&amp;E appraisal by EVAL, Annual review, independent mid-term and final independent, Recommended: evaluability assessment</td>
<td>Initial M&amp;E appraisal by EVAL, annual review, mid-term independent, final independent, Recommended: evaluability assessment</td>
<td>Once project has passed the various time thresholds, the requirement for that timeframe kicks in.</td>
</tr>
<tr>
<td>1 to 5 million</td>
<td>Final independent evaluation</td>
<td>Mid-term (self or internal) &amp; final independent evaluation</td>
<td>Annual review, mid-term (self or internal), final independent evaluation</td>
<td>Once project budget reaches US$ 1 million an independent evaluation is required.</td>
</tr>
<tr>
<td>500,000 to 1 million</td>
<td>Final internal evaluation</td>
<td>Annual review, final internal evaluation</td>
<td>Annual review, mid-term internal, final internal evaluation</td>
<td>--</td>
</tr>
<tr>
<td>Under 500,000</td>
<td>Final self-evaluation</td>
<td>Annual review, final self-evaluation</td>
<td>Annual review, mid-term self, final self-evaluation</td>
<td>--</td>
</tr>
</tbody>
</table>

3 Please note that the information presented above reflects the ILO’s minimum requirements; one can go beyond these subject to circumstance. External evaluations can be accommodated however the ILO prefers independent evaluations given the value placed on evaluation to contribute to organizational learning and improved organizational practices.

The ILO policy for project evaluation requires that all projects with a budget of:

- over US$ 5 million, must undergo an initial monitoring and evaluation appraisal (an evaluability review within one year of start-up is required), and both the midterm and final evaluations must be independent;
- over US$ 1 million, must undergo at least one independent evaluation;
- between US$ 500,000 and US$ 1 million, must undergo an internal evaluation;
- below US$ 500,000, have a self-evaluation.

The ILO policy for project evaluation is also based on the project’s duration. For projects with a duration of less than 18 months a final evaluation (internal or independent depending on budget size) is required. Meanwhile, projects with duration of more than 18 months but below 30 months require annual reviews and a final evaluation. Furthermore, annual reviews, a mid-term evaluation and a final evaluation (one of the evaluations should be independent), are required for projects over 30 months.
The roles and responsibilities of ILO staff vary according to the type of evaluation and their level of involvement in the intervention being evaluated. The degree of independence when managing and/or conducting an evaluation is a function of the project budget and duration, the conditions of which are stipulated in the PARDEV project Approval Minute. People can thus participate in evaluations in different capacities: as evaluation managers, as evaluators (who conduct the evaluation) and as contributors of information. The role of EVAL is to focus on quality control and technical support to departments and regions, as and when requested, and to delineate evaluation results and share experiences to promote organizational learning.

**ILO decentralized evaluation approaches**

<table>
<thead>
<tr>
<th>Evaluation type</th>
<th>Evaluation management</th>
<th>Evaluation implementation (evaluators)</th>
<th>Degree of independence</th>
<th>Financial costs to the ILO</th>
<th>Organizational Learning</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Self-evaluation</td>
<td>ILO (including project management)</td>
<td>ILO (including project management)</td>
<td>Low</td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>2 Internal evaluation</td>
<td>ILO (including project management)</td>
<td>ILO (project management works with external evaluation consultant or ILO internal evaluator)</td>
<td>Medium</td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td>3 Independent evaluation</td>
<td>ILO (excluding project management) with evaluation process overseen by EVAL and its network</td>
<td>External</td>
<td>High</td>
<td>High</td>
<td>Medium</td>
</tr>
<tr>
<td>4 External evaluation</td>
<td>External</td>
<td>External</td>
<td>Medium to high</td>
<td>Low</td>
<td>Low</td>
</tr>
</tbody>
</table>

7.2 Project evaluations

In the ILO a distinction is made between governance-level evaluations and decentralized evaluations. Governance-level evaluations aim to generate insights into organizational-level performance, and contribute towards high-level decision making about policies, strategies and accountability. These evaluations are directly managed and conducted by EVAL, and include independent strategy and DWCP evaluations. In some instances, EVAL also undertakes thematic evaluations when there is a substantial request.

Decentralized evaluations focus on programmatic areas funded from extra-budgetary resources, such as development cooperation projects and to a certain degree the implementation of country programmes. Project evaluations can take different forms and be carried out at different points in the project cycle, depending on the budget and duration of the project under consideration. Their direct management – including resourcing – is the responsibility of departments and regions, but EVAL remains responsible for quality control and ultimate oversight.

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4 Other types of decentralized evaluations include thematic evaluations, impact evaluations and joint evaluations. Joint evaluation is another type of decentralized evaluation of DC funding. Thematic evaluations and impact evaluations are other forms of evaluation in ILO, covering DC activities. For further information about impact evaluations, see EVAL Guidance Note 13: Impact Evaluation, and EVAL Checklist 9: Impact Evaluation Planning. For further information on joint evaluations, see EVAL Guidance Note 14: Joint Evaluation.
Figure 1 - Evaluations and the ILO’s results-based framework
Box 1: Stakeholder participation

In involving stakeholders in project evaluations is one means to further empower local actors and move the decision-making processes closer to national partners. In the context of project implementation, the evaluation process provides space for reflection about how the ILO and its national partners can better support each other to achieve the desired development results.

Project evaluations aim to assess the relevance of project design as it relates to the ILO's strategic and policy framework. They can be used to improve project performance and contribute towards organizational learning. Evaluations also add value by helping managers make decisions to enhance a project's ability to achieve results for development. Depending on their timing, project evaluations assess the effectiveness of planning and managing for future impacts during the project cycle. They can also serve accountability purposes, by systematically investigating into whether or not a project has been implemented with fidelity, whether it was done efficiently, and whether it achieved its intended outputs and outcomes.

Projects should not only be evaluated to determine how well they achieved the objectives contained in their logical frameworks. Project evaluations should also determine the extent to which a project contributed to Decent Work Country Programme outcomes. This approach contributes to the ILO's results-based management approach.

7.2.1 Types of project evaluations

Evaluations at the internal level fall into two categories: the relatively informal reporting format of self-evaluations, required for all development cooperation projects under US$ 500,000, and the more formalized evaluation format of internal evaluations, mandated according to the specifics of any project with a budget over US$ 500,000. The difference between the two types is detailed below, with appropriate links to EVAL guidance.

Self-evaluations are required for all development cooperation projects under US$ 500,000. These are used by some units to reflect on whether (a) they are doing the right thing; (b) they are doing things in the right way; and (c) there are better ways of achieving the intended results. For instance, SECTOR (Sectoral Activities Department) has used self-evaluations to assess specific action programmes. In this context, self-evaluations often take the form of a desk review, plus a workshop with tripartite constituents, project partners and stakeholders. Self-evaluations are a type of internal evaluation managed and conducted solely by ILO staff members, who are entrusted with the design and delivery of an intervention, including project management, technical specialists and backstoppers. Click here to examine an example of a self-evaluation.

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5 Please refer to Guidance Note 7: Engaging Stakeholders in Evaluation

6 As noted in Chapter 4, section 4.2.1 – Project Strategy, and assessed during the appraisal mechanism, project proposals should check and cite evaluation reports and associated lessons that have been incorporated into the project design.
**Internal evaluations** follow a more formalized evaluation process, but are coordinated by project staff, and may be conducted by a qualified ILO official, or a consultant if one cannot be found. If done by an internal ILO official, no ties or conflict of interest should exist with the management of the project. In the case of a mandated internal evaluation for projects over US$ 1 million, it is strongly recommended that an evaluation consultant be hired. If internal evaluations are conducted halfway through the project, as midterm evaluations, recommendations should be put forward where appropriate for project correction. Click here to examine an example of an internal evaluation. Budgets for these more formalized internal evaluations should be set aside at the project proposal stage.

