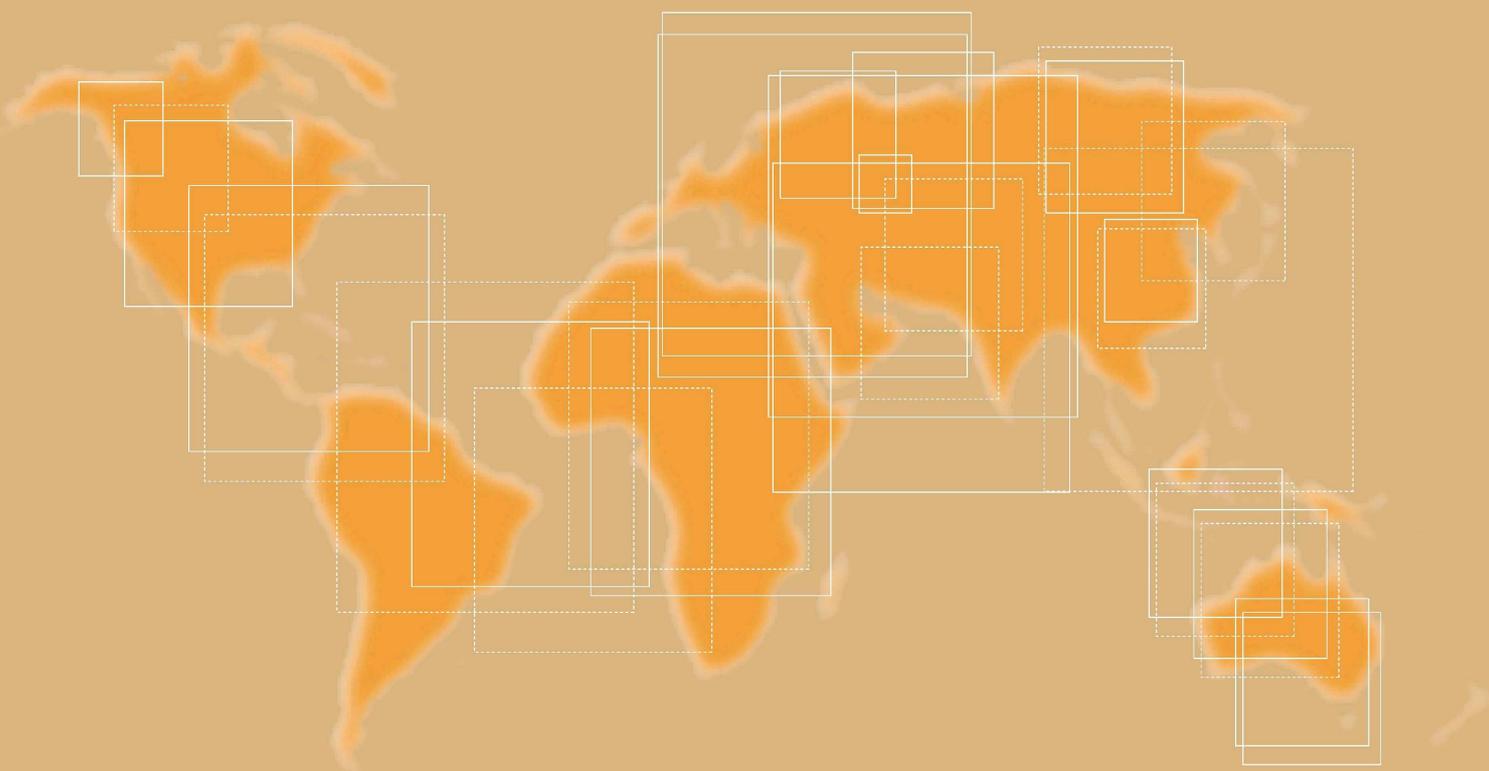
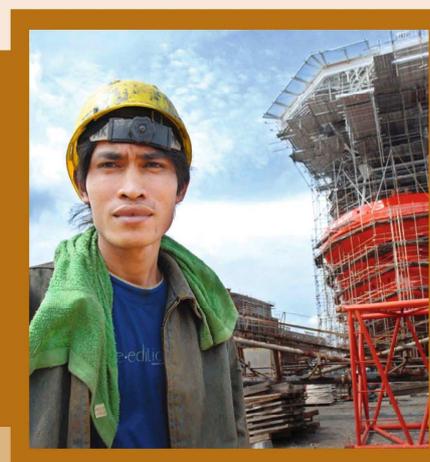




International  
Labour  
Office  
Geneva

# Independent Evaluation of the ILO's Decent Work Country Programme for **Indonesia: 2006-2009**



EVALUATION  
UNIT



**Independent Evaluation of the  
ILO's Decent Work Country Programme for  
Indonesia: 2006–2009**

International Labour Organization

October 2009

Prepared by  
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## **Preface**

This report was prepared by an evaluation team led by Michael Hendricks, international evaluation consultant, Craig Russon, Senior Evaluation Officer in the ILO Evaluation Unit, and Leya Cattleya, national evaluation consultant. Detoubab Gueye, ILO Research Assistant, conducted several special analyses for the report.

The evaluation was carried out under the leadership of Moucharaf Paraiso, Director of the ILO Evaluation Unit. Pamornrat Pringsulaka, Evaluation Officer for the ROAP, and Parissara Liewkeat of ILO Jakarta provided strong support to the evaluation team.

Special thanks are due to the entire staff of ILO Office in Indonesia, in particular Alan Boulton, Country Director, and Peter van Rooij, Deputy Country Director, for their generous and frank sharing of a wide variety of information.

Thanks also to the numerous ILO stakeholders in Jakarta and Aceh, especially key members of the Government of Indonesia, the Employers' Association of Indonesia (APINDO), and various workers' organizations, who agreed to be interviewed for the evaluation, and to officials of ILO's Regional Office for Asia and the Pacific (ROAP) and staff in Manila.

The draft report of the evaluation benefited from helpful and constructive suggestions from numerous stakeholders. However, any errors or omissions are entirely the responsibility of the evaluation team.

## CONTENTS

PREFACE.....	II
ABBREVIATIONS .....	VI
EXECUTIVE SUMMARY.....	VII
1. INTRODUCTION .....	1
1.1 Context: ILO's country programme evaluation .....	1
1.2 Purpose of the evaluation.....	1
1.3 Scope and methodology.....	1
1.4 Limitations of the evaluation.....	2
1.5 Report layout.....	3
2. INDONESIA: A DECADE OF CHANGES AND CHALLENGES .....	3
2.1 Industrial relations history.....	3
2.2 Medium-Term Development Plan 2004–2009.....	4
2.3 Aceh tsunami of 2004.....	4
2.4 Financial crisis of 1997 .....	5
2.5 Economy.....	5
2.6 Labour rights and legal framework .....	6
2.7 Employment and decent work issues .....	7
2.8 Challenges for the ILO in Indonesia.....	11
3. ILO'S DECENT WORK COUNTRY PROGRAMME IN INDONESIA .....	12
3.1 History of country programming in Indonesia.....	12
3.2 DWCP priorities and outcomes.....	12
3.2.1 Priority A: Stopping exploitation at work .....	12
3.2.2 Priority B: Employment creation for poverty reduction and livelihoods recovery, especially for youth.....	13
3.2.3 Priority C: Social dialogue for economic growth and principles and rights at work .....	14
3.2.4 Cross-cutting issues in the DWCP .....	14
3.3 DWCP document analysis.....	14
3.3.1 Overall structure.....	14
3.3.2 Indicators, baselines, targets and milestones .....	15
3.3.3 Quality of elements .....	16
3.3.4 Links to UNDAF and national development plans.....	16
3.3.5 Issues that may not be discussed sufficiently .....	16
4. KEY FINDINGS OF THE EVALUATION.....	17
4.1 Comparative advantages.....	17
4.1.1 Roles of the ILO in Indonesia .....	18
4.2 Tripartite constituents and other partners .....	18
4.3 DWCP Implementation strategy.....	22
4.4 ILO's response to the December 2004 tsunami in Aceh .....	34
4.5 Resources mobilized.....	36
4.6 Implementation of TCPs.....	38
4.7 Gender considerations in the DWCP .....	38
4.8 Results achieved.....	40
4.8.1 The perspective of ILO Jakarta .....	41
4.8.2 The perspective of constituents and partners.....	42
4.8.3 Findings of relevant project evaluations .....	42
4.8.4 Progress on DWCP outcome indicators and targets .....	43
4.9 Results-based management .....	47
5. CONCLUSIONS, KEY RECOMMENDATIONS AND LESSONS LEARNED.....	48
5.1 The challenges of decent work in Indonesia .....	48
5.2 Achievements of ILO Jakarta .....	48

5.3	<i>A limited contribution by the DWCP</i> .....	49
5.4	<i>Areas deserving ILO Jakarta's attention</i> .....	49
5.5	<i>Issues for the ILO as a whole to consider</i> .....	50
5.6	<i>Lessons learned</i> .....	50
5.7	<i>Recommendations</i> .....	50
5.8	<i>Comments from the Office on the evaluation</i> .....	51
5.9	<i>Tripartite constituents' comments</i> .....	53
APPENDICES .....		55
	<i>Appendix I. Terms of reference for the evaluation</i> .....	55
	<i>Appendix II. ILO/Jakarta's portfolio of TCPs: Financial expenditures for Indonesia's DWCP priorities and outcomes, 2004–2009</i> .....	64
	<i>Appendix III. Key documents reviewed</i> .....	66
	<i>Appendix IV. Persons interviewed</i> .....	69
	<i>Appendix V. ILO Conventions ratified by Indonesia</i> .....	73
	<i>Appendix VI. Evaluability assessment of the Indonesia DWCP document and supplementary documents</i> 75	
	<i>Appendix VII. Analysis of TCPs supporting ILO Geneva's objectives</i> .....	77
	<i>Appendix VIII. Indonesia DWCP – Monitoring Plan: Table 1.1 Template summarizing the logic of DWCP by priorities and outcomes</i> .....	80
	<i>Appendix IX. Comparison of the links between technical cooperation projects and the DWCP</i> .....	86
	<i>Appendix X. Summary of country project activities</i> .....	93

## LIST OF FIGURES

*Figure 1. Snapshot of partner organizations*

*Figure 2. Desired outcomes of ILO Jakarta's Decent Work Country Programme*

## LIST OF TABLES

*Table 1. Growth of GDP in Indonesia compared with the ASEAN bloc and selected South-East Asia countries, 2000–2007 (percentages)*

*Table 2. Growth rate of Indonesia's GDP expenditure components, 2001–2007 (percentages)*

*Table 3. ILO conventions ratified by Indonesia, but causing CEACR concern*

*Table 4. Share of employment in services by gender, 2002–2007 (percentages)*

*Table 5. Number of working poor by daily income and share of total employment, 2002 and 2006*

*Table 6. Total economic growth in labour productivity, measured as output per person employed, 2000 and 2007*

*Table 7. Priority areas or outcomes of three country programmes*

*Table 8. Grade levels and total number of staff in ILO Jakarta showing percentages funded by TCPs and regular budget, 3 April 2009*

*Table 9. Five largest technical cooperation projects in ILO Jakarta, 2004–2009*

*Table 10. Financial expenditures for Indonesia's DWCP priorities and outcomes, 2004–2009*

*Table 11. Time line with start-and-stop of each TC project, 2005–2009, by quarter*

*Table 12. ILO presence in Indonesian provinces, by HDI and population, 2009*

*Table 13. Donor countries/multilateral development agencies funding ILO Jakarta technical cooperation projects, 2004–2009*

*Table 14. ILO Jakarta performance as reported by previous evaluations, 2006–2009*

*Table 15. Progress on the 22 targets in ILO Jakarta's Decent Work Country Programme, 2006–2010*

*Table 16. Summary table of country projects, by major donors*

*Table 17. Total TCP budgets, by sources of funding and project title*

*Table 18. Completion of YEP outputs and their logical link with DWCP outcomes, and coherence with other TCPs and donor priorities*

*Table 19. Completion of JOY outputs, their logical link with DWCP outcomes, and coherence with other TCPs and donor priorities*



## Abbreviations

ADDECO	Employment Agency Service, Switzerland
AIDS	Acquired Immune Deficiency Syndrome
APINDO	Employers' Association of Indonesia
AusAid	Australia's Aid Program
BAPPENAS	National Development Planning Board
CIDA	Canadian International Development Agency
DWCP	Decent Work Country Programme
EAST	Education and Skills Training for Youth Employment
GDP	Gross domestic product
HDI	Human Development Index
HIV	Human Immunodeficiency Virus
ICF	International Community Foundation
IPEC	International Programme on the Elimination of Child Labour
JICA	Japanese International Cooperation Agency
JOY	Job Opportunities for Youth
LED	Local economic development
MDG	Millennium Development Goal
MOMT	Ministry of Manpower and Transmigration
MOMT RENSTRA	Ministry of Manpower and Transmigration Strategic Plan
RBM	Results-based management
ROAP	Regional Office for Asia and the Pacific
RPJM	Medium-Term Development Plan
TCP	Technical cooperation project
TUC	Trades Union Congress, the United Kingdom
UN	United Nations
UN HSF	United Nations Human Security Fund
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNOCHA	United Nations Office for the Coordination of Humanitarian Affairs
USDOL	U.S. Department of Labor
US\$	U.S. Dollar
WFCL	Worst Forms of Child Labour
YEP	Youth Employment Programme

## Executive summary

This report presents analyses, findings and recommendations of the independent evaluation of the ILO's Decent Work Country Programme (DWCP) in Indonesia, conducted in early 2009. The DWCP is managed and delivered through the ILO Office in Jakarta. The evaluation reviews ILO's performance from 2006 to 2009.