**Independent evaluations** are managed by independent ILO officials designated as evaluation managers and overseen by EVAL. They are carried out by external evaluators who have no previous links to the project. Other independent ILO officials may participate in the evaluation as team members. The roles and responsibilities for managing and implementing an independent project evaluation are outlined in EVAL’s Guidance Note 6: The Evaluation Manager – Role and Function.

**External evaluations** are managed from outside the ILO and are conducted by external evaluators who have no previous links to the project being evaluated. External evaluations are usually initiated, led and financed by a resource partner agency. External evaluations are acceptable in the ILO, but should not be at the expense of the evaluations required and mandated by the ILO’s policies and guidelines, for which the necessary resources have to be set aside in the project budgets.

Joint evaluations are evaluations where ILO partners with another entity to jointly manage and implement an evaluation. These are often of a joint project/programme as foreseen in the relevant programming documents or donor agreements, and to which different partners contribute through funding, specific components and/or joint activities. Impact evaluations aim to assess the “positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended” (OECD/DAC 2002). They aim to assess the contribution or attribution of a specific intervention(s) to an outcome. See EVAL Guidance Note 13: Impact evaluation.

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**RULE**

**Quality standards**

In all cases, project evaluations should adhere to the United Nations Evaluation Group (UNEG) and OECD/DAC Norms and Standards, and focus on the following criteria: relevance, effectiveness, efficiency, sustainability and impact.
7.2.2 Timing of project evaluations

Evaluations can also be categorized based on their timing within the implementation process. The requirements for these depend on both the budget and the duration of a project.

Annual reviews are yearly assessments of the performance of an intervention, and focus on outputs and outcomes of a project. They allow stakeholders to reflect on how well the project is progressing towards achieving its objectives, and to identify any challenges, taking into account available monitoring and evaluation data. They are often based on a compilation of progress reports, and can be organized to look at specific issues. ILO managers and CTAs are responsible for these, while PROGRAM and PARDEV oversee the processes at an organizational level, and report performance to the Governing Body.

Midterm Evaluations (MTEs) aim to assess the continued relevance of an intervention, and progress made towards achieving its planned objectives. They also provide an opportunity to make modifications to ensure the achievement of these objectives within the lifetime of the project. In addition, MTEs provide an opportunity to ascertain whether the intervention is still aligned with the ILO’s strategic objectives, is relevant and useful to the key stakeholders, and is being conducted in an efficient manner according to ILO standards and the agreed project document. Midterm evaluations can be independent or internal – depending on the budget and duration of the project under review. They should take place approximately halfway through the implementation of a project, and are most useful when a number of planned activities have been delivered, and a considerable percentage of funds has been spent. See EVAL’s Guidance Note 2: Midterm Evaluations.

Final evaluations focus on the outcomes of projects and to what extent they have achieved the intended results. These evaluations provide an opportunity for in-depth reflection on the strategy and assumptions guiding the intervention. They assess progress made towards achievement of the intervention’s objectives, and recommend adjustments to the type of project strategy for the future. They are also a means by which to assess how well intervention-level actions link to and support higher level ILO strategies and objectives, as articulated in DWCPs and the P&B.

RULE
Oversight responsibilities

The Evaluation Office provides final oversight of the evaluation of decentralized projects through appropriate quality control. Regional and departmental evaluation networks, in the form of regional evaluation officers and departmental evaluation focal points, support the planning and implementation of evaluation activities for development cooperation projects with help from certified evaluation managers.
**Ex-post evaluations** take place after completion of the project, with the aim of assessing the longer term effects of specific interventions. They can be part of strategy/policy, thematic or country programme evaluations that also consider linkages between different interventions and longer term development outcomes. The budgets for these are usually not linked to the original development cooperation project but can be part of follow-up DC projects or budgets, and are therefore managed by the administrating department with oversight over the technical subject addressed and under evaluation.

**Additional tools for projects with a budget of over US$ 5 million**

As shown in Figure 1, additional mechanisms are used to assess and improve performance of projects with a budget of over US$ 5 million. These take the form of monitoring and evaluation appraisals, and evaluability reviews. The M&E appraisal process is part of the ILO’s quality assurance process, and applies to all project proposals with budgets above US$ 5 million, as described in more detail under the appraisal mechanism. It is required that an evaluability review be conducted within the first year of these large projects, to ensure that a sound monitoring system is in place, and that the evaluation design and data collection mechanisms are appropriate and on track.

- [Monitoring and Evaluation Appraisal Tool for Projects Over US$ Five Million](#)
- [The Evaluability Assessment Tool](#)
- [Guidance Note 16: Evaluability of ILO programmes and projects](#)

### 7.3 Evaluation management

#### 7.3.1 Evaluation work plans in regions and departments

Each biennium, EVAL takes a comprehensive approach to planning decentralized evaluations, involving managers within ILO departments at Headquarters and in the regions. The Executive Directors and Regional Directors of staff managing decentralized evaluations are informed of the topics, and take responsibility for completing evaluation work that falls administratively under their authority.
Box 2: Planning upcoming work using the i-Track database which is then publicly displayed in i-eval Discovery.

When a new project is approved and requires an evaluation, EVAL enters a planning record into the i-Track database which is then publicly displayed in i-eval Discovery. These planning records serve as a searchable placeholder to help administrative and technical backstopping offices plan for upcoming evaluations. When the evaluation is completed, the final report is accessible via i-eval Discovery, including all internal evaluations of projects with budgets above US$ 500,000.

Regional evaluation officers develop two-year rolling work plans to implement their regional evaluation strategy, using the evaluation planning records held in the i-eval Discovery. The regional and departmental evaluation work plans should be broadly consistent with the GB-approved organizational-level programme of work, and should be discussed throughout the Office to identify opportunities for collaboration and consolidation. These work plans should provide a detailed schedule of all decentralized independent evaluations that will take place in the upcoming year. Regions and departments are also responsible for developing evaluation plans for interventions funded by the RBSA, which are reviewed and approved by EVAL. These plans indicate how the proposed activities will complement the existing evaluation work of departments or regions during the biennium. Regions and departments are also requested to submit annual reports to EVAL on implementation of work plans, along with all evaluation documentation. The timing, scope and orientation of evaluations should be verified to ensure that these respond to the evaluation requirements stipulated in the Project Approval Minute issued by PARDEV, are consistent with the interests of upper management and constituents, are relevant, and adequately addressing accountabilities for performance.

7.3.2 Evaluation budget

When drafting the project budget, allocations must be set aside for evaluation according to the ILO evaluation policy. As shown in Figure 2, project line 16 should reserve adequate resources to cover the monitoring and evaluation activities for all phases of the project (e.g. gathering of baseline data and development of a monitoring and evaluation plan and midterm and final evaluations, as required).
ILO’s evaluation policy requires that a minimum of 2 per cent of total project funds be reserved for self-evaluations, internal evaluations and independent evaluations. These resources are to be assigned to budget line 16.50 for traditional BPS input-based budgets. On a case-to-case basis, EVAL may exceptionally allow a lower percentage dedicated for evaluations depending on certain variables, such as the size and nature of the project, and expectations in terms of evaluation deliverables. DEPFs and REOs are available for consultation to help determine an appropriate cost estimate for evaluation activities in case the 2 per cent provision is considered excessive or not adequate. EVAL approval is required for such exceptions. Use of the resources under budget line 16.50 requires approval from EVAL. In addition, ILO policies also require that resources be set aside (3% being recommended) for monitoring, collecting baseline data and reporting. In input-based budgets these resources can be entered under the appropriate budget line, depending on the activity (e.g. mission credits, subcontracting to hire a research firm to collect baseline data, budget line for a workshop/seminar for consulting stakeholders on project results, etc).