During this period, 40 ILO projects were implemented with a total value of over US\$70 million. The evaluation focuses on the ILO's strategic positioning in the country, its approach to setting an ILO agenda, as well as the composition, implementation, and evolution of ILO national strategies as they relate to the Decent Work Agenda.

### **ILO Jakarta Office's Decent Work Country Programme document**

The ILO faces many challenges in Indonesia, some of which make it difficult to fully achieve the outcomes of the DWCP and some of which alter the ways in which ILO must operate.

The ILO began country programming in Indonesia before it became a requirement, developing its first country programme for 2002–2003, a second one for 2004–2005, and its first official DWCP for 2006–2010. Over time, the ILO has refined its issues and better targeted its interventions.

The current DWCP is composed of three main priorities, which together encompass seven outcomes, 13 performance indicators and 22 targets. The three priorities are:

**Priority A: *Stopping exploitation at work.*** This priority focuses primarily on the more effective application of policies and laws to sharply reduce the worst forms of labour exploitation, in particular of girls and boys, young women and men, and domestic and migrant workers, in all spheres of work.

**Priority B: *Employment creation for poverty reduction and livelihoods recovery, especially for youth.*** This priority focuses on pro-poor growth, investment and employment.

**Priority C: *Social dialogue for economic growth and principles and rights at work.*** This priority focuses on strengthening the institutional capacity of ILO's constituents to effectively implement a legal framework within which labour rights can be promoted and enjoyed.

In addition to these three priorities, the DWCP includes three cross-cutting issues: (1) the effective dissemination of information on the prevention of HIV and AIDS in formal and informal workplaces; (2) the effective implementation and monitoring of occupational health and safety; and (3) the improvement of social protection for Indonesian workers.

The DWCP fulfils the basic requirements for structure and content. However, the value of an overarching programme-level strategy that supersedes individual projects has not been fully accepted. The evaluation team believes that as the ILO in Indonesia gains positive experiences with DWCPs, this situation will begin to change.

## **Technical cooperation projects**

By far, the main means of action that the ILO in Indonesia uses to address the DWCP priorities listed above is through technical cooperation projects (TCPs) funded by third-party donors and focused on important labour issues. The ILO in Indonesia has been extremely successful in attracting TCP funding, with a portfolio during the years from 2004 to 2009 of 40 active projects totalling over \$70 million dollars.

In this respect, Indonesia is one of the most successful ILO offices. In 2007 alone, they administered over \$18 million in TCP funds, more than any other Country Office, Subregional Office, or Regional Office. This amount represented 25 per cent of all TCP funds allocated in the Asia-Pacific Region even though Indonesia has only 7 per cent of the region's population.

A strong case can be made that this intense use of TCPs advances progress towards DWCP outcomes. As of 3 April 2009, the Country Office employed 109 staff, 94 (86 per cent) of whom are available only because of the TCPs. Put another way, without its portfolio of TCPs, the Country Office would have 15 total staff instead of 109. The additional staff gives the ILO credibility among other organizations working on labour issues in Indonesia.

An important part of the justification for seeking and managing TCPs is that a Country Office's policy advice can be enhanced by lessons learned at the service delivery level. It was not possible for the evaluation team to assess exactly how much learning is being transferred from the operational level to the policy level, but respondents across different settings believe more can be done.

### **Alignment between DWCP and TCPs**

To determine the extent to which the TCP portfolio supports the DWCP, the evaluation team conducted three conceptually different analyses: (1) it visually illustrated the links between the development objectives of the five key TCPs and the DWCP's seven outcomes; (2) it allocated Country Office's financial expenditures for all 40 TCPs to the DWCP's seven outcomes; and (3) it examined the links between the indicators of the TCPs and the indicators of the DWCP's seven outcomes.

These three analyses converge to illustrate an important finding – a smaller amount of extra-budgetary technical cooperation funding has been available for priority C: social dialogue. As a result, relatively less work has been done on labour market flexibility and job security through bipartite cooperation. Additional funding could be used to build tripartite capacity to work towards this outcome.

### **Implementation of TCPs**

The projects that support the DWCP are well implemented. The tsunami recovery efforts in Aceh earned the ILO the respect of its strategic partners at the country level. Both national and international partners recognise the ILO's past work. Donors who have funded projects often return to fund additional projects. The Government of the Netherlands recently gave \$22 million to ILO Jakarta for the Education and Skills Training for Youth Employment (EAST) project, making it the largest project ever implemented by the ILO in Indonesia.

The ILO's delivery rate in Indonesia is excellent. In 2007, the delivery rate was 76 per cent, above the 65 per cent average for all field offices and the 70 per cent average for the Asia-Pacific Region. Only six ILO Country Offices worldwide had a higher delivery rate in 2007.

However, many of the stakeholders whom the evaluation team interviewed asked why the ILO recruits mainly foreign experts to manage key TCPs. They point to the head of the child labour project as evidence that national staff can fill these important roles quite effectively. They note that hiring nationals would be advantageous in terms of personal networks, long-term continuity, potential for sustainability of the efforts, capacity building, and language skills.

## **Gender**

Gender equality is a fundamental component of decent work. Gender discrimination is a persistent concern in Indonesia's sex-segregated labour market. The ILO Office in Indonesia reports that women earn on average 75 per cent of what their male counterparts earn; the situation has not changed since 2001.

A substantial proportion of women are engaged in highly vulnerable work (i.e. in the informal economy and in the globalized labour manufacturing sectors). They face fewer opportunities for employment, poor conditions of work and pay, sexual harassment, poor access to finance, and higher risk of HIV/AIDS.

The ILO has actively pursued the most critical elements of mainstreaming gender into its project operations which has resulted in notable progress in the area of programming and project implementation.

Constituents, however, consider that the ILO's success in raising gender awareness and building gender-related capacity has been only moderately good. They expect the ILO to do more to develop a more conducive enabling environment regarding gender issues, particularly in workers' organizations (i.e. supporting them to promote and encourage more women to be active in their organizations).

## **ILO's contribution to Decent Work**

The evaluation team used four different methods to assess DWCP results: (1) qualitative data collected from ILO staff in Indonesia; (2) qualitative data collected from constituents and partners; (3) findings from previous evaluations of relevant TCPs; and (4) progress on the DWCP's indicators and targets. This permitted findings derived from one method to be validated using a different method, thus enhancing their credibility. All four perspectives showed positive achievements.

First, the ILO staff in Indonesia point to its work with disaster recovery in Aceh and Yogyakarta; migrant workers; child labour and education; youth employment; new labour laws; the expansion of TCP funding; more and better use of the media; the development of the employers' organization; policy development in several areas; and increased awareness of the concept of decent work. On the other hand, it accepts that there is more to do in order to build and sustain the capacities of workers' organizations.

Second, tripartite constituents, government officials, other partners, donors, UN partners agree that the ILO succeeded in its tsunami recovery efforts in Aceh, does very useful policy research, has excellent publications, and is influential with its policy advice. The evaluation team heard numerous examples of ILO advice being incorporated into the planning, policies and draft legislation of various organizations.

The evaluation team also heard strong support for specific TCPs (child labour and migrants projects most frequently) and that the visibility of the concept of decent work has been raised. Ratification of the core labour conventions has accelerated and excellent trainings and training materials have been provided. Lastly, the capacity of various organizations (Ministry of Manpower and Transmigration, the employers' organization, some workers' organizations, the National Development Planning Agency, and the new National Migrant Agency) has been developed.

Third, the evaluation team analysed reports for eight project evaluations conducted during the period 2006–08. Six of the reports were final evaluations and two were mid-term evaluations. In most cases, the evaluations found that projects were efficient and effective. However, in one report, the evaluators questioned the potential of the project to contribute to the DWCP. The low number of evaluations conducted would suggest that in Indonesia, the ILO's practice of monitoring and evaluation is weak and should be reinforced.

Fourth, the evaluation team analyzed 27 data elements needed to determine progress on the DWCP's 22 targets. Eleven (50 per cent) of the 22 targets have been achieved to date. An additional seven targets (32 per cent) have not yet been achieved, although most appear to be in process. No data are available for four (18 per cent) of the 22 targets. In these last four instances, the lack of data makes it difficult for programme managers to manage for results and to improve effectiveness.

### **Managing for results**

The concepts and practical tools of results-based management (RBM) have not been fully assimilated by the ILO Office in Indonesia. This may be due to a reluctance to give up ongoing activities; lack of useful guidance and feedback from headquarters; concern over the paperwork involved; a preference for other approaches; and an incomplete understanding of the approach, among other reasons.

Without technically sound data on outcomes and what outputs and activities lead to their achievement, it is difficult to understand objectively what works in different situations. In other words, it is not possible to develop outcome-based lessons learned.

RBM is a high priority for the tripartite constituents in Indonesia. Many respondents from the government, the employers' organization, workers' organizations and donors commented that outcomes are important and that "they [the ILO] need to measure results better" and "we want more reports on results, not just activities". Frequent comments indicated that outcome-focused monitoring and evaluation is important both to them and to their own audiences, that the ILO should do a better job in this arena, and that they would like to be included in the planning and design of any system the ILO develops.

## **Recommendations**

The recommendations found in the body of the report are recapitulated below:

Recommendation 1: The ILO should develop, in close cooperation with its tripartite constituents, two explicit, formal plans: one plan to develop the separate capabilities of each of the three groups – with special attention to developing the capacities of workers’ organizations – and a second plan to strengthen social dialogue among the three groups and with the ILO.

Recommendation 2: The ILO should increase its efforts to fund activities to enhance social dialogue, while recognizing the difficulties involved.

Recommendation 3: In the next DWCP, all TCPs should be structured to develop synergy in support of all the DWCP outcomes. In practical terms, this means that each project or cluster of activities should address multiple DWCP outcomes.

Recommendation 4: The ILO should develop an explicit plan for learning lessons at the operational levels of its key TCPs and sharing those lessons with various audiences at the policy level. While this plan may vary slightly from one TCP to another, the general principles and procedures should be consistent across all projects.

Recommendation 5: The ILO should take steps to seek, coach and hire qualified and experienced national staff for project management positions.

Recommendation 6: The ILO in Indonesia should share its expertise in mobilizing extra-budgetary technical cooperation funding and in achieving high delivery rates within the region and with the rest of the ILO.

Recommendation 7: The ILO in Indonesia should dedicate resources and backstopping arrangements should be made available to enhance efforts to build gender competence among ILO programmes, projects and partner organizations, specifically in the use of ILO tools for gender mainstreaming and gender-specific measures. The Office in Indonesia should also enhance partnerships with media organizations to promote gender issues.

Recommendation 8: A small monitoring and evaluation advisory group should be formed by the ILO Office in Indonesia with 1–2 representatives each from the ILO and the tripartite constituents. This group might meet quarterly to review progress on DWCP outcomes and to generate practical suggestions for improving performance in the future.

Recommendation 9: The ILO in Indonesia should renew its commitment to results-based management and participate in the Office-wide effort to adopt its principles into programme and project functioning. Specifically, the indicators, baselines, targets and milestones in the Indonesia DWCP should be refined so that progress towards DWCP outcomes can be reported to programme managers, staff and tripartite constituents.



# 1. Introduction

## 1.1 Context: ILO's country programme evaluation

Consistent with its policy and strategy concerning independent evaluations of Decent Work Country Programmes, the ILO has evaluated its programme of support to Indonesia. This report presents analysis, findings and recommendations of the independent evaluation conducted in early 2009. The evaluation was managed by the Evaluation Unit in close coordination with the ILO Regional Office for Asia and the Pacific (ROAP). The evaluation also benefited from tripartite national constituent input. The evaluation team consisted of an independent international evaluation consultant, an independent national evaluation consultant, and a Senior Evaluation Officer from the ILO's Evaluation Unit who had no prior association with the DWCP in Indonesia.

## 1.2 Purpose of the evaluation

The purpose of the evaluation was to provide an independent assessment of the ILO's programme of support to Indonesia, noting the effectiveness of ILO's collaboration in supporting the country programme and the national Decent Work Agenda. The evaluation derives lessons to be considered for the reinforcement or adjustment of future country programming, including implementation strategies, and priorities and/or organizational practices. Beyond the Indonesia DWCP, the evaluation also raises important issues that may be relevant for the ILO as a whole.

In doing so, the evaluation exercise is guided by four core evaluative questions, addressing:

- (1) the *relevance* of the programme of support to the development challenges and priorities of the country (tripartite constituents);
- (2) the *coherence* among the definition of a programmatic focus, the integration across ILO instruments in support of programme objectives and the coordination with other developmental actors;
- (3) the *efficiency* measured both in administrative costs and timeliness of execution; and
- (4) the *effectiveness* of individual interventions at the level of the programme as a whole.

The evaluation pays particular attention to the sustainability of results and the programme's contribution to the institutional development of the national constituents. See Appendix I for the evaluation's Terms of Reference.

## 1.3 Scope and methodology

The evaluation reviews the ILO's performance in Indonesia from 2006 to 2009. During this period, 40 ILO projects were implemented with a total value of over US\$70 million. The evaluation focuses on the ILO's strategic positioning in the country; its approach to setting an ILO agenda; and the composition, implementation, and evolution of ILO national strategies as they relate to the decent work agenda.

The evaluation formulates recommendations regarding:

- the role and relevance of the ILO in Indonesia, its niche and comparative advantage, and partnership approach;
- the role and effectiveness of the national tripartite constituents and UN partners in promoting decent work;
- the focus and coherence of the country programme's design and strategies;
- evidence of the direct and indirect use of ILO's contributions and support at the national level, and evidence of pathways towards longer-term impact;
- the efficiency and adequacy of organizational arrangements to deliver the ILO's programme in Indonesia;
- knowledge management and sharing;
- lessons learned and good practices.

The evaluation abides both by the UN norms and standards for evaluation, as set out by the UN Evaluation Group and based on the Organisation for Economic Co-operation and Development Development Assistance Committee (OECD-DAC) guidelines, and also by the Guiding Principles for Evaluators promulgated by the American Evaluation Association. This evaluation report is based on a desk review of project documentation and other related literature and a second phase of interviews and focus-group sessions with national constituents, key international development partners and implementing agents in the field. This second phase took place during a mission to Indonesia, 9–21 March 2009, to verify findings with programme constituents and ILO programme and project staff in Indonesia. See Appendix III for the list of key documents reviewed and Appendix IV for the list of key persons interviewed.

A third phase of intensive analysis occurred after the field mission was completed. In addition to a more-detailed review of key documents, the information gathered from over 100 interviews was organized into four major categories of respondents (ILO staff in Indonesia, the Government of Indonesia, employers' and workers' organizations, and donors and UN partner agencies) and nine separate sub-categories. Commonalities and differences among these different respondent groups are incorporated into the findings. Also, several sets of more quantitative data from the Country Office and other sources were re-analysed or reconfigured, and these data are presented in various figures throughout this report. The background papers and statistical analysis are available upon request.

#### **1.4 Limitations of the evaluation**

The desk review involved reading thousands of pages of project documents, reports, evaluations, mission reports, financial statements and other communications. However, it was not possible to gather all historical project reports, and some projects did not have mid-term or final evaluations. Therefore, certain gaps remain.

The documentary record was augmented with the interviews and focus groups conducted during the field visits in addition to the accumulated technical and cross-regional experience of the evaluation team. However, there was limited time available to conduct the evaluation. The field mission lasted only seven Indonesian working days before a preliminary presentation was given.

The evaluation conclusions and recommendations are based on the analysis and data presented in the report. Evaluative judgements are always subjective, but to keep subjectivity to a minimum, ILO management, national officials and social partners will be asked to react to these findings and issues, producing their own subjective opinions regarding the lessons for the future, which they have gleaned from this exercise.

## **1.5 Report layout**

Following this introduction, the report is organized with Chapter 2 laying out the basic context within which the ILO programme of assistance was developed. Chapter 3 describes the development of the ILO's programme within the country over the time period being considered. Chapter 4 focuses on the main findings of the evaluation. The findings are organized into nine separate types. Wherever possible, the evaluation team present objective data upon which each finding is based and, whenever appropriate, the evaluation team offer recommendations for improving the current situation. Chapter 5 contains conclusions and collected recommendations.

## **2. Indonesia: A decade of changes and challenges**

In this chapter, the evaluation team reports the industrial relations, political, historical and economic contexts of Indonesia in order to determine how these factors have shaped the country's Decent Work Country Programme. The reader should keep in mind that this section describes the various contexts that existed between 2006 and late 2008. After the financial crisis in 2009, the situation changed rather dramatically.

### **2.1 Industrial relations history**

For nearly thirty years, after General Suharto deposed President Sukarno, the Government of Indonesia tightly controlled the industrial relations system. Under General Suharto, there was one formally recognized federation of unions (Federation of All-Indonesia Workers' Unions) whose members were effectively just departments of a unitary body. This federation bargained collectively on behalf of all workers.

During the Suharto period, large segments of the population were also denied their rights to freedom of association. For example, employees in state-owned enterprises were essentially de-unionized because they were not eligible for membership in the official union or the Corps of Indonesia Republic Employee (KORPRI).

The result of this industrial relations history is that union density in some industries is extremely low in part because they started from a small or non-existent base. In addition, the parties of the labour relations system do not have a history of collective bargaining. Therefore, social dialogue is still a relatively new phenomenon.

General Suharto resigned in 1998 and Vice President Habibie assumed office. He encouraged the *Dewan Perwakilan Rakyat* [House of Representatives] to pass several new labour laws that opened up the industrial relations system. The result, by some accounts, was

that 38 national unions were registered. In addition, more than 20,000 enterprise unions were organized, at least half of which were formed free of employer influence.

In 2004, Susilo Bambang Yudhoyono won the presidential election defeating the incumbent President Sukarnoputri. Shortly after President Yudhoyono was elected, his administration put forward a Mid-Term Development Plan for 2004–2009. This document, known as the RPJM, is Indonesia’s national development framework. And, it is this framework that the UN Development Assistance Framework (UNDAF) and the ILO’s DWCP seek to support.

## **2.2 Medium-Term Development Plan 2004–2009<sup>1</sup>**

The first employment-related issue put forward in the RPJM was economic growth. The RPJM noted that low levels of economic growth had resulted in declining welfare of the people and in the emergence of basic social problems. The RPJM noted that the welfare of the people was very much affected by the capability of the economy to enhance income in a just and equitable manner. The second employment-related issue identified in the RPJM was the quality of Indonesia’s human resources due to the low quality of the education system.

In order to address these issues, the Government of Indonesia put forward a Vision of National Development that included “the realization of an economy that can create employment opportunities and a reasonable living and that provides a solid foundation for a sustainable development”. On the basis of the vision, three National Development Agendas were set – one of which, the Agenda for Increasing the Welfare of the People, had relevance to the work of the ILO.

The Agenda for Increasing the Welfare of the People contains five basic targets with their respective priorities and policy directions. The DWCP supports two of the RPJM targets. The first of these is the reduction of the total number of the poor population and the creation of employment opportunities. The second target is the increased quality of human resources, which is reflected in the improved Human Development Index (HDI).

## **2.3 Aceh tsunami of 2004<sup>2</sup>**

Progress on the RPJM was interrupted on 26 December 2004, when a 9.0 magnitude earthquake occurred off the Indonesian island of Sumatra. The earthquake triggered a tsunami that affected a stretch of land 500 kilometres long and 2–6 kilometres wide stretching along the west and north coasts of Aceh and killing 168,000 people. On 28 March 2005, a second large earthquake badly damaged the islands of Nias and Simeulue and further affected the west coast of Sumatra.

The creation of the Government of Indonesia’s Executing Agency for the Reconstruction of Aceh and Nias in April 2005 provided a framework for the participation of the United Nations system, including the ILO, to begin the difficult process of focusing resources on the enormous task of reconstructing Aceh and Nias.

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<sup>1</sup> The information in this section is based on the Government of Indonesia’s RPJM 2004-2009

<sup>2</sup> The information in this section is based on the United Nations Recovery Framework for Aceh and Nias, 2006–2009

In addition to the disaster, Aceh had been adversely affected by almost 30 years of intermittent armed conflict, spearheaded by an insurgent movement fighting for Acehese independence. Significant fighting resurfaced in 1998 and martial law was imposed in Aceh in May 2003. This set back efforts to maintain sustainable development endeavours and to establish effective and accountable governance.

In large measure, the tsunami served as an impetus to continue negotiations between the Government of Indonesia and the *Gerakan Aceh Merdeka* [the Acehese Independence Movement]. On 15 August 2005, the two sides signed a Memorandum of Understanding in Helsinki, the basis for the conclusion of the conflict.

## 2.4 Financial crisis of 1997<sup>3</sup>

In addition to natural disasters, Indonesia has also suffered economic disasters. In 1997, a financial crisis was precipitated when several South-East Asian countries changed the way that they calculated foreign exchange rates. The Rupiah and the Jakarta Stock Exchange reached a historic low in September 1997, prompting the International Monetary Fund to come forward with a rescue package of \$23 billion.

The financial crisis intensified in November 1997 and Moody's Investor Services eventually downgraded Indonesia's long-term debt to 'junk bond' status. Indonesia lost 13.5 per cent of its gross domestic product (GDP) that year. The inflation and the resulting steep increases in the prices of food staples led to rioting throughout the country in which more than 500 people died in Jakarta alone.

The financial crisis was particularly devastating for unskilled female workers. Female migration increased substantially during this time. The majority of female migrant workers were employed in low-paying jobs as domestic workers, caregivers and entertainers, reflecting their traditional roles in the domestic sphere.<sup>4</sup>

## 2.5 Economy<sup>5</sup>

Table 1 shows that Indonesia made a strong economic recovery from the 1997 financial crisis and its GDP grew by an average annual rate of 5.0 per cent between 2000 and 2007. This rate of growth was higher than that of some Association of Southeast Asian Nations (ASEAN) member States and lower than that of others. In 2007, Indonesia posted a 6.3 per cent growth, its highest level in more than a decade.

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<sup>3</sup> This information in this section is based on [http://en.wikipedia.org/wiki/1997\\_Asian\\_financial\\_crisis](http://en.wikipedia.org/wiki/1997_Asian_financial_crisis)

<sup>4</sup> Asian Development Bank. 2006. *Indonesia Country Gender Assessment, July 2006* (Manila).

<sup>5</sup> The information in this section is based on ILO Jakarta's excellent publication *Labour and Social Trends in Indonesia 2008*.

**Table 1. Growth of GDP in Indonesia compared with the ASEAN bloc and selected South-East Asia countries, 2000–2007 (percentages)**

Annual GDP growth, 2000–2007 (percentages)										
	2000	2001	2002	2003	2004	2005	2006	2007	2008	Average 2000–2007
ASEAN	6.7	1.9	4.9	5.4	6.5	5.7	6.0	6.5	5.5	5.5
<b>Indonesia</b>	<b>4.9</b>	<b>3.6</b>	<b>4.5</b>	<b>4.8</b>	<b>5.0</b>	<b>5.7</b>	<b>5.5</b>	<b>6.3</b>	<b>6.0</b>	<b>5.0</b>
Malaysia	8.9	0.5	5.4	5.8	6.8	5.3	5.8	6.3	5.4	5.6
Philippines	6.0	1.8	4.4	4.9	6.4	5.0	5.4	7.2	5.5	5.1
Singapore	10.1	-2.4	4.2	3.5	9.0	7.3	8.2	7.7	4.9	6.0
Thailand	4.8	2.2	5.3	7.1	6.3	4.5	5.1	4.8	5.0	5.0

Table 2 shows that investment, in real terms, accounted for 22.4 per cent of GDP in 2007, up from 19.9 per cent in 2000. Private consumption saw its share decline to 57.6 per cent in 2007 from 61.6 per cent in 2000. Exports, driven in part by record prices of commodities also saw steady robust growth between 2004 and 2007. However, the growth was offset by the growth of imports.

**Table 2. Growth rate of Indonesia’s GDP expenditure components, 2001–2007 (percentages)**

GDP expenditure components, 2001–2007 (percentages)								
	2001	2002	2003	2004	2005	2006	2007	
Government consumption	7.6	13.0	10.0	4.0	6.6	9.6	3.9	
Exports	0.6	-1.2	5.9	13.5	16.4	9.2	8.0	
Imports	4.2	-4.2	1.6	26.7	17.1	7.6	8.9	
Investment	6.5	4.7	0.6	14.7	10.8	2.9	9.2	
Private consumption	3.5	3.8	3.9	5.0	4.0	3.2	5.0	

## 2.6 Labour rights and legal framework<sup>6</sup>

In its Medium-Term Development Plan (RPJM), the Government of Indonesia made a strong call for economic growth to be tempered by social justice. It stated, “Development that places too great an emphasis on the attainment of high economic growth only neglects the aspects of justice and the meeting of basic political and social rights of the people”.

Indonesia’s dedication to social justice is reflected in its commitment to the ILO. The country has been a member of the ILO since 1950. It has ratified 18 Conventions including all of the fundamental Conventions (see Appendix V). Two priority Conventions are C. 81 (Labour Inspection) and C. 144 (Tripartite consultations).

<sup>6</sup> The information in this section is based on <http://www.ilo.org/ilolex/english/newcountryframeE.htm>

In its 2007 review, the Committee of Experts on the Application of Conventions and Recommendations (CEACR) raised a number of questions regarding industrial relations issues in Indonesia. Table 3 contains a brief summary of the CEACR's concerns. An analysis of the CEACR recommendations suggests that there may be some problems with the implementation of the fundamental conventions.