For results-based budgets, monitoring costs should be included within the project management and oversight outcome, using the same principles described above (see template, budget line 04.03). Evaluation costs – such as costs to conduct an independent evaluation or self-evaluation – should be integrated into budget line 04.03.04, since in the ILO evaluation is part of oversight.

As indicated above, a reasonable amount of funds should be reserved for evaluation. The 2 per cent rule, explained above, is part of ILO’s policy guidelines for evaluation. However, on a case-to-case basis – especially for very large project budgets – EVAL may allow a lower amount or insist on a higher amount, depending on the nature of the project, the expectations in terms of evaluation deliverables, etc. For this reason, it is useful to make a realistic cost estimate to cover evaluation and other M&E activities. Departmental evaluations focal points and regional evaluation officers can be consulted to help arrive at a realistic cost estimate.

### 7.3.3 Regular Budget Supplementary Account (RBSA) for monitoring and evaluation

To ensure adequate capacity to oversee use of the RBSA, a minimum of 5 per cent of total RBSA resources are held in reserve in a special account to fund oversight, monitoring and evaluation activities: 0.4 per cent of total RBSA resources are allotted to audit, while 4.6 per cent is allocated to evaluation - most of which is allocated to

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7 See ILO policy guidelines for evaluation: Principles, rationale, planning and managing for evaluations.
the regions, with EVAL providing oversight of the use of resources, and quality control.

The existing ILO evaluation policy applies to RBSA-funded initiatives, meaning that those initiatives with budgets over US$ 1 million require an independent evaluation, while initiatives with smaller budgets will be required to carry out internal evaluations or self-evaluations. In addition, performance of RBSA-funded initiatives will be regularly monitored by ILO Regional Offices, as part of DWCP outcomes. Initiatives funded through RBSA can also be monitored and evaluated as parts of other related (clustered) development cooperation activities.

When there is a clear need for additional or expanded monitoring or evaluation activities or capacities as a result of RBSA-funded interventions, the RBSA reserve account can be used to support and supplement ongoing monitoring and evaluation activities related to DWCPs and P&B outcomes.

The RBSA M&E reserve can finance the following:

- conduct independent evaluations and internal reviews of activities directly, but not exclusively, linked to RBSA allocations;

- development of monitoring systems and the establishment of baselines against which to assess and report on results.

Delays in the evaluation process can add to overall evaluation costs. Therefore it is recommended to plan the timeframe of the evaluation realistically.

### 7.3.4 Managing independent project evaluations

The planning and management of decentralized evaluations, including independent project evaluations, is delegated to the regions and departments that are responsible for their implementation. These evaluations are conducted by independent external consultants, and managed by independent ILO officials (evaluation managers), with support from evaluations officers located in the regions or departmental evaluation focal points. (See Table 1 below for detailed information on the key role and responsibilities of evaluation managers).

The annual average number of project evaluations is between 70 and 80. This large number precludes the staff of the ILO’s Evaluation Office from managing them all centrally. Therefore ILO’s evaluation policy and system relies on an evaluation network that embeds some of the functions within the regions and departments, using full-time Regional Evaluation Officers, Department Evaluation Focal Points and Evaluation Managers. Final accountability and approval for all evaluation reports, including decentralized project evaluations, rest with EVAL.
Box 3: Evaluation Manager Certification Programme

To raise the quality of evaluation management and recognize the important contribution that voluntary evaluation managers make to evaluation within the ILO, EVAL designed and introduced the ILO Evaluation Managers Certification Programme (EMCP) in 2013. Since that time a partnership has grown up between EVAL and the International Training Centre in Turin, with strong support from HRD/Talent Management. After an initial pilot, seven workshops have already been conducted - three in Turin, two in Bangkok, one in Dakar and one and Johannesburg - with a total of 105 trainees having currently completed the programme. The average level of satisfaction with the overall quality of the training was 92 per cent.

Given the responsibilities associated with the task of managing an evaluation, the training aspect of their certification is only the first step in the process. A supervised practicum is required – in which they manage an evaluation from start to finish – to become a certified ILO evaluation manager. This new community of trained evaluation managers will not only strengthen ILO’s evaluation culture and organizational capacity, but will also improve the overall quality of evaluations – and therefore improve ILO’s results-based management.

For more information on the application and nomination requirements, please contact: EVAL@ilo.org

Regional Evaluation Officers are the regional focal points for decentralized development cooperation project evaluations. They oversee and advise on the process of planning, managing and following up on DWCP reviews and project evaluations, including approval of the final TOR and the choice of consultants. They also oversee reporting and follow-up to evaluation recommendations.

Box 4: Internal Evaluation Training Programme

In 2017, EVAL launched the Internal Evaluation Training Programme (IETP) in order to increase the frequency and enhance the quality of internal evaluations, improve their utility, and contribute to organizational learning. The specific objectives of the training programme are to: provide participants knowledge on the fundamental concepts, processes, and methods which define programme and project evaluations; enhance participants’ technical skills in designing and conducting evaluations of ILO programmes; understand the importance of using soft skills in engaging evaluation stakeholders, and; join a community of practice made of ILO staff who promote the use of evaluations in the Organization.

For more information on the training programme, please contact: EVAL@ilo.org

Regional Evaluation Officers and Departmental Evaluation Focal Points work in conjunction with project management to identify an evaluation manager. For RBSA evaluations, where 4.6 per cent of total RBSA resources are set aside for M&E, evaluation managers are selected by the regional evaluation officer in collaboration with relevant technical experts, with EVAL providing oversight on the use of RBSA M&E resources.

A clear division of roles and responsibilities for independent evaluations is an important element in ensuring that the ILO’s guiding principles of evaluation are observed. These are summarized in Table 1 below.
### Table 1 - Key roles and responsibilities within the ILO for independent decentralized evaluations

<table>
<thead>
<tr>
<th>Actor</th>
<th>Responsibility</th>
</tr>
</thead>
</table>
| RD and DD                 | • Ensures principles supporting the evaluation function apply to all evaluations falling within their domain  
                            • Ensures compliance with Office policies, including required self-evaluation and internal evaluation of programmes and projects |
| ILO responsible official  | • Ensures that sufficient funds are secured for evaluations at the intervention design stage  
                            • Provides administrative and technical support for the evaluation, including help in preparing the TOR, including participation in the evaluation workshop  
                            • Provides comments on the draft report  
                            • Line management responds to evaluation recommendations (both mid-term and final evaluations) according to ILO evaluation policy  
                            • Follows up on the evaluation and disseminates lessons learned |
| EVAL                      | • Provides standards and guidance on evaluation procedures and methodologies  
                            • Assures quality of reports meet international standards; monitors compliance with ILO evaluation policy throughout the process  
                            • Approves the final evaluation report prior to submission to donor  
                            • Stores all evaluation reports and related documents in the i-Track database. Publishes high-level evaluation reports and summaries of independent evaluations  
                            • Initiates the procedure for management response to evaluation recommendations for independent evaluations |
| REO                       | • Provides support in the planning of evaluation for the region. This includes the submission of annual plans to EVAL for approval and implementation of the regional evaluation work plan  
                            • Provides support in the case of evaluability studies or scoping mission  
                            • Identifies and briefs the evaluation manager  
                            • Works with evaluation manager to facilitate access to evaluator profiles for selection  
                            • Approves the selection of evaluator, including consulting the evaluation consultant database; approves the final version of the TOR; and consults with EVAL, as required  
                            • Reviews the final evaluation report and completes the relevant submission documents prior to submission to EVAL for approval |
| **DEFP** | • Provides support in the planning of decentralized evaluations for the department  
• Provides support in the case of evaluability studies or scoping mission  
• Works with evaluation manager to facilitate access to consultant profiles for selection  
• Approves the selection of evaluation consultant; DEFP should consult the evaluation consultant database. Approves the final version of the TOR and consults with EVAL as required  
• Reviews the final evaluation report and completes the relevant submission documents prior to submission to EVAL |
| **Evaluation Manager** | • Drafts TOR in consultation with stakeholders (including donors)  
• Submits draft TOR to stakeholders for additional comments, revises the TOR then submits TOR to REOs or DEFPs for approval  
• Finds an evaluator and submits to REOs or DEFPs for approval, EVAL should be consulted as necessary to cross-check with the evaluation consultant database.  
• Once evaluator is approved, negotiates terms and finalizes evaluator arrangements including briefing  
• Works with project staff to ensure evaluator is provided with adequate documentation and access to data  
• Reviews first draft of inception and evaluation report  
• Circulates the draft report to stakeholders for comments  
• Consolidates comments received from stakeholders and sends them to the evaluator  
• Reviews final evaluation report to ensure quality  
• Submits final report package (including the submission form and evaluator review form) to REOs or DEFPs for initial approval and then sends to EVAL HQ for formal approval.  
• Once approved by EVAL, the evaluation manager endorses payment to the evaluator |
| **Project/ Programme Manager and staff** | • Provides input to TOR  
• Ensures consultant has adequate documentation, assists in data gathering and logistical support  
• Arranges meetings and coordinates exchanges between the evaluation team and partners  
• Participates in evaluation workshop and provides input to evaluation manager on draft report |
### Evaluation Consultant
- Undertakes the evaluation according to the agreed TOR
- Prepares and submits inception report, draft and final evaluation reports to evaluation manager
- Is always an external individual for all independent evaluations, but may be aided by an internal ILO evaluator independent of the project
- Must be independent and has sole responsibility for the substantive content of the final evaluation report in line with EVAL quality requirements and formats