**Table 3. ILO conventions ratified by Indonesia, but causing CEACR concern**

Convention	CEACR concerns
Convention No. 29	The CEACR emphasized the need to prevent and sanction trafficking and to protect migrant workers.
Convention No. 105	The Committee requested an end to compulsory labour for political prisoners and to compulsory labour of persons participating in strikes.
Convention No. 87	The Committee requested a report on amending various laws to bring them into conformity with the Convention.
Convention No. 98	The Committee requested protection against anti-union discrimination, employer interference, and to ensure compulsory arbitration under strict conditions.
Convention No. 100	The Committee asked the Government to supply information on implementation of the Equal Employment Opportunities Guidelines, inspections carried out, cases brought before national courts, and any decisions concerning the principle of equal pay.
Convention No. 111	The Committee requested that the Government examine the situation of alleged race discrimination in Papua and Kalimantan.
Convention No. 138	The Committee strongly encouraged the Government to ensure that children under 15 do not perform domestic work.
Convention No. 182	The Committee encouraged strengthening police and labour inspectors to enable them to combat the trafficking of children.

## 2.7 Employment and decent work issues<sup>7</sup>

Between 2001 and 2005, the number of unemployed in Indonesia increased dramatically from around 8 million to 11.9 million. This pushed the unemployment rate from 8.1 per cent to 11.2 per cent. The trend began to reverse in 2006. By 2007, the unemployment rate stood at 9.1 per cent. The national aggregate, however, masked significant variations by gender and age.

Unemployment rates were noticeably higher for women than for men. However, the gap narrowed significantly in 2007 from previous years. Youth unemployment rates were also five times higher than adult unemployment rates in 2007. The unemployment challenge in Indonesia is thus primarily a youth unemployment challenge. Youth account for 56.5 per cent of Indonesia's jobless whereas they represent 20.5 per cent of its labour force.

Furthermore, unemployment is increasingly becoming a problem of the more educated. In 2002, about 40 per cent of the unemployed had some secondary or higher educational attainment. By 2007, this share had risen to 50.3 per cent. This trend reflects in part the ability of educated youth, most of whom come from wealthier families, to afford to remain

<sup>7</sup> The information in this section is based on ILO Jakarta's excellent publication *Labour and Social Trends in Indonesia 2008*.

unemployed while they search for “good” jobs. It also reflects the lack of demand for more educated young women and men.

A labour market indicator that provides information on how much of the population of a country is contributing to the GDP is the employment-to-population ratio. This indicator is one of the four indicators used to measure progress on the new Millennium Development Goal (MDG) of making full, productive and decent work for all a central objective of international and national development strategies

From 2002 to 2007, the Indonesian employment-to-population ratio stayed at around 60 per cent. During this period, there was a small increase in the ratio for women. This indicates that women are now more likely to be employed than in recent years. There has been a commensurate decrease in the ratio for men. Nonetheless, there remains a significant gender gap and hence a large untapped pool of women.

Trends in the Indonesian youth employment-to-population ratio show that between 1995 and 2007, this ratio decreased from 43.1 per cent to 39.1 per cent, during which period gross enrolment in secondary and tertiary education increased sharply.

At 41.2 per cent in 2007, agriculture continues to be the sector providing the largest share of employment (see table 4). Between 2002 and 2007, however, there was a noticeable shift in employment from agriculture to services. If current trends continue, services are likely to overtake agriculture as the dominant sector of total employment. This national trend is driven by a sectoral shift in particular for women.

Table 4 below also shows that women’s share of employment in services increased from 38.8 per cent in 2002 to 43.6 per cent in 2007. For women, services already provide the largest share of employment. The vast majority of women employed in services, however, are in the trade sub-sector (64 per cent). However, women’s employment in the transportation and communications sub-sectors has more than doubled between 2002 and 2007.

**Table 4. Share of employment in services by gender, 2002–2007 (percentages)**

	2002	2003	2004	2005	2006	2007
Agriculture	44.3	46.4	43.3	44.0	42.0	41.2
Industry	18.8	17.7	18.0	18.8	18.6	18.8
Services	36.9	36.9	38.7	37.3	39.4	40.0
<b>Men</b>						
Agriculture	43.7	45.7	42.6	43.8	42.5	41.1
Industry	20.4	19.1	20.1	20.3	20.3	21.0
Services	35.8	35.1	37.3	36.0	37.1	37.8
<b>Women</b>						
Agriculture	45.4	47.5	44.6	44.3	41.1	41.4
Industry	15.8	15.2	14.2	15.9	15.3	15.0
Services	38.8	37.3	41.2	39.8	43.5	43.6

Within industry, the number of persons employed in manufacturing reached 12.4 million persons in 2007. Large and medium-sized factories in sub-sectors such as textiles/apparel, rubber/plastic products, and radio/television and communications equipment added employment from 2003 to 2006. Sub-sectors, such as wood products, chemicals/chemical products, and electrical machinery/equipment, all lost jobs.

In addition to those employed within Indonesia, the National Agency for the Placement and Protection of Indonesian Overseas Workers reports that in 2007 there were 4.3 million registered Indonesian overseas migrant workers, most of them female domestic workers. In addition, it estimates that there were two million unregistered workers. This is the result of an active drive to increase overseas migration as a way of dampening pressure on the domestic labour market.

In 2004, for example, more than 360,000 workers had been placed overseas with remittances that year totalling \$1.9 billion. In 2007, this number had nearly doubled to 696,000 with remittances totalling \$5.8 billion. In 2008, the Government targeted the placement of one million overseas workers. The number of migrant workers and remittance inflows has important implications for managing migration in a positive and protective way.

While useful, the above employment indicators do not provide an indication of job quality and hence decent work deficits. The share of vulnerable employment, as an MDG indicator, refers to the sum of own-account workers and contributing family members as a percentage of total employment. The indicator provides insight into job quality and the informalization of the labour market.

Vulnerable employment decreased from 64.7 per cent in 2003 to 62.1 per cent in 2007. The decrease has been supported by a welcome expansion of jobs in the formal sector. The formal sector grew at an annual average rate of 3.8 per cent between 2003 and 2007, compared to informal economy job growth of 0.9 per cent.

The share of women in vulnerable employment, while continuing to be higher than for men, decreased noticeably from 2003 to 2006. However, there was an increase in 2007. This has come on the heels of a 10 per cent increase in informal employment from the previous year. This suggests that the work women are finding is likely to be characterized in terms of low-quality, unproductive and poorly remunerated jobs.

Informal employment is predominantly a rural phenomenon. The large subsistence agriculture sector in Indonesia accounts for nearly three-fourths of vulnerable employment. However, because of rural to urban migration, informal employment is also becoming an increasingly urban phenomenon. Urban informal employment grew by 5.3 per cent between 2003 and 2007, compared to 2.8 per cent in rural areas.

Rural areas are also where the majority (63.5 per cent) of the poor in Indonesia are found. Poverty, which had risen significantly with the Asian financial crisis, has fallen below the pre-crisis period. However, the number of poor people, at 37.2 million in 2007, remains higher than the number of poor in 1996 (34.5 million). Poverty in Indonesia, as in many developing countries, is largely a problem associated with working poor, with estimates indicating that less than 15 per cent of the poor had a head of household who was not working.

Table 5 shows that between 2002 and 2006, there is estimated to have been an increase in the number of working poor (at \$1 a day), while the share of working poor in total employment has remained steady at 8.2 per cent. At the \$2 per day poverty line, 54.6 per cent of Indonesian workers, or 52.1 million workers, did not earn enough to lift themselves and their families out of poverty.

**Table 5. Number of working poor by daily income and share of total employment, 2002 and 2006 in millions**

<b>Working poverty, 2002 and 2006</b>				
	US\$1 a day working poor		US\$2 a day working poor	
	Share in total employment	%	Share in total employment	%
2002	7.6	8.2	52.8	57.6
2006	7.9	8.2	52.1	54.6

Table 6 shows that total economic labour productivity, measured as output per person employed, expanded by a robust 30.2 per cent or at an average annual rate of 4.3 per cent between 2000 and 2007, supported in part by the transition from employment in lower value-added agriculture to employment in higher value-added industry and services. Productivity growth in the total economy was driven by growth in services, which grew at an average annual rate of 4.7 per cent compared to growth in agriculture and industry of around 2.6 per cent.

**Table 6. Total economic growth in labour productivity, measured as output per person employed, 2000 and 2007**

<b>Output per worker in 2000 and 2007</b>					
	Output per worker (millions IDR at constant 2000 prices)		Growth (%)	Growth (%)	Employment growth (%)
	2000	2007	2000–2007	average annual	average annual
Agriculture	5.5	6.5	18.9	2.7	0.2
Industry	37.8	44.6	18.2	2.6	2.8
Services	15.9	21.1	33.0	4.7	2.8
Total economy	14.9	19.5	30.2	4.3	1.6

To what extent has productivity growth translated into higher wages? Nominal average wages in Indonesia more than doubled between 2000 and 2007. While real average wages rose modestly between 2000 and 2003, they have since stagnated. This suggests that workers' living standards and purchasing power have not improved substantially despite the increasing efficiency of their labour.

Additionally, the available evidence suggests that there is a widening wage gap between the low-skilled and high-skilled workers. Using formal/informal economy data as a proxy for skill levels, average real wages in the informal sector were 68 per cent of those in the formal sector in 2001. However, by 2007, this ratio had decreased to 55 per cent.

Industry-level wage data also point to widening wage inequalities: average monthly wages in agriculture accounted for 34 per cent of those in finance and business services in 1999. However, this ratio declined steadily until it reached 27 per cent in 2007. The Gini coefficient, a common indicator of income inequality, also increased from 0.32 in 2000 to 0.35 in 2006.

Furthermore, the gender wage gap widened from females earning 69 per cent of male monthly wages in 1995 to 75 per cent in 2001. However, the ratio has since remained at around 75 per cent.

## **2.8 Challenges for the ILO in Indonesia**

Given these truly breathtaking changes during the past 10–12 years, it is not surprising that Indonesia faces many decent work challenges. These challenges not only make it more difficult to fully achieve the DWCP's outcomes, but some of these challenges alter the very ways in which the ILO must operate in Indonesia. Some of the most serious challenges include:

***Size*** – Indonesia is the fourth most populous country in the world, with over 230 million people. Furthermore, its people are spread over 6,000 inhabited islands which stretch 3,200 miles from east to west.

***Poverty*** – Over 40 million Indonesians live below the official poverty rate, while over 110 million – almost half the total population – live below \$2 per day. Poverty increases the size of the informal employment sector, producing a higher proportion of labourers, including women, youth and children, who do not have protections and social security.

***Unemployment, especially youth unemployment*** – Depending on the calculation used, between 25–40 per cent of young people aged 15–24 are unemployed or underemployed.

***Corruption*** – While great strides have been made in recent years, Indonesia still ranks only number 126 out of 180 countries in Transparency International's 2008 ratings. This places the country at the same level as Libyan Arab Jamahiriya and Zimbabwe, although above the level of the Philippines at number 141.

***Poor educational system*** – According to the Programme for International Student Assessment, more than 58 per cent of all Indonesian 15-year-old students have not learned even the minimum level of proficiency in mathematics, science and reading needed to participate effectively and productively in modern society.

***Cultural barriers for women*** – As we will see in more detail later in the report, women face cultural barriers throughout Indonesia, and especially in rural and less-developed areas. This hampers many of ILO's efforts which seek to produce gender-responsive benefits for all Indonesians.

***Historical prohibition of organized labour*** – The labour movement is still in its infancy because workers’ organizations were not legalized until recently.

***Decentralization of authority*** – Indonesia’s decentralization in 2001 involved transferring the Government’s political, administrative and fiscal functions, which was perhaps the single largest devolution in the world. Progress is being made, but it is partial, scattered and not sufficiently fulfilled on the ground. Eight years later, the future is unclear. There is a risk that local officials may not have a national view and may not have received sufficient capacity building. However, decentralization may also offer opportunities to improve the services delivered to the people of Indonesia.

### **3. ILO’s Decent Work Country Programme in Indonesia**

The adoption of the ILO’s Strategic Policy Framework (SPF) for 2006–2009 updated the focus and approach on how the ILO understands and works towards supporting development results at the country level. The introduction of Decent Work Country Programmes provided a mechanism through which to outline outcome-focused priorities between the ILO and national constituent partners within a broader national, United Nations and international development context.

#### **3.1 History of country programming in Indonesia**

The ILO began country programming in Indonesia before most other ILO Country Offices; in fact, before it became a requirement. The first country programme was developed in 2002–2003, a second one for the years 2004–2005, and its first official DWCP for the years 2006–2010.

Table 7 compares the priority areas or outcomes of these three separate country programmes for Indonesia. It shows that, over time, the ILO has refined its issues and better targeted its interventions.

#### **3.2 DWCP priorities and outcomes**

The current DWCP is composed of three main priorities, which together encompass seven outcomes, 13 outcome indicators and 22 targets. In addition, the DWCP includes three cross-cutting issues. The three priorities and seven outcomes are:

##### **3.2.1 Priority A: Stopping exploitation at work**

Priority A focuses primarily on the more effective application of policies and laws to sharply reduce the worst forms of labour exploitation, in particular of girls and boys, young women and men, and domestic and migrant workers, in all spheres of work. This priority area aims to achieve two outcomes:

- (1) effective progress on the implementation of the Indonesia National Plan of Action on the Worst Forms of Child Labour;

- (2) improved labour migration management for better protection of Indonesian migrant workers, especially migrant domestic workers.

**Table 7. Priority areas or outcomes of three country programmes**

Priority areas or outcomes	2002– 2003	2004– 2005	2006– 2010
Programme to Combat Worst Forms of Child Labour (WFCL)	x		
Reduction in WFCL by supporting Indonesia’s National Plan of Action		x	x
Social security system	x		
Social protection vulnerable groups		x	
Labour migration management			x
Employment creation for women, indigenous people and the informal sector	x		
Employment creation for youth and those in crisis-affected areas		x	
Support for Mid-Term Development Plan employment targets			x
Intensive employment and livelihood programmes in crisis-affected areas			x
Education and training in support of youth employment			x
Labour law reform and improved industrial relations	x		
Realization of Fundamental Principles and Rights at Work through new labour laws		x	
Application of labour laws in-line with Fundamental Principles and Rights at Work			x
Organizational development of social partners	x		
Labour market flexibility and job security through bipartite cooperation			x
Gender equality, HIV/AIDS, social security, occupational safety and health			x

### **3.2.2 Priority B: Employment creation for poverty reduction and livelihoods recovery, especially for youth**

Priority B focuses on pro-poor growth, investment, and employment. This priority area aims to achieve three outcomes:

- (1) employment targets in the Indonesian Government’s Medium-Term Development Plan are underpinned by a set of policies and programmes that emphasize pro-poor employment growth;
- (2) effective implementation of employment-intensive and other livelihood programmes for crisis-affected areas, especially Aceh, North Sumatra, and Eastern Indonesia;
- (3) education and training systems and policies better equip young people for employment and entrepreneurship.

### **3.2.3 Priority C: Social dialogue for economic growth and principles and rights at work**

Priority C focuses on strengthening the institutional capacity of ILO constituents to effectively implement a legal framework within which labour rights can be promoted and enjoyed. This priority area aims to achieve two outcomes:

- (1) application of labour laws and practices fully in line with fundamental principles and rights at work, including through strengthened labour administration;
- (2) employers and workers achieve results on labour market flexibility and job security through bipartite cooperation.

### **3.2.4 Cross-cutting issues in the DWCP**

In addition to the three priorities and seven outcomes, the DWCP includes the following three cross-cutting issues:

- (1) the effective dissemination of information on the prevention of HIV and AIDS in formal and informal workplaces;
- (2) the effective implementation and monitoring of occupational health and safety; and
- (3) the improvement of social protection for Indonesian workers.

## **3.3 DWCP document analysis**

The evaluation team conducted an analysis of the DWCP document – in particular its overall structure; indicators, baselines, targets and milestones; the quality of elements included; the degree to which the DWCP supports the objectives of other organizations; and important issues that may not have been discussed sufficiently.

In doing this analysis, it is important to recognize that DWCPs are a relatively new form of programming within the ILO. Comparing Indonesia's DWCP, which was first developed in 2005, against the most recent ILO guidance disseminated in 2008 would be unfair. At the same time, such a comparison is useful to show how the ILO in Indonesia (and other Country Offices) might improve its next DWCP, and that motivation forms the thrust of the recommendations.

### **3.3.1 Overall structure**

In order to assess the overall structure of the DWCP document, an Evaluability Assessment was conducted (see Appendix VI). The assessment found that the DWCP document fulfils many of the current requirements. It contains three priorities, two or three outcomes per priority, one or two outcome indicators per outcome, and one to three targets per outcome indicator.

Regarding the three cross-cutting issues, respondents indicated that these additional issues were included in the DWCP as a way to incorporate ongoing activities and emerging issues that did not logically fit at the time into one of the three DWCP priorities.

This is certainly understandable, given that the DWCP was developed in the midst of an active portfolio of various projects. However, the evaluation team believes that the issue of including additional priorities outside of a DWCP's main focus raises an important issue for the ILO as a whole.

### **3.3.2 Indicators, baselines, targets and milestones**

The outcome indicators and targets of the DWCP outcomes are found in the DWCP document itself. The baselines and milestones are found in Table 1.2 of the DWCP M&E Plan. In each document, there are deficiencies in the alignment of these elements that suggest a lack of familiarity with RBM concepts.

A fundamental RBM concept is that indicators measure progress towards the achievement of outcomes. According to ILO guidance, each outcome indicator should be SMART: Specific, Measurable, Attainable, Relevant, and Time-Bound. However, almost all of the current outcome indicators fail on one or more of these criteria, as some in the Country Office agree.

A baseline is nothing more than the first time data is collected on an indicator. Unfortunately, the current baselines of many of the DWCP indicators are unsatisfactory. For example, the baseline of the indicator on the incidence of child labour states, "There is no detailed and accurate information on the worst forms of child labour..." Ideally, this information would have been collected as the baseline.

Targets are computed by adding the amount of improvement expected from the programme activities to the baseline. Without accurate baseline information, it is impossible to calculate realistic and achievable targets. Therefore, it appears that the targets included in the DWCP document are, for the most part, not methodologically defensible.

Milestones are simply the targets divided into time-bound increments. Because the targets in the DWCP document are problematic, so are the milestones. Furthermore, in some cases the milestones contained in the M&E Plan seem to be conceptually unrelated to the corresponding target.

For example, the 2006 milestone of the target to reduce child labour by 25 per cent is, "National, provincial and district development plans and policies include child labour concerns". Because the eventual target is expressed as a percentage, the evaluation team would have expected the milestone to also be expressed in terms of the percentage of reduced child labour to be achieved during 2006.

In fairness, the evaluation team recognizes that the guidance from the ILO was less than complete. ILO Circulars 598 and 599, which introduced the concepts of Decent Work Country Programmes in 2004 did not provide definitions of the above concepts. Nor did the first version of the DWCP guidebook provide definitions. Furthermore, the *Result-Based Management Guidebook* was published in 2008, long after the DWCP in Indonesia had begun.

It also appears as if the Quality Assurance Framework (QAF) process did not serve DWCP development very well. Criterion 4.2 of the QAF asks if the principles of results-based programming were applied in defining country priorities, outcomes, performance indicators

and outputs. A review of the responses received by various units within the ILO shows that few pointed out the deficiencies detected by the evaluation team.

### **3.3.3 Quality of elements**

The 2005 DWCP does not include a few elements, which would be required today and should be included in the next DWCP. First, current ILO guidance explicitly calls for the use of logic models to fulfil the requirement that, “once country programme outcomes have been defined, there is a need to establish a clear outcome strategy which would convincingly explain how inputs (e.g. human or financial resources), activities, and outputs will contribute to the achievement of the stated outcomes”.

Logic models differ from logical frameworks in that they visually show this outcome strategy – that is, they draw lines between elements to show how the programme’s inputs, activities, outputs and outcomes are logically linked. The evaluation team believes that the use of Logic Models could help improve programme logic.

For example, the evaluation team agrees with the logic that working effectively against child labour and migrant worker abuse will help to stop exploitation at work (priority A), but the evaluation team is not as convinced that the application of labour laws or bipartite cooperation between employers and workers will lead to greater social dialogue (priority C).

In fact, it seems that the logical flow might possibly be in the opposite direction. Greater social dialogue might lead to a better application of labour laws and greater bipartite cooperation. However, this is a subtle issue that ILO is, no doubt, in a better position to fully understand.

### **3.3.4 Links to UNDAF and national development plans**

Appendix VIII shows that the DWCP is well linked to the UN Development Assistance Framework (UNDAF) for Indonesia, Government of Indonesia’s Medium-Term Development Plan, the MOMT’s Strategic Plan (RENSTRA), and other development plans (see Monitoring Plan: Table 1.1 Template summarizing the logic of DWCP by priority and outcome).

With regards to supporting the ILO’s priorities, current guidance requires that country programme outcomes “contribute to the achievement of the immediate/joint immediate outcomes” of the SPF. For this evaluation, the evaluation team conducted a special analysis (see Appendix VII) and found that each of the seven outcomes supports achievement of the biennial Programme and Budget outcomes. In fact, at least one of the seven DWCP outcomes supports each of the four strategic objectives in the SPF, thus covering the spectrum of ILO priority areas.

### **3.3.5 Issues that may not be discussed sufficiently**

Continuing with the analysis of the DWCP; the hugely important decentralization that occurred in 2001 is one topic that the evaluation team, and some of the respondents, might have expected the ILO to deal with in more depth. As was seen in Chapter 2, this decentralization was political, administrative and fiscal, and it radically changed the way that Indonesia operates. While the topic is touched upon in this DWCP, the evaluation team

believes that it deserves considerably more attention in the next iteration, simply because a quite different strategy may be needed in a decentralized Indonesia than would have been effective previously.

## 4. Key findings of the evaluation

In this chapter, the evaluation team presents the main findings of the evaluation, organized into nine separate types of findings. As far as possible, the objective data upon which each finding is based is included and, whenever appropriate, recommendations are offered for improving the current situation.

### 4.1 Comparative advantages

In this section, the report discusses the ILO's comparative advantages of doing the work of the DWCP and the roles played by the ILO in Indonesia. The report addresses three questions:

- (1) What comparative advantages are *inherent* to being a Country Office of the ILO?
- (2) What comparative advantages has the ILO *earned itself* by virtue of its own actions and accomplishments in Indonesia?
- (3) In what *roles* has the ILO *used* these comparative advantages to achieve its DWCP outcomes?

Respondents consistently agree that the ILO possesses clearly identifiable comparative advantages over other organizations that might be working on employment issues in Indonesia. Regarding its *inherent* comparative advantages, respondents are fully aware that, as the ILO website states, "The ILO is the only 'tripartite' United Nations agency in that it brings together representatives of governments, employers and workers to jointly shape labour standards, policies, and programmes". This convening power is especially important in Indonesia, with its short history of union rights and even shorter history of social dialogue. The ILO in Indonesia believes that being able to convene these three important constituencies sometimes attracts other important partners.

Respondents also recognize that the ILO helps to develop and to oversee International labour standards and seeks to ensure that those standards are respected in practice. Again, this unique normative authority is especially important in Indonesia. In addition, respondents acknowledge and respect that the ILO is a technical agency, with deep, worldwide expertise on labour issues and industrial relations. As one person noted, "The ILO is the biggest knowledge base in the world of work". Finally, while being a part of the UN system is not always simple for the ILO, some outsiders view that affiliation as a plus.

Regarding its *earned* comparative advantages, the ILO has developed a solid reputation as being a reliable source of information, a dependable partner and, generally, a "player" in Indonesia. Its ILO staff members are respected for their work ethic and commitment. Their expertise on labour issues is considered the best in Indonesia. And, they have developed solid working relationships with an increasing variety of national and international partners. Furthermore, the ILO in Indonesia has maintained a continuity of leadership and direction for the past seven years, despite changes in national governments. More than one respondent

specifically named the various international agencies dealing with labour issues and then placed ILO at or near the top of the list.

#### **4.1.1 Roles of the ILO in Indonesia**

Regarding the *roles* that the ILO plays in order to take advantage of these comparative advantages, respondents often spoke of policy formulation. In this arena, the ILO's advice is well regarded and highly sought. Its policy studies are especially welcomed as a basis for developing sound policies. One well placed respondent noted, "I go to the World Bank for money, to the ILO for advice". There is no doubt that, as far as policy formulation is concerned, the ILO is not only playing an important and much-needed role in Indonesia.

Regarding this policy role, some respondents offered suggestions for further enhancing the ILO's effectiveness. Some respondents, especially from outside the Government, urge the ILO to use its reputation and credibility to be more assertive when taking positions. In other words, they believe that a less cautious approach might be even more effective. Others, however, especially from within the Government, note the inherent political challenges of Indonesian labour issues and caution the ILO to tread carefully. This is difficult for external evaluators to assess, so the evaluation team simply raises the issue for further consideration.

The ILO is also well regarded for its role in training, technical assistance and capacity building. These interventions take many shapes and forms, depending on various factors, starting with the needs of the ILO constituents. Some of these activities are obvious, such as classroom training in Turin or in the vocational training centres managed by the Government of Indonesia. Others are not so obvious such as exchange visits and sharing office space with various Indonesian ministries. The Education and Skills Training for Youth Employment project is a case in point. The ILO is also actively involved in improving knowledge sharing on specific subjects, notably youth employment in Indonesia and the region. This work is strengthening and is inspired by the ILO's knowledge strategy of 2007.

A third role that the ILO plays is as an organization responsible for implementing extra-budgetary technical cooperation projects in support of the DWCP. This role is somewhat controversial. As will be seen in section 4.3, Country Office strongly believes that managing such projects enhances its policy work. Real-world lessons are learnt at the local level, and the resulting credibility among policy-makers adds weight to their policy recommendations. This is a view that is shared by some constituents and partners.

There are, however, some stakeholders who believe that the ILO should focus exclusively on the roles of policy advice and capacity building. They even suggest that implementing extra-budgetary technical cooperation projects may actually detract from The ILO in Indonesia's attention to policy issues. The evaluation team believes these are important questions, not only for the Country Office but also for the ILO as a whole, and will revisit this issue in section 4.3.