### PARDEV
- Receives evaluation report after approval from EVAL
- Ensures evaluation report is submitted to donors

Specific guidance has been developed to delineate the main duties and responsibilities of independent evaluation managers and guide them in their work. This includes: defining the focus, scope and clients of an evaluation; planning the evaluation process; agreeing on the evaluation budget; drafting and circulating the Terms of Reference; involving stakeholders; and selecting and managing consultants.

- **EVAL Guidance Note 6: The Evaluation Manager – Role and Function**
- **EVAL Guidance Note 7: Stakeholder Participation**
- Guidance Note 5: Using the EVAL consultant database & consultant training
- **EVAL Checklist 1: Writing Terms of Reference**
- **EVAL Checklist 2: Rating the Quality of Terms of Reference**
- **EVAL Checklist 10: Documents for Project Evaluators**
- **Template: Reference Check Questionnaire for Evaluation Consultants**
- **Template: Code of Conduct Agreement with ILO Evaluation Consultants**
Box 5: Gender and evaluation

Specific guidance on integrating gender equality (and human rights) into ILO evaluations has been developed by EVAL, with inputs from the ILO’s Gender, Equality and Diversity Branch and the United Nations Evaluation Group. The document provides guidance for integrating gender at different stages of the evaluation process, including when drafting the TOR; recruiting the evaluation team; conducting the evaluation; writing and reviewing the evaluation report; undertaking dissemination and knowledge sharing; and preparing and assessing management follow-up. The Guidance Note also lists gender-oriented questions associated with common evaluation criteria.

**EVAL Guidance Note 4: Integrating Gender in the Monitoring and Evaluation of Projects**

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**7.3.5 Conducting independent project evaluations**

A good overall look at the process, and at interaction between the responsible officials, can be found in the document *Streamlining of EVAL–PARDEV Cooperation on Quality Control for Decentralized Evaluations*.

The new ILO policy guidelines for evaluation state in chapter 4 that evaluations are conducted in five phases: Phase 1 - The inception report / Phase 2 - Data collection and analysis / Phase 3 - Conclusions and recommendations / Phase 4 - Lessons learned & good practices / Phase 5 - Reporting and disseminating results.\(^8\)

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Phase 1 - Inception report:

- It is good practice to ask evaluators for an inception report before the evaluation begins (i.e., field missions or in country data collection), to ensure that the TOR is understood, to clarify potential challenges, and to make certain that outputs will be delivered as expected. Once the inception report is accepted, the evaluation can begin.

◊ **EVAL Checklist 3: Writing the Inception Report**

Phase 2 - data collection and analysis, Phase 3 - conclusions and recommendations and Phase 4 - lessons learned & good practices.

◊ **EVAL Guidance Note 3: Evaluation Lessons Learned and Emerging Good Practices**

◊ **EVAL Guidance Note 4: Integrating Gender in the Monitoring and Evaluation of Projects**

◊ **EVAL Checklist 4: Validating Methodologies**

◊ **EVAL Checklist 5: Preparing the Evaluation Report**

* **Template: Lessons Learned**
* **Template: Emerging Good Practice**

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\(^8\) For more information, see chapter four of the ILO policy guidelines for evaluation.
Phase 5 - Finalization and dissemination of the report:

- EVAL Checklist 7: Filling in the Evaluation Title Page
- Template: Evaluation Title Page
- EVAL Checklist 8: Writing the Evaluation Summary
- Template: Evaluation Summary
- EVAL Checklist 6: Rating the Quality of Evaluation Reports

7.4 Using project evaluation results

Project evaluations are expected to generate useful lessons related to implementation issues and substantive policy matters, which can be applied elsewhere to improve programming and contribute to organizational learning. (See EVAL Guidance Note 3: Evaluation Lessons Learned and Emerging Good Practices.) Evaluations also serve accountability purposes, by feeding these lessons into the decision-making process of stakeholders, including resource partners and national partners.

7.4.1 At the design stage: inputs to new project proposals

One fundamental use of lessons learned in evaluation, is as input to the drafting of new project proposals. At the design stage, anyone developing a new project proposal should review i-eval Discovery platform for relevant evaluations of similar projects. From this review they may incorporate and cite relevant lessons learned from past evaluations. All ILO officials have access to i-eval Discovery. Reports are regularly made available for analysis, citing lessons learned lessons learned on a range of thematic areas, such as project design, delivery and implementation.

7.4.2 During project implementation

If evaluability reviews or midterm evaluations are conducted, their findings on effectiveness, efficiency, relevance, sustainability, impact and achievements in general can be used for project improvement in the next phase. It is important not only to identify implementation issues, but also whenever possible to consider the underlying theory of change driving a project, and the lessons related to policy-level concerns.
7.4.3 Post-evaluation: Management response to recommendations

Evaluations most often lead to organizational improvements if recommendations are given systematic follow-up by line management. The initiation of the management response follow-up to recommendations strengthens the use of evaluation findings and thus contributes to improved project design and delivery. Active and routine follow-up to recommendations is initiated by EVAL and carried out by line management, following a specific workflow.

All line managers are accountable for ensuring proper use of relevant evaluation findings, lessons learned and recommendations. The process for reuse focuses on encouraging and promoting lessons that have been screened and validated through the evaluation process. This provides management with knowledge to effectively support organizational objectives, by repeating successful outcomes and avoiding unsuccessful efforts.

In line with the specific targets of the results-based strategy for the evaluation function, EVAL has taken additional steps to expand the use of evaluation information. Every year, EVAL collects management response data and reports to the GB in its Annual Evaluation Report in November on follow-up and performance information on project recommendations.