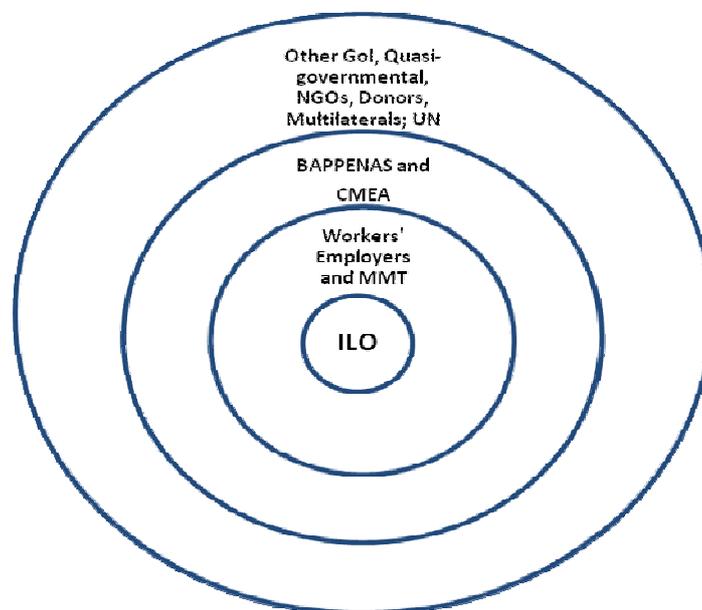
## **4.2 Tripartite constituents and other partners**

In this section, the report discusses various organizations with which the ILO aligns itself in order to accomplish its DWCP. In particular, the figure below represents the different levels

of partnership and serves as the basis for discussion of the appropriateness of the relative emphasis devoted to organizations within each of these circles.

Figure 1 illustrates what the evaluation team determined to be the different levels of partnership. Level 1, the ring immediately surrounding the ILO, represents the mandated partnerships with the tripartite constituents: (1) the Ministry of Manpower and Transmigration, the Government of Indonesia's designated agency; (2) the Employers' Association of Indonesia (APINDO); and (3) the workers' organizations, represented principally by the three main trade union confederations – the Confederation of Indonesian Prosperity Labour Union (KSBSI), the All Indonesian Trade Union (KSPSI) and the Konfederasi Serikat Pekerja Indonesia (KSPI). As was seen in section 4.1, this tripartite partnership provides a strong competitive advantage for the ILO.

**Figure 1. Snapshot of partner organizations**



The ILO clearly supports the tripartite constituents, and it has done so through, as one respondent noted, "...the highs and lows of labour relations in Indonesia". Another respondent affirmed that, "...the ILO creates a space for the three constituencies to meet and solve their labour issues". The Country Office convenes these three constituencies twice each year for regular Tripartite Consultative Group meetings, involves them in key plans and reports, including the DWCP, and works individually with each partner. Without doubt, the ILO is fulfilling its role as a convener of its tripartite partners.

However, working with these partners is not without challenges. The Ministry of Manpower and Transmigration of Indonesia is not widely regarded as a strong Ministry and is often not sufficiently responsive to opportunities. In addition, and perhaps most importantly, its potential for being effective is severely hampered by the massive decentralization of 2001 that devolved most programmatic decisions and funds to local governments.

The Employers' Association of Indonesia (APINDO), on the contrary, is viewed as eager to build its capacities. The ILO takes some pride in helping to develop, perhaps even helping to transform the Association over the past six years. According to the ILO in Geneva, "As a rapidly growing organization with a clear role and a strategy and a great potential, (APINDO) receives substantive support from The ILO in Indonesia". With this help, APINDO is becoming more sophisticated about lobbying the Government of Indonesia for its needs, using the media to convey its agenda to a wider audience, and providing direct services to members. Even so, informed observers do not yet rate APINDO as a strong organization.

Workers' organizations are almost unanimously considered (including by themselves) to be the weakest leg of this "three-legged stool". Workers' organizations were prohibited until only 11 years ago, and now there are almost 100 official workers' organizations in Indonesia. This averages to a growth rate of almost 10 new workers' organizations per year. Given such an explosive expansion, coupled with the recognized political aims of some union leaders, it is not surprising that the workers' organizations in Indonesia are widely regarded as too fragmented and fractious to reach consensus negotiating positions on almost any issue.

In short, the ILO has considerable challenges working *separately* with each of its three tripartite constituents, but working with them in *combination* multiplies those challenges, because of a lack of confidence and trust among the three groups. This situation is not especially surprising, since tripartism in Indonesia is essentially in its infancy, and it will take time for the partners to develop, both separately and together. However, the current status undoubtedly makes it more difficult for the ILO to help these tripartite constituents collaborate effectively and efficiently.

In the meantime, while the ILO continues to work at this innermost level, it also actively partners with other important actors. It has especially strong ties to both the Indonesian National Development Planning Board (BAPPENAS) and to the Coordinating Ministry for Economic Affairs (CMEA), as shown by the second, middle ring of Figure 1. Each of these partners is a powerful organization within the Government of Indonesia, and the individuals with whom ILO staff work on a personal basis are key officials within their organizations.

In fact, the partnerships within this second ring may, in some ways, be stronger than those within the first ring, and these ties are mutual. For its part, the Country Office invites both BAPPENAS and CMEA to attend its semi-annual Tripartite Consultative Group meetings on a regular basis, an honour extended to no other organizations. For their part, both of these organizations have offered the ILO a "seat at the table" when dealing with vitally important issues. For example, BAPPENAS recently invited the ILO (the only non-governmental organization) to participate in an extended working session to discuss the country's next five-year plan, and then later requested an a technical expert to sit physically in its offices two days per week to help with other important planning.

Beyond these two levels of partnerships, the ILO has developed still more alliances, as represented by the third, outermost ring of Figure 1. Partners at this level include additional Government units (e.g. Ministry of National Education, National Migration Agency, Department of Foreign Affairs), quasi-governmental agencies (e.g. National AIDS Committee, National Commission on Anti-Violence Against Women, Workers' Social Security Scheme), and some non-governmental organizations (especially those concerned with child labour and migrant worker issues). These additional partnerships are important to the ILO's mission, since complex problems, such as child labour, migrant workers, crisis

recovery, youth unemployment and HIV/AIDS, are multi-faceted and, therefore, require a multi-faceted approach to tackling them.

Also in this third ring, the ILO partners extremely well with its donor countries (e.g. Netherlands, Norway, the United States) and multilateral development partners (e.g. World Bank, UNDP). As will be seen in section 4.5, ILO has successfully cultivated a wide range of donors, and those interviewed by the evaluation team were positive of the partnership. They work closely and personally with ILO staff members, whom they respect. They feel their interests are well understood, appreciate being treated responsively and respectfully, and receive appropriate amounts of information. Multilateral development partners generally echo this finding.

Regarding this outermost ring, some inside and outside of ILO encourage Country Office to expand its partnerships even more widely to include groups such as universities, non-governmental organizations, human rights bodies, and other civil society groups. They argue that the additional perspectives and expertise they would provide would be valuable, perhaps even essential, in solving deeply rooted problems. For the most part, however, ILO is satisfied with the diversity of its current partners and fears that “too many cooks might spoil the broth”, especially in the short time remaining before this DWCP is over. This is an issue that is very difficult for external evaluators to assess, so once again it is raised it for the ILO to consider further.

Looking at all three rings of Figure 1; the evaluation team commends ILO for developing such a diversity of partnerships. Given the relatively small resources at its command, we believe that the ILO Country Office can best leverage its comparative advantages by persuading other organizations to act positively. This array of partnerships does raise the obvious question, however, of how much relative emphasis should be placed on each level, and we believe that question is relevant not only for Indonesia but for the whole ILO.

In the Indonesian situation, the evaluation team believes that the ILO may currently be under-emphasizing its partnerships with its core, tripartite constituencies. That is, the ILO in Indonesia would be wise to invest more time and effort within the innermost ring of Figure 1. This recommendation is based on several converging findings:

- Respondents from MOMT, APINDO and the workers’ organizations were fairly consistent in reiterating their desire for more interaction with the ILO in Indonesia.
- The Country Office reported that the Tripartite Consultative Group meets three to four times a year. However, the analysis of meeting schedules and minutes from March 2003 to March 2009 shows that only 10 meetings were held in six years, making an average of 1.7 meetings per year.
- Tripartite Consultative Group meetings reportedly last for two hours, making a total of 3.4 hours of formal tripartite consultations per year. However, tripartite members report that a substantial part of these meetings involves reporting by ILO staff and that there are few informal interactions outside of the formal meetings.
- During a 2005 internal consultation for 30 of the ILO’s international and national staff members, the number one challenge identified was “the perceived lack of capacity to influence by the social partners”, and the number one recommendation suggested was “increased involvement of tripartite constituents and implementing partners in all levels of design and implementation of ILO programmes”.

- As will seen in section 4.3, the DWCP's priority on social dialogue is supported by far fewer resources than its other two priorities.

It is true that not everyone agrees that the ILO should partner more assertively with its core tripartite constituents. Some point out the serious weaknesses of each partner, their poor track record of collaborating well in the past, and the frustrations and delays required for true collaboration. These respondents conclude that the ILO could be more effective by placing emphasis elsewhere. The evaluation team recognizes this perspective and acknowledges that it has some merit.

However, since working with its key tripartite constituents is one of ILO's defining characteristics and one of its unique comparative advantages, the evaluation team has a different perspective. It would be good practice to consider the implications of Country Offices establishing strategic partnerships with groups other than tripartite constituents. The evaluation team realizes that this issue will necessarily be country specific, but nonetheless urges the ILO to consider some general principles.

Furthermore, ILO should review its relative efforts within the three rings of Figure 1 and whether any changes are warranted in its degree of formal and informal engagement with various partners.

**Recommendation 1: The ILO should develop, in close cooperation with its tripartite constituents, two explicit, formal plans: one plan to develop the separate capabilities of each of the three groups – with special attention to developing the capacities of workers' organizations – and a second plan to strengthen social dialogue among the three groups and with the ILO.**

### 4.3 DWCP Implementation strategy

In this section, the report discusses the methods by which the ILO utilizes its comparative advantages and its partnerships to accomplish its DWCP. In particular, the use of a large portfolio of extra-budgetary technical cooperation projects is described. The positive benefits of this implementation strategy are documented and several questions are raised that are important not only for Indonesia but also for the ILO as a whole.

The ILO in Indonesia uses a variety of "change tools" in its efforts to accomplish the seven outcomes of its DWCP including policy dialogue and advice, policy studies, training and capacity building. The evaluation team found examples that each of these tools has been used effectively in Indonesia.

One less-traditional component of its overall strategy is the deliberate and focused use of media communications. According to information provided by ILO headquarters, Indonesia is one of only 14 ILO field offices, including subregional offices and regional offices, to have on their staff a media expert assigned particularly to media communications work.

It appears that the ILO Indonesia's use of media communications has been advantageous in at least three different ways. First, it has expanded the quantity and quality of ways in which the ILO *conveys its messages*. During interviews, the evaluation team quite regularly heard strong support for the ILO's publications and library resources from individuals from various

organizations. In addition, analysis shows that the ILO published 15 scheduled and several special editions of newsletters from 2003–2009, and released 50 press releases in the three years from 2006–2008.

Second, media communications has helped the ILO to *enhance its credibility* as an authoritative source of advice on labour issues. Several news stories about the work of the ILO in Indonesia, including stories on road reconstruction after the Aceh tsunami, entrepreneurship training for women, and efforts in child labour and coal mining have been reported by CNN. During the field mission, The *Jakarta Post* newspaper carried a story that included the following paragraph:

*[An important government official] said the government had also worked with the International Labour Office (ILO) to generate more employment. 'ILO said there are labour-based methods which can generate employment 1.5 times higher based on the same jobs and sectors.*

Third, media communications training conducted the Country Office seems to have *enhanced the ability of APINDO and the MOMT* to convey their own positions on labour issues. At this point, however, workers' organizations do not yet seem to be using the media communications more effectively.

However, more important than its use of the media, by far the central component of Indonesia's DWCP strategy is to actively seek and manage technical cooperation projects funded by third-party donors and focused on important labour issues. The Country Office believes strongly that TCPs should be a core part of any strategy to advance the ILO agenda. As an Country Office document states:

*In order to effectively implement DWCPs, it is critical to obtain donor support and develop technical cooperation projects with significant resources. This facilitates the translation of agreed objectives/priorities into concrete action. Furthermore, it ensures interventions both upstream – in national and local policy development – and downstream, with constituents, thus strengthening them.*

Acting on this commitment, the ILO in Indonesia has been successful in attracting TCP funding, with a portfolio during the years 2004–2009 of 40 active projects totalling over \$70 million dollars (see Appendix II). In this respect, Indonesia is one of the most successful ILO offices. In 2007 alone, it administered over \$18 million in TCP funds, more than any other Country Office, Subregional Office or Regional Office. This amount represented 25 per cent of all TCP funds administered in the Asia-Pacific region, despite the fact that Indonesia has only seven per cent of the region's population.

A strong case can be made that this intense use of TCPs advances progress towards DWCP outcomes. An obvious benefit to the ILO is the enormous additional resources these TCPs make available. ILO's Human Resources Development department reports that, as of 3 April 2009, Country Office employed 109 staff, 94 (86 per cent) of whom are available only because of the TCPs (see table 8).

At the professional and higher grade levels, 18 of 22 (82 per cent) are funded by TCPs, as are 32 of the 35 national officers (91 per cent). Put another way, without its portfolio of TCPs, Country Office would have 15 total staff instead of 109, four professionals or higher instead

of 22, and three national officers instead of 35. Clearly, the ILO in Indonesia would be a far different office without its 40 TCPs.

**Table 8. Grade levels and total number of staff in ILO Jakarta showing percentages funded by TCPs and regular budget, 3 April 2009**

<b>Grade levels of ILO Jakarta staff members</b>	<b>Total staff in ILO Jakarta</b>	<b>Staff funded by TCP projects (%)</b>	<b>Staff funded by regular budget (%)</b>
Professional and higher	22	18 (82)	4 (18)
National officers	35	32 (91)	3 (9)
General service and related	52	44 (85)	8 (15)
<b>Total</b>	<b>109</b>	<b>94 (86)</b>	<b>15 (14)</b>

A related benefit is the credibility these staff members bring to the ILO among other organizations working on labour issues in Indonesia. As one person described it, “the high rollers wouldn’t even talk with us earlier”. Now, however, the ILO in Indonesia is recognized as a serious player due to its financial resources and its cadre of well-respected staff.

In addition to the direct operational funds provided by TCPs, the ILO in Indonesia also receives Programme Support Income (PSI) from the overhead the ILO charges to donors. According to the Country Office, this PSI money roughly triples the Regular Budget Technical Cooperation (RBTC) funds that Indonesia receives from Geneva. Its use is quite flexible and it can support core ILO work such as supporting constituents.

On the other hand, a case could be made that generous funding might be both a blessing and a curse. It is true that this TCP funding allows the ILO in Indonesia to undertake efforts they would otherwise be unable to do. However, funding sometimes has the unintended effect of suppressing initiative and creativity. For example, if the ILO in Indonesia did not have such high levels of TCP funding, would they have to collaborate more with constituents to further their DWCP? If so, would this create more increase commitment to the ILO agenda? Would the efforts therefore be more sustainable? These are difficult questions, and some experienced ILO respondents have seen other ILO Country Offices as effective with much less TCP funding.

As table 9 shows, Indonesia’s TCP funds primarily support five project clusters (involving nine different TCPs) that consume 73 per cent of the total TCP funds. These five substantive areas are education and skills training for youth employment (32 per cent), road reconstruction (16 per cent), child labour (16 per cent), migrant workers (5 per cent), and job opportunities for youth (4 per cent). On the one hand, this shows a commendable focus on important issues. On the other hand, this might be viewed as a high-stakes programming

strategy. This is because the failure of one of these big budget project areas could harm the entire programme.

**Table 9. Five largest technical cooperation projects in ILO Jakarta, 2004–2009**

Project name	Current projects only			Projects in phases		
	No. of projects	US\$	Total US\$ (%)	No. of projects	US\$	Total US\$ (%)
EAST	1	22 675 772	35	1	22 675 772	32
Roads	1	5 379 220	8	1	11 129 235	16
Child Labour	1	5 550 000	9	3	10 970 022	16
Job Opportunities for Youth (JOY)	1	2 482 980	4	1	2 482 980	4
Migrants	1	2 310 359	4	3	3 818 171	5
<b>Subtotal</b>	<b>5</b>	<b>38 398 331</b>	<b>60</b>	<b>9</b>	<b>51 076 180</b>	<b>73</b>
Other projects	35	25 920 746	40	32	18 992 912	27
<b>Total</b>	<b>40</b>	<b>64 319 077</b>	<b>100</b>	<b>40</b>	<b>70 069 092</b>	<b>100</b>

In any event, these TCPs allow the ILO to work both on policy issues at the national level and on operational, service delivery issues in multiple provinces and districts throughout Indonesia. For example, the child labour project works both to strengthen anti-child labour policies nationally and to rescue individual children from inappropriate work situations. Similarly, the migrant workers project works both to enhance national policies about migration and to train departing migrant workers and Indonesian consular officials on their rights.

This requires operating on two very different levels, and Country Office believes that doing so enhances its work on each level. In their own words, they “use local projects to demonstrate the implementation of proper policies”, then “try to use our experience doing things to influence national policy”. Working at these two levels brings even more credibility to the ILO.

Finally, working at the operational level gives the ILO a presence throughout Indonesia, not simply in the national or provincial capitals. Given the recent and massive decentralization of political, administrative and fiscal authority, working on local level TCPs provides the ILO with access to the sub-national officials who will increasingly be making important decisions across Indonesia.

Obviously, Indonesia has an unusual Country Office, perhaps even unique, in its extensive use of TCPs. In this aspect, the ILO in Indonesia might be viewed as a model for other Country Offices. *The Director-General’s Programme and Budget proposals for 2010–11* state that, “...the regular budget of the ILO has been under pressure for a long period, during

which it has declined in real terms. Growing extra-budgetary technical cooperation resources and the initial success of the RBSA are encouraging....”

If so, then both Indonesia and the entire ILO might be wise to attend not only to the benefits of this strategy as described above, but also to several important questions this strategy raises. The evaluation team address these questions in terms of the Indonesian situation, but each question is relevant for any ILO Country Office planning to use TCPs as a major part of its DWCP strategy.

***Which sorts of TCPs should a Country Office pursue?*** The simple answer might be only those TCPs that support the achievement of the DWCP’s outcomes since one purpose of a DWCP is to concentrate and focus a Country Office’s agenda. However, the day-to-day reality can be considerably more complicated. The adoption of this idealized position might require a Country Office to decline to pursue a potential TCP, or even to decline a TCP offered by a regular donor. Each of these is difficult to do in practice, when developing countries have so many unmet needs.

On the other hand, it does little to further a DWCP agenda if a Country Office seeks and accepts any TCPs that might become available. Such an approach could produce a piecemeal portfolio of TCPs that likely would not concentrate the office’s efforts onto the priorities planned in the DWCP. In section 3.3, the question will be raised as to whether a Country Office might be allowed to manage a certain percentage of its portfolio outside its formal DWCP.

Although leaning to the latter approach, the ILO in Indonesia has adopted a middle ground. That is, the Country Office say that, “to an extent, you go with the green lights”, and other staff add that it is hard to ignore opportunities that arise, even if they do not directly support the DWCP, “We believe in casting a wide net and seeing what we can catch”. On the other hand, the Country Office also works hard to make lights turn green in DWCP priority areas, and some staff believe that donors would only approach the office with TCPs that did support the DWCP.

In order to determine the extent to which the ILO’s portfolio of TCPs supports its DWCP, the evaluation team conducted three separate analyses:

- Figure 2 below visually illustrates the links between the six development objectives of the five key TCPs and the seven outcomes of the DWCP. Looking from the bottom up, it can be seen that each TCP supports a outcome although, as was discussed earlier, it is hard to know which came first, the outcomes or the TCPs. However, looking from the top down, neither outcome No. 6 nor No. 7 is supported by any of the key TCPs. This latter fact is troubling since these two outcomes comprise the DWCP’s third priority on social dialogue.
- Table 10 shows the allocation of the financial expenditures for all 40 TCPs to the DWCP’s seven outcomes, as reported by the Country Office. As can be seen, 30 per cent of the total TCP funds support outcome Nos. 1–2, 65 per cent support outcome Nos. 3–5, and only two per cent support outcome Nos. 6–7. Financially, social dialogue is supported far less than the other two DWCP priorities.
- An analysis of the links between the indicators of the TCPs and the indicators of the DWCP’s outcomes concludes that, “an obvious relationship exists between the projects and the DWCP’s outcomes. However, the contribution of these projects to the

realization of the outcomes should be considered with caution. Indeed, the support provided by projects can differ considerably from one project to another.” See Appendix IX for this analysis.

These three analyses converge to illustrate an important finding – a smaller amount of extra-budgetary technical cooperation funding has been available for Priority C: Social Dialogue. As a result, relatively less work has been done on labour market flexibility and job security through bipartite cooperation. Additional funding could be used to build tripartite capacity to work towards this outcome.

The ILO in Indonesia fully recognizes this disparity among its three priorities and agrees that it would be preferable to fund more work to enhance social dialogue. It recognizes the need to enhance discussions among the tripartite constituencies, and it carries out activities when possible<sup>8</sup>. The central problem seems to be that donors prefer projects that yield more tangible results, making it extremely difficult to find funds for social dialogue.

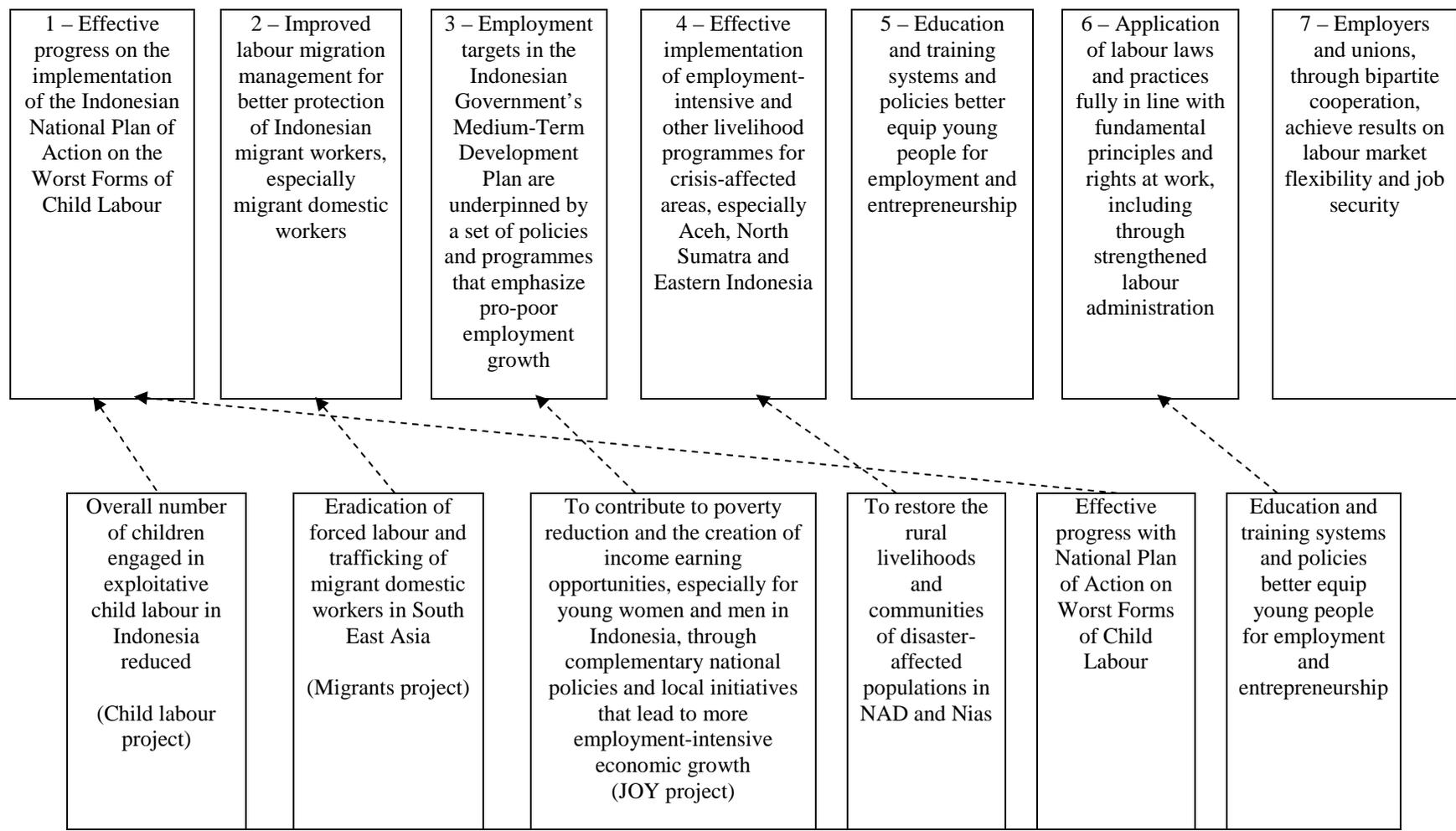
**Recommendation 2: The ILO should increase its efforts to fund activities to enhance social dialogue, while recognizing the difficulties involved.**

Another response to the question concerning which TCPs to pursue is to choose TCPs that can develop a synergy that multiplies their respective impacts. Table 10 shows that, of the five key TCPs, four TCPs are devoted to supporting a different DWCP outcome each. As a result, there is little opportunity to create a synergy among the projects in support of the Decent Work Agenda. Project staff confirmed this finding during interviews.

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<sup>8</sup> ILO Jakarta provided the evaluation team with a list of 55 activities carried out in support of Priority C.