- EVAL Guidance Note 15: Management follow-up to recommendations for independent project evaluations

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9 For more information on management response to evaluation recommendations, see chapter 5 of the ILO policy guidelines for evaluation
<table>
<thead>
<tr>
<th><strong>Accountability</strong></th>
<th><strong>Baseline</strong></th>
<th><strong>Beneficiaries</strong></th>
<th><strong>Budget</strong></th>
<th><strong>Budget Management System</strong></th>
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</thead>
<tbody>
<tr>
<td>An obligation to demonstrate that work has been conducted in compliance with agreed rules and standards, or to report fairly and accurately on performance results vis-à-vis mandated roles, plans or contracts.</td>
<td>A measurement, calculation or location used as a basis for comparison; an analysis describing the situation prior to a development intervention, against which progress can be assessed or comparisons made.</td>
<td>The individuals, groups or organizations, whether targeted or not, that benefit, directly or indirectly, from the development intervention. Related terms: reach, target group.</td>
<td>An itemized summary of estimated or intended expenditure for a given period, along with proposals for financing it. It is based on the resource plan.</td>
<td>The BMS is a component of FISEXT, which is used by Field Offices that do not have access to IRIS in the planning, utilization and control of resources. It has two subsystems: one for RB, including RBTC, and the other for XBTC. The latter, BMS/TC (Budget Management System/Technical Cooperation), maintains computerized records of allocations, commitments and expenditure by project, and enables most of the ILO Field Offices to initiate and finalize/approve financial clearances. These transactions are uploaded into IRIS at Headquarters several times a week.</td>
</tr>
<tr>
<td><strong>Administrative Backstopping Unit</strong></td>
<td><strong>Attribution</strong></td>
<td><strong>Budget Preparation System</strong></td>
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<tr>
<td>The field office, regional office, or technical unit responsible for managing a project's inputs and resources. Its principal functions might include disbursement of funds, activation of office financial clearances, and payment authorizations.</td>
<td>The ascription of a causal link between observed changes (or changes expected to be observed) and a specific intervention. Attribution refers to what is to be credited for the observed changes or results achieved.</td>
<td>The BPS is one of the components of FISEXT developed to assist Field Offices in preparing, revising, and rephasing project budgets.</td>
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<td><strong>Appraisal</strong></td>
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<tr>
<td>An overall assessment of the relevance, management, feasibility, and potential sustainability of a project proposal prior to a funding decision.</td>
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<tr>
<td><strong>Assumptions</strong></td>
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<tr>
<td>An assumption is an assertion about some characteristics of the future that underlies the current operations or plans of a project. An assumption is important if its negation would lead to significant changes in those operations and plans.</td>
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<tr>
<td><strong>Attribution</strong></td>
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<tr>
<td><strong>Audit</strong></td>
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<tr>
<td>An audit is an independent and objective assurance activity designed to add value and improve the ILO’s operations. It helps the Office accomplish its objectives by bringing a systematic and disciplined approach to assessing and improving the effectiveness of risk management, control, and governance processes.</td>
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<td><strong>Budget rephasing</strong></td>
<td>Budget re-phasing involves a budgetary modification that is not considered a budget revision request. Annual rephasing, for example, usually takes place in October of each year, after a real assessment of the project delivery situation, and involves the rescheduling of the work plan and the transfer of allocations that will not be spent before the end of the current year, to future years. Mandatory re-phasing occurs early in a year and adjusts allocations to reflect the actual expenditure of the previous year; it carries over any unspent allocation balance to the current or later years.</td>
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<tr>
<td><strong>Budget revisions</strong></td>
<td>The purpose of budget revisions is to transfer allocations from one calendar year to the next, transfer allocations between budget lines, and increase or reduce total allocations.</td>
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<tr>
<td><strong>Capacity assessment</strong></td>
<td>Capacity assessments contribute to making sure that interventions are not only based on satisfying short-term demands, but also respond to real and sustainable institutional needs. Capacity assessments are the foundation for developing a capacity development response.</td>
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<tr>
<td><strong>Capacity development</strong></td>
<td>A “process through which individuals, organizations and societies obtain, strengthen and maintain the capabilities to set and achieve their own development objectives over time”. It is necessary to distinguish between technical and functional capacities (human resource development), organizational capacity (the internal mechanisms, tools and procedures) and institutional capacity (constituents’ involvement in social dialogue and the tripartite governance of the labour market). Capacity development methods include training, knowledge sharing, research, experiential learning, coaching and mentoring, and exposure. (GB.309/TC/1 and UNDP: Capacity development: A UNDP primer (New York, 2009).)</td>
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<tr>
<td><strong>Collaborating unit</strong></td>
<td>Units that cooperate with other ILO units and offices in delivering project outputs.</td>
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<tr>
<td><strong>Communication for development</strong></td>
<td>Communication for results. It is a tool, as well as a process, for the effective delivery of development programmes, which emphasizes the role of communication throughout the project cycle, as opposed to its visibility or dissemination function.</td>
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<tr>
<td><strong>Competitive bidding</strong></td>
<td>It is an invitation to bid and/or request for proposals, which applies to all purchases of goods and/or contract for services exceeding the threshold of US$ 50,000, pursuant to ILO Financial Rule 10.30, through paragraphs 10–11 of Office Procedure, Procurement Thresholds, No. 216 (Version 4), of 18 May 2017.</td>
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<tr>
<td><strong>Competitive bidding for a call for proposals</strong></td>
<td>A situation where the ILO is competing for funds with other applicants, in response to specific terms of reference provided under a call for proposals. Specific formats are prescribed for applications, and specific financial and administrative parameters must be used.</td>
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<tr>
<td><strong>Constituents</strong></td>
<td>The ILO’s constituents are the governments, employers’ organizations and workers’ organizations. The ILO is a tripartite organization.</td>
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<tr>
<td><strong>Country Office</strong></td>
<td>Country offices cover one or more countries, and are responsible for all ILO activities in the countries covered. Staff in country offices carry out the principal functions under the day-to-day guidance and leadership of Country Office Directors, such as: Programme planning and implementation; programme monitoring, evaluation and reporting; relations, partnerships and development cooperation; knowledge management and sharing; advocacy and communication; governance and oversight; and management and administrative support.</td>
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</table>
Country Programme Outcomes

CPOs establish specific commitments under the country programme priorities, and contribute to the achievement of the outcomes that are set out in the P&B. CPOs should be understood as significant changes that are intended to be achieved by constituents, with the Office’s support.

Direct recipients

The group or entity that will be positively affected immediately by the project at the project output level.

Decent Work Agenda

Putting the Decent Work Agenda into practice is achieved through the implementation of the ILO’s four strategic objectives of employment promotion, social protection, social dialogue and fundamental principles and rights at work, with gender equality as a cross-cutting objective.

Decent Work Country Programmes

Decent Work Country Programmes have been established as the main vehicle for delivery of ILO support to countries. DWCPs have two basic objectives. They promote decent work as a key component of national development strategies, including UNDAFs, while at the same time they organize ILO knowledge, instruments, advocacy and cooperation at the service of tripartite constituents in a results-based framework to advance the Decent Work Agenda. They constitute a major instrument for better integrating RB, XBTC and resources. Each DWCP is organized around a limited number of country programme priorities and outcomes. A DWCP is the expression of the ILO’s Programme and Budget in a country.

Departmental evaluation focal point

Designated evaluation focal persons are responsible for coordinating evaluation activities within their given departments. They are appointed by departmental management.

Development objective

The intended impact contributing to physical, financial, institutional, social, environmental or other benefit to a society, community or group of people, via one or more development interventions.

Disability mainstreaming

Disability mainstreaming is at once a method, a policy and a tool for achieving social inclusion, which involves the practical pursuit of non-discrimination and equality of opportunity. Mainstreaming disability is about recognizing persons with disabilities as rights-holding, equal members of society who must be actively engaged in the development process irrespective of their impairment or other status, such as sex, race, social origin or sexual orientation.

Effect

Intended or unintended change due directly or indirectly to an intervention. Related terms: result, outcome.

Effectiveness

The extent to which the development intervention’s objectives were achieved, or are expected to be achieved, taking into account their relative importance.

Efficiency

A measure of how economically resources and inputs (funds, expertise, time, etc.) are converted into results.

Encumbrance/commitment

An encumbrance represents a specific reservation of funds for a particular purpose. Encumbrances must be raised for planned expenditure and must exist before creating an obligation or incurring expenditure. An encumbrance can be in the form of an EPA or Purchase Order an external collaboration contract, or a service contract when created in IRIS.
Evaluability

The extent to which an activity or a programme can be evaluated in a reliable and credible fashion. Evaluability assessment calls for the early review of a proposed intervention in order to ascertain whether its objectives are adequately defined and its results verifiable.

Evaluation

An evaluation is an assessment, conducted as systematically and impartially as possible, of an activity, project, programme, strategy, policy, topic, theme, sector, operational area or institutional performance. It analyses the level of achievement of both expected and unexpected results by examining the results chain, processes, contextual factors and causality using appropriate criteria such as relevance, effectiveness, efficiency, impact and sustainability. An evaluation should provide credible, useful evidence-based information that enables the timely incorporation of its findings, recommendations and lessons into the decision-making processes of organizations and stakeholders.


Ex-post evaluation

Evaluation of a development intervention after it has been completed. It may be undertaken directly after or long after its completion. The intention is to identify the factors for success or failure, to assess the sustainability of results and impacts, and to draw conclusions that may inform other interventions.

External evaluation

An external evaluation is commissioned, managed and conducted by entities and/or individuals outside the donor and implementing organizations.

Extensions (project)

Extension of project activities beyond the original end date established in the agreement between the resource partner and the ILO. Both no-cost and cost extensions require a justification as well as resource partner approval.

External collaborator

An external collaborator is an individual working with the ILO, but who is neither a staff member nor an ILO official. External collaboration contracts are task-oriented and linked to a specific output over a defined contract period. They do not involve tasks associated with continuous processes or management.

Extra-budgetary Development Cooperation (XBDC)

Extra-budgetary development cooperation (XBDC) is based upon earmarked voluntary funding by ILO’s development partners to support a specific development project or programme or outcome with a clear timeline and often a pre-defined geographical and/or thematic focus.

Financial Information System for External Offices

FISEXT is composed of several modules for the budgetary and financial tasks of ILO Field Offices, with the purpose of facilitating communication and the transfer of financial information between various systems and with Headquarters. FISEXT comprises five modules: BPS; BMS; FMS (Financial Management System); LPS (Local Payroll System); and STD (Standing Data).

Gender

Gender refers to the social differences and the relations between women and men that are learned, changeable over time, and that have wide variations both within and between societies and cultures. These differences and relationships are socially constructed and are learned through the socialization process. They determine what is considered appropriate for members of each sex, as well as being context-specific and modifiable.
<p>| <strong>Gender mainstreaming</strong> | Mainstreaming a gender perspective is the process of assessing the implications for women and men of any planned action, including legislation, policies or programmes, in any area and at all levels. It is a strategy for making the concerns and experiences of women as well as of men an integral part of the design, implementation, monitoring, and evaluation of policies and programmes in all political, economic and societal spheres, so that women and men benefit equally, and inequality is not perpetuated. The ultimate goal of mainstreaming is to achieve gender equality (Economic and Social Council, 1997). |
| <strong>Global Products</strong> | Each global product consists of a series of specific outputs that, taken together, deliver a major ILO product or package of services. These are global in nature and are not directed to any specific country or series of countries. A global product is costed upfront, delivered using all ILO means of action with the combined resources of Headquarters and field units, as well as those of global projects. |
| <strong>Goal</strong> | The higher-order objective to which a development intervention is intended to contribute. Related term: development objective. |
| <strong>ILO Responsible Official</strong> | This is the Field Office, Regional Office or technical unit with overall responsibility for a development cooperation project. |
| <strong>Immediate objective</strong> | The expected or achieved effects of the combined outputs of a strategy. These are the intended changes in development conditions that result from project interventions. They describe positive changes in the target group as the direct consequence of products and services (i.e. outputs) produced by the project. Related term: Outcome. |
| <strong>Impact / Impact assessment</strong> | Positive and negative, primary and secondary, long-term effects produced by a development intervention, directly or indirectly, and intended or unintended. A type of assessment that focuses on measuring the broad, longer term effects of a development intervention, positive or negative, primary or secondary, direct or indirect, and intended or unintended. |
| <strong>Implementation</strong> | Implementation of a project is the step where all the proper planned activities are put into action. Implementation starts when the project has been approved and the budget activated, and ends when the project is financially closed. |
| <strong>Implementation plan</strong> | The implementation plan is a managerial tool covering the whole project period to determine resource and personnel requirements, identify particular procurement needs, estimate the project budget, and ensure that the project is managerially feasible within resources and time constraints. |
| <strong>Inception phase</strong> | The phase where the preliminary arrangements for the functioning of the project are set in place. These include establishing the accountability, management and governance structures of the project, both inside and outside the ILO, appointing the Project Manager, setting up office systems for finance and administration, and opening communications with ILO units and national constituents and partners. This is also referred to as the pre-implementation phase. |
| <strong>Independent evaluation</strong> | An independent evaluation is managed by and carried out by entities and persons free of the control of those responsible for the design and implementation of the development intervention. |
| <strong>Indicators</strong> | A quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect changes connected to an intervention, or to help assess the performance of a development actor. It does not indicate the direction of change. Indicators should be specific, measurable, attainable, realistic, and time-bound (SMART). |
| <strong>Input-based budget</strong> | An input-based budget format is designed to identify project cost by their type. This format is used in FISEXT/BPS, and is based on a series of budget lines identifying specific types of monetary inputs. |
| <strong>Inputs</strong> | The financial, human and material resources used for the development intervention. |
| <strong>Institutional mapping</strong> | The institutional analysis, or mapping, provides a study of formal and informal relationships between the stakeholders. The institutional mapping must include the most relevant actors identified during the stakeholder analysis. This comprises the ultimate beneficiaries, the direct recipients, the governing and oversight agencies, the implementing agencies and the social partners. |
| <strong>Internal evaluation</strong> | Internal evaluation follow a formalized evaluation process but is managed by project administration, and may be conducted by an ILO official as well as an external evaluation consultant. If an internal ILO official is used, no ties or conflict of interest should exist with the management of the project. In the case of a mandated internal evaluation for projects over US$ one million, it is recommended that an independent external consultant be used. |
| <strong>Integrated Resource Information System</strong> | IRIS is a combination of software and technologies based on the underlying Oracle e-business software suite. It facilitates decision making, supports financial stewardship and enables the application of results-based management of the ILO’s work. IRIS is fully operational at the Organization’s HQ in Geneva and in some offices in the field. It is used for Strategic Management, Cash Management, Human Resources and XBTC projects. |
| <strong>Joint evaluation</strong> | Joint evaluations are evaluations where ILO partners with another entity to jointly manage and implement an evaluation. These are often of a joint project/programme as foreseen in the relevant programming documents or donor agreements, and to which different partners contribute through funding, specific components and/or joint activities. |
| <strong>Logical Framework</strong> | The project logical framework (or “log-frame” or “results framework” or “project design matrix”) is the tool used to organize all the main elements, including the objectives, outputs, activities, indicators and assumptions. The logical framework is a planning tool that shows the results chain of the project: how activities are undertaken to produce outputs, how outputs are delivered to achieve objectives, and how assumptions influence each level of the results chain. It also contains the indicators that will be used to measure progress, and the means through which evidence will be obtained. |
| <strong>Means of verification</strong> | The means of verification provide a precise reference to the sources of information to be consulted in order to verify the project’s performance and results. |</p>
<table>
<thead>
<tr>
<th>Glossary</th>
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<tbody>
<tr>
<td><strong>Monitoring</strong></td>
<td>A continuing function that uses the systematic collection of data on specified indicators with which to provide management and the main stakeholders in an ongoing development intervention with indications of the extent of progress and the achievement of objectives and progress in the use of allocated funds.</td>
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<tr>
<td><strong>Outcome</strong></td>
<td>The likely or achieved short-term and medium-term effects of an intervention’s outputs. Outcomes represent changes in the institutional and behavioural capacities, for development conditions that occur between the completion of outputs and the achievement of goals. Related terms: result, outputs, impacts, effect.</td>
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<tr>
<td><strong>Outcome-Based Work plans</strong></td>
<td>OBWs are biennial workplans that specify how Office-wide resources are used to support the effective and efficient achievement of results under each P&amp;B outcome. Outcome-Based Work Planning is about prioritizing work as a means to clarify the intended strategy with which to achieve the expected direct result attributable to ILO cooperation.</td>
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<tr>
<td><strong>Output</strong></td>
<td>The products and services that result from a development intervention, which may also include changes resulting from the intervention that are relevant to the achievement of outcomes.</td>
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<td><strong>Partners</strong></td>
<td>The organizations that collaborate to achieve mutually agreed objectives. The concept of partnership connotes shared goals, common responsibility for outcomes, distinct accountabilities and reciprocal obligations. Partners may include governments, workers’ and employer’s organizations (also called “social partners”) non-governmental organizations, universities, professional and business associations, multilateral organizations, private companies, etc.</td>
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<tr>
<td><strong>Partnerships</strong></td>
<td>Partnerships are voluntary and collaborative relationships among various actors in which all participants agree to work together to achieve a common goal or undertake specific tasks. Partnerships may serve various purposes, including advancing a cause, implementing normative standards or codes of conduct, or sharing and coordinating resources and expertise. They may consist of a specific single activity, or may evolve into a set of actions or even an enduring alliance, by building consensus and ownership with each collaborating organization and its stakeholders.</td>
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<tr>
<td><strong>Performance</strong></td>
<td>The degree to which a development intervention or a development partner operates according to specific criteria/standards/guidelines, or achieves results in accordance with stated goals or plans.</td>
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<td><strong>Performance indicator</strong></td>
<td>A variable that allows the verification of changes in the development intervention or shows results relative to what was planned. Related terms: performance monitoring, performance measurement.</td>
</tr>
<tr>
<td><strong>Performance plan</strong></td>
<td>A performance plan breaks down the final project outputs and immediate objectives into annual and sub-annual targets. The identification of indicator targets, along with related baselines and milestones, provides the key link between project design, implementation, monitoring and reporting. Specifically, the performance plan allows project designers to: identify realistic targets for their project; facilitates results-based rather than resource-based project management; allows projects to be appraised for feasibility; enables effective M&amp;E for outputs and immediate objectives; and allows for credible and evidence-based reporting on progress towards outputs and immediate objectives.</td>
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Policy Department
A technical department within the policy portfolio. The portfolio is a flat structure comprising six major technical departments (employment policy, enterprises, social protection, governance and tripartism, conditions of work and equality, and sectoral activities) as well as International Labour Standards, Research, Statistics and Knowledge Management departments.

Procurement plan
This is an overall projection of a project’s procurement needs for a defined period of time. DC project procurement planning should commence at the project appraisal stage, in order to be able to include specific requirements resulting from procurement planning analysis in the project document. The responsible project official (e.g. the Chief Technical Adviser) must also identify changing procurement needs during the project lifetime, as part of ongoing procurement planning.

PRODOC
PRODOC stands for Project Document. It provides the information with regards to project strategy, log frame, implementation, monitoring and evaluation, such as sufficient information for project managers and ILO responsible officials to implement the project, report on its progress and evaluate its outcomes.

Programme
A programme is a coherent time-bound framework of action to achieve precise results. It may include several projects the objectives of which are linked to the achievement of higher level common objectives/outcomes. It may apply a multidisciplinary approach and comprise separate sets of activities grouped under different components. It may reach across sectors and/or geographical areas.

Programme and Budget
The P&B establishes both a programme of work and a budget for a biennium. It describes what the ILO is expected to do and achieve, and how activities are to be financed.

Programme Support Costs
PSCs are indirect costs included in each project budget. ILO policy normally fixes support costs at a rate of 13 per cent. These costs are expressed as a percentage of project expenditure, are centrally managed, and contribute to the cost of supporting the implementation of extra-budgetary projects.

Project
A project is the main instrument used in the planning of development cooperation activities. It comprises interrelated and coordinated activities designed to achieve clearly defined objectives/outcomes, ranging from policy change to practical direct action. It contributes to solving a specific problem within a given budget and timeframe.

Project Concept Note
The PCN for development cooperation projects is an initial document prepared during the identification and design phases of development of a project. The PCN should provide enough information to enable the ILO and other stakeholders to be able to assess the strategic appropriateness of any proposal.

Project design
Design is the starting point of the project cycle and consists of three main stages: project identification, project formulation and project operational planning. Project design provides the structure for the outcomes that have to be achieved, how the project is to be implemented, and how progress will be verified.

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1 Please refer to DG’s Announcements No. 322 – Reform of the HQ organizational structure and staff movements, and No. 331 – Departmental structures.
Project imprest accounts
Bank (imprest) accounts are opened for the needs of ILO offices in the field, including for DC projects. The opening of bank accounts has been delegated to the Chief of TREASURY and TRES/OPS. The latter is responsible for communicating the necessary instructions to the bank concerned. Requests to open a new ILO bank account or transfer an existing account to a new bank are handled by TRES/OPS at Headquarters. The choice of the bank in which ILO funds are deposited ultimately rests with the Treasurer, who has delegated this responsibility to TREASURY for external office and project imprest accounts.

Project originator
The project originator is the field office or technical unit that develops the project proposal and reworks the proposal according to comments received through the appraisal process. They are also responsible for designing a project proposal and are accountable for consulting the relevant Field Offices, technical units, Outcome coordinating teams (OCT), the cross-cutting technical units (Gender, Equality and Diversity Branch/GED, International Labour Standards Department/NORMES), and ACTRAV and ACT/EMP. They are also responsible for ensuring that proposals with substantial capacity building components are designed jointly with ITCILO.

Project results chain
The causal sequence for a development intervention, which stipulates the necessary sequence with which to achieve desired objectives, beginning with inputs, moving through activities and outputs, and culminating in outcomes, impacts and feedback.

Project Support Income
PSI\(^2\) is generated by charging programme support costs to extra-budgetary financial contributions in accordance with agreements with resource partners. It is allocated by the Director-General to support the effective delivery of development cooperation projects and programmes. The level of PSI depends on the level of extra-budgetary expenditure.

Provision for Cost Increases
PCIs are added to guard against contingencies that may require more funds. In the ILO, the provision is calculated at 5 per cent of the total allocations for direct costs. This percentage is allocated to the project: if it lasts more than one year; when there are high ILO personnel costs and when the contribution is made in a currency other than USD, and in several payments, as this could result in exchange rate risks.

Quality assurance
Quality assurance encompasses any activity that is concerned with assessing and improving the merit or the worth of a development intervention, or its compliance with given standards. Examples of quality assurance activities include appraisal, RBM, reviews during implementation, evaluations, etc. Quality assurance may also refer to the assessment of the quality of a portfolio and its development effectiveness.

Regional evaluation officer
Designated evaluation officers within each ILO regional office are responsible for overseeing evaluations within their given regions. They oversee and advise on the process of planning, managing and following up on DWCP reviews and project evaluations. They are evaluation professionals dedicated to supporting the evaluation work of the ILO.

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\(^2\) PSI calculations are based on estimates of PSI income in the current biennium available for the subsequent one, prepared by FINANCE, and on extra-budgetary delivery rates, produced by PARDEV for the most recent year. The cost of support functions is determined, and thereafter delivery rate percentages are applied for determining allocations to regions and offices and for HQ departments. See PROGRAM’s Intranet and Office Procedure IGDS No. 16 (Version 1)
<table>
<thead>
<tr>
<th>Glossary Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regional Office</strong></td>
<td>Offices that have overall responsibility for the operations of the ILO’s network of Country Offices, DWTs, and other representations in their regions. Staff in Regional Offices carry out the principal functions listed in the DG’s Announcement IGDS No. 212 (Version 1) under the day-to-day guidance and direction of Regional Directors, and under the authority delegated to them by the Director-General in accordance with the responsibilities corresponding to their appointments.</td>
</tr>
<tr>
<td><strong>Regular Budget</strong></td>
<td>The assessed contributions from the ILO’s 187 member States are provided by virtue of their membership, with the exact amount per State set every two years by the International Labour Conference.</td>
</tr>
<tr>
<td><strong>Regular Budget Supplementary Account</strong></td>
<td>The Regular Budget Supplementary Account (RBSA) is a voluntary fund financed by some ILO member states to complement the ILO’s Regular Budget (RB). As un-earmarked core funding, it allows the ILO to allocate funds flexibly when and where most needed. RBSA resources are allocated to ODA-eligible countries only.</td>
</tr>
<tr>
<td><strong>Relevance</strong></td>
<td>The extent to which the objectives of a development intervention are consistent with beneficiary requirements, country needs and global priorities, as well as partner and resource partners policies.</td>
</tr>
<tr>
<td><strong>Results</strong></td>
<td>The real and observable effects (intended or unintended, positive and/or negative) of a development intervention. Related terms: Outcome, impact.</td>
</tr>
<tr>
<td><strong>Results-based Budgeting</strong></td>
<td>RBB is primarily concerned with the cost of the resources/inputs needed to complete project activities and predefined outputs, in a bottom-up estimating technique. A breakdown of the activities is required and it is therefore important to prepare a budget using the WBS or implementation plan as the starting point.</td>
</tr>
<tr>
<td><strong>Results-based Management</strong></td>
<td>RBM is a management approach that directs organizational processes, planning, and the management of resources, activities, products and services towards the achievement of clearly observable changes or results in the real world.</td>
</tr>
<tr>
<td><strong>Resource plan</strong></td>
<td>A resource plan sets out the requirements and costs for all necessary inputs: personnel, basic office premises or facilities, equipment and materials, or services such as special subcontracting supplies, training workshops and other miscellaneous inputs.</td>
</tr>
<tr>
<td><strong>Responsibility matrix</strong></td>
<td>The purpose of this template is to assign departments or individuals to activity categories, define role responsibilities and the relationships between groups. This matrix should be completed early in project planning, before detailed resource allocating or scheduling takes place.</td>
</tr>
<tr>
<td><strong>Review</strong></td>
<td>An assessment of the performance of an intervention, periodically or on an ad hoc basis. Frequently “evaluation” is used for a more comprehensive and/or in-depth assessment than “review”. Reviews tend to emphasize operational aspects. Related term: evaluation.</td>
</tr>
<tr>
<td>Risks</td>
<td>The effect of uncertainty on the achievement of objectives. An effect is the deviation from the expected – positive and/or negative. Uncertainty is the state, even partial, of deficiency of information related to, understanding or knowledge of a risk event, its impact or likelihood. Objectives can have different aspects (such as financial, operational, political or reputational), and can apply at different levels (strategic, outcome, output, decent country work programme, DC and other projects, etc).</td>
</tr>
<tr>
<td>Scheduling/Schedule</td>
<td>Scheduling is a way of focusing managerial attention on the time factor, on critical events, and on priorities, as time is important in any planning process. The scheduling calendar states when each activity starts, how long it lasts, and when it will be completed. This is usually presented in the form of a bar chart, which sets out the sequence of activities and links them to critical events or milestones.</td>
</tr>
<tr>
<td>Self-evaluation</td>
<td>Self-evaluation is conducted and managed by project management, with little or no budget being required. The self-evaluation should include assessments of relevance, effectiveness, efficiency, impact and sustainability. Sometimes considered a part of regular project reporting, a self evaluation should address issues of project accountability to the extent possible, as well as offer insights into how future projects might benefit from knowledge gained through the self-evaluation.</td>
</tr>
<tr>
<td>Stakeholder analysis</td>
<td>An analysis that aims to identify the stakeholders that are likely to be affected by the activities and outcomes of a project, and to assess how those stakeholders are likely to be impacted by the project.</td>
</tr>
<tr>
<td>Stakeholders</td>
<td>Agencies, organizations, groups or individuals that have a direct or indirect interest in the development intervention or its evaluation.</td>
</tr>
<tr>
<td>Strategic Management Module</td>
<td>The Strategic Management Module is an integral part of the IRIS system. It allows line managers to consolidate information across IRIS modules to present a consolidated strategic view of resource information (including finance, human resources and project management). The module supports results-based budgeting by allowing managers to view and manage programme narratives, resources (staff and non-staff) and result indicators, all in one place.</td>
</tr>
<tr>
<td>Supplies and materials</td>
<td>All the consumable items required in the day-to-day running of the project (e.g. stationery and office supplies) and for any construction activities (e.g. cement).</td>
</tr>
<tr>
<td>Sustainability</td>
<td>The continuation of benefits from a development intervention after major development assistance has been completed. In the 2030 development agenda, sustainability encompasses social, economic and environmental aspects.</td>
</tr>
<tr>
<td>Target group</td>
<td>The specific individuals or organizations for whose benefit the development intervention is undertaken.</td>
</tr>
<tr>
<td>Technical Backstopping Unit (Technical Unit)</td>
<td>This is the technical unit or Decent Work Team that provides operational advisory, mentoring, training, and support services to the ILO administrative unit/office responsible for overall implementation of a project.</td>
</tr>
<tr>
<td>Thematic evaluation</td>
<td>Thematic evaluations assess specific aspects, themes and processes, and can also focus on specific sectors, issues or schemes. Thematic evaluations provide a means for ILO technical programmes to explore in depth the effectiveness and impact of major means of actions and interventions.</td>
</tr>
</tbody>
</table>
Ultimate beneficiaries

Those who benefit in any way from the project. Distinction may be made between: (a) direct beneficiaries: the group entity that will be immediately and positively affected by the project at the project output level; (b) final beneficiaries: those who benefit from the project in the medium term at the level of the outcome/immediate objective of the project; and (c) indirect beneficiaries: those who will benefit through the contribution to the overall objective of the project in the long term at the level of the society or sector.

UNDAF

The UNDAF is the common strategic framework for UN operational activities within a country. Tantamount to the country team's business plan, it is based on the national development strategy and the main concerns identified by the CCA (Common Country Assessment). It sets out the key results that will be supported by UN agencies and links them directly to individual agency country programmes. The UNDAF is designed to bring sharper focus and greater synergy to UN programmes, while also identifying opportunities for joint initiatives.

Validity

The extent to which the data collection strategies and instruments measure what they purport to measure.

Value for Money

Value for money (VFM) is about striking the best balance between the “three E’s” – economy, efficiency and effectiveness. It is not a tool or a method, but a way of thinking about using resources well. A fourth “E” – equity – is now also sometimes used to ensure that value-for-money analysis accounts for the importance of reaching different groups.

Work Breakdown Structure

A WBS defines the scope of a project in terms of hierarchy of deliverables and the activities/inputs required to achieve the results. A work breakdown structure is used to prepare the plan of operation.

Workplan

Whereas an Implementation Plan is prepared during the design phase and covers the whole project period, a workplan is prepared at the beginning of implementation (pre-implementation phase or inception phase) and is a more comprehensive yearly plan covering sub-activities and tasks.