**Figure 2. Desired outcomes of ILO Jakarta’s Decent Work Country Programme**



DEVELOPMENT OBJECTIVES OF ILO JAKARTA’S FIVE KEY TECHNICAL COOPERATION PROJECTS

**Table 10. Financial expenditures for Indonesia's DWCP priorities and outcomes, 2004–2009<sup>9</sup>**

DWCP outcomes and priorities	Technical cooperation projects (multi-bilateral)			Regular budget technical cooperation (2006–2009)			Regular budget supplementary account (2008–2009)			Grand total	
	No. of projects	US\$	Total US\$ (%)	No. of projects	US\$	Total US\$ (%)	No. of projects	US\$	Total US\$ (%)	US\$	Total US\$ (%)
Outcome No. 1 (IDN 101)	5	16 732 892	24	1	48 500	12				16 781 392	24
Outcome No. 2 (IDN 102)	4	4 084 725	6	1	30 500	7				4 115 225	6
<b>Priority A subtotal (IDN 100)</b>	<b>9</b>	<b>20 817 617</b>	<b>30</b>	<b>2</b>	<b>79 000</b>	<b>19</b>				20 896 617	30
Outcome No. 3 (IDN 126)	1	6 892 385	10	1	65 100	16				6 957 485	10
Outcome No. 4 (IDN 127)	25	24 708 089	35	1	39 300	10	1	45 000	18	24 792 389	35
Outcome No. 5 (IDN 128)	3	14 357 050	20	1	120,500	29				14 477 550	20
<b>Priority B subtotal (IDN 125)</b>	<b>29</b>	<b>45 957 524</b>	<b>65</b>	<b>3</b>	<b>224 900</b>	<b>55</b>	<b>1</b>	<b>45 000</b>	<b>18</b>	<b>46 227 424</b>	<b>65</b>
Outcome No. 6 (IDN 151)	1	448 206	1	1	55 500	14				503 706	1
Outcome No. 7 (IDN 152)	1	1 283 020	2	1	19 000	5				1 302 020	2
<b>Priority C subtotal (IDN 150)</b>	<b>2</b>	<b>1 731 226</b>	<b>2</b>	<b>2</b>	<b>74 500</b>	<b>18</b>				<b>1 805 726</b>	<b>2</b>
<b>Other topic areas: gender, green jobs, social security, HIV/AIDS</b>	<b>3</b>	<b>1 841 439</b>	<b>3</b>	<b>6</b>	<b>31 000</b>	<b>8</b>	<b>1</b>	<b>200 000</b>	<b>82</b>	<b>2 072 439</b>	<b>3</b>
<b>TOTAL</b>	<b>43</b>	<b>70 347 806</b>	<b>100</b>	<b>13</b>	<b>409 400</b>	<b>100</b>	<b>2</b>	<b>245 000</b>	<b>100</b>	<b>71 002 206</b>	<b>100</b>
<b>Grand total by fund US\$71 002 206</b>		<b>70 347 806</b>	<b>99.078</b>		<b>409 400</b>	<b>0.577</b>		<b>245 000</b>	<b>0.345</b>		

<sup>9</sup> Source: ILO Jakarta. Cutoff date May 24, 2009.

On a positive note, it is encouraging that the newest TCP supports two outcomes, and hopefully this will be an indication for the future. At the moment, however, the DWCP appears to be a collection of TCPs, not a higher level representation of ILO's priorities for Indonesia. Some knowledgeable respondents within the ILO in Indonesia agree and report that the DWCP was created by grouping key TCPs. They point out that, if the DWCP truly mattered, a DWCP Programme Manager would have been named and the DWCP indicators would be tracked more closely (see section 4.7 on Results achieved and section 4.9 on Results-based management).

**Recommendation 3: In the next DWCP, all TCPs should be structured to develop synergy in support of all the DWCP outcomes. In practical terms, this means that each project or cluster of activities should address multiple DWCP outcomes.**

*How can a Country Office maximize what it learns from the operational level of a TCP?*

As was seen earlier, an important part of the justification for seeking and managing TCPs is that a Country Office's policy advice can be enhanced by lessons learned at the service delivery level. This justification envisions operational-level TCPs as demonstration projects from which important lessons can be learned. The evaluation team accepts this justification, but only if sufficient learning from the operational level is, in fact, occurring.

The ILO in Indonesia seems to agree, and in a document regarding its DWCP's employment policy, it states that, "...given the large number of technical cooperation projects, an important ongoing priority is supporting these projects and ensuring that the lessons and experiences are integrated into the broader national and sub-national (decentralized) employment policy frameworks".

It was not possible for the evaluation team to assess exactly how much learning is being transferred from the operational level to the policy level, but respondents across different settings believe more can be done.

**Recommendation 4: The ILO should develop an explicit plan for learning lessons at the operational levels of its key TCPs and sharing those lessons with various audiences at the policy level. While this plan may vary slightly from one TCP to another, the general principles and procedures should be consistent across all projects.**

*Is there a limit to the number of TCPs a Country Office can manage effectively at any given time?* Table 11 shows the quarters during which each of the 40 TCPs in Indonesia was active from 2004–2009. For the 30-month period between the middle of 2006 and the end of 2008, the ILO in Indonesia continuously managed more than 15 TCPs simultaneously.

The Country Office does not consider workload to be an issue, yet others within the ILO wonder if the volume of management concerns involved can sometimes strain key persons involved and diminish the office's ability to make the most of each TCP. For example, one highly placed person in the ILO in Indonesia stated that, "we can comfortably implement 8–10 projects at once". The evaluation team is certain that this upper limit will vary by country and TCPs, but it is equally certain that the upper limit is finite.

It would be good practice for the ILO to determine the ideal mix of TCPs in terms of maximum number, size and complexity that can be efficiently managed at any given time.

***In a related question, should there be a minimum level of funding for a TCP?*** The size of the TCPs in Indonesia varies widely (see Appendix II). At one extreme, there have been 14 projects of more than \$1 million each; at the other extreme, nine projects have involved less than \$200,000 each. Viewing this variation in another way, table 10 shows that 32 of the 40 TCPs each averages less than one per cent of the total TCP funds.

The ILO in Indonesia points out that the smaller projects can sometimes open a dialogue on issues with new donors and partners, then later grow into larger projects. Indeed, there is evidence of this happening in Indonesia. For this reason, staff believes in “having different size[d] irons in the fire at all times”. However, other persons with considerable ILO experience think differently and suggest a minimum funding amount in order not to lose focus on key issues. One highly experienced ILO respondent suggested that a minimum funding level of \$700,000 per year might not be unreasonable. This is yet another question outside the scope of the evaluation.

***Where geographically within a country are the best locations for operationalizing TCPs?*** The five key TCPs operate in 17 of Indonesia’s 33 provinces as well as at the national level. All of these locations were carefully chosen. For example, one of the newest TCPs, the EAST project, was selected to help close the development gap between eastern and western Indonesia as per the “problems and challenges” identified in the 2004–2009 Mid-Term Development Plan.

However, this decision was not without controversy. During the field mission, a surprising number of respondents questioned why EAST was being implemented mostly in eastern Indonesia, given that most of the Indonesian population is in western Indonesia. From their perspective, a TCP should serve the most people possible. More generally, these respondents thought that the ILO should respond to the wishes of the Government whose objectives the DWCP is intended to support, not the wishes of a donor.

Table 12 shows the distribution of the five key TCPs according to (a) the Human Development Index, and (b) population. The left side reveals that the TCPs are located rather evenly across Indonesia’s more developed and less developed provinces, with a slight emphasis on less developed provinces. The right side shows that the TCPs are located considerably more frequently in Indonesia’s more populated provinces than in less populated ones.

However interesting it may be, no geographic analysis will help an ILO Country Office balance this partly political decision and its competing interests and demands, and possibly even competing motivations. One possibility for avoiding these decisions, and in fact a suggestion offered during interviews, is to select certain geographic areas of the country as “test plots” for applying policy and operational suggestions. The evaluation team does not feel sufficiently informed to recommend this approach, but ILO is encouraged to consider it as one possibility for the future.

**Table 11. Time line with start-and-stop of each TC project, 2005–2009, by quarter<sup>10</sup>**

	1 QTR 05	2 QTR 05	3 QTR 05	4 QTR 05	1 QTR 06	2 QTR 06	3 QTR 06	4 QTR 06	1 QTR 07	2 QTR 07	3 QTR 07	4 QTR 07	1 QTR 08	2 QTR 08	3 QTR 08	4 QTR 08	1 QTR 09	2 QTR 09	3 QTR 09	4 QTR 09
YEP INS/04/50/NET																				
TBP addendum INS/05/50/USA																				
TBP INS/03/50/USA																				
Declaration INS/02/51/USA																				
ILO/AIDS INS/04/51/USA																				
ERTR INS/05/05/UND																				
Aceh INS/05/02/NZE																				
LED INS/05/07/FIN																				
ERTR INS/05/54/UND																				
WED INS/05/10/IRL																				
PIPE INS/04/01/HSF																				
SYB INS/05/04/CAN																				
Roads Project INS/51/071/11																				
Dom Work INS/06/10/NOR																				
Norway M63010900877																				
JOY INS/O6/50/NET																				
EAST INS/06/15/NET																				
WED II INS/06/20/NZE																				
APINDO M62010900879																				
TBP II INS/07/03/USA																				
Avian INS/08/50/UND																				
KDP INS/07/02/CAN																				
Rengo INS/08/01/REN																				
Dom Work II INS/08/02/NAD																				

<sup>10</sup> As of 20 March, 2009

**Table 12. ILO presence in Indonesian provinces, by Human Development Index and population, 2005**

2005 HDI (from most developed to least developed)	ILO presence (initials indicate key ILO projects)	2005 Census (from most populous to least populous)	ILO presence (initials indicate key ILO projects)
DKI Jakarta	CL, M	West Java	CL, M
North Sulawesi		East Java	CL, JOY, M
Riau	M	Central Java	M
D.I. Yogyakarta	M	North Sumatra	CL, R, M
Central Kalimantan		Banten	M
East Kalimantan		DKI Jakarta	CL, M
Riau Islands		South Sulawesi	E
North Sumatra	CL, R, M	Lampung	CL, M
West Sumatra		South Sumatra	
Bengkulu		Riau	M
Jambi	M	West Sumatra	
Bangka Belitung Islands		East Nusa Tenggara	E
South Sumatra		West Nusa Tenggara	M
West Java	CL, M	West Kalimantan	
Central Java	M	Aceh	E, R, CL
Bali		Bali	
Maluku	E	D.I. Yogyakarta	M
Aceh	E, R, CL	South Kalimantan	
Lampung	CL, M	East Kalimantan	
Banten	M	Jambi	M
Central Sulawesi		Central Sulawesi	
East Java	CL, JOY, M	North Sulawesi	
South Sulawesi	E	South East Sulawesi	
South East Sulawesi		Central Kalimantan	
Gorontalo		Papua	E, JOY
South Kalimantan		Bengkulu	
North Maluku		Riau Islands	
West Kalimantan		Maluku	E
West Sulawesi		Bangka Belitung Islands	
West Papua	E	West Sulawesi	
East Nusa Tenggara	E	Gorontalo	
West Nusa Tenggara	M	North Maluku	
Papua	E, JOY	West Papua	E

#### 4.4 ILO's response to the December 2004 tsunami in Aceh

On 2 December 2004, a 9.0 magnitude earthquake occurred off the Indonesian island of Sumatra. The earthquake triggered a tsunami that affected a stretch of land 500 kilometres long and 2–6 kilometres wide along the west and north coasts of Aceh, killing 168,000 people. On 28 March 2005, a second large earthquake badly damaged the islands of Nias and Simeulue, and further affected the west coast of Sumatra. The creation of the Government of Indonesia's Executing Agency for Reconstruction of Aceh and Nias in April 2005 provided a framework for the participation of the United Nations system, including the ILO, to begin the difficult process of focusing resources on the enormous task of reconstructing Aceh and Nias.

Prior to the disaster, Aceh had been adversely affected by almost 30 years of intermittent armed conflict, spearheaded by an insurgent movement fighting for Acehnese independence. Significant fighting resurfaced in 1998 and martial law was imposed in Aceh in May 2003. This set back efforts to maintain sustainable development endeavours and to establish effective and accountable governance. In large measure, the tsunami served as an impetus to continue negotiations between the Government of Indonesia and the Gerakan Aceh Merdeka, the Acehnese Independence Movement. On 15 August 2005, the two sides signed a Memorandum of Understanding in Helsinki, the basis for the conclusion of the conflict.

When the tsunami occurred, the UN agencies put their previously prepared UNDAF aside and, in its place, formulated a mini-UNDAF called the *United Nations Recovery Framework for Aceh and Nias 2006–2009* to help them deal with the disaster relief. The ILO also played a very active role in the design and implementation of this recovery framework. According to the ILO Country Office, "The Aceh tsunami led to a very sudden and large new programme, not necessarily driven by constituents' carefully analysed needs. This has taken up considerable time and resources over a period of time in which the focus was less on the general DWCP outcomes".

The ILO's Aceh programme made itself relevant by using the relatively small amount of resources at its command to leverage impact of larger, wealthier partners. For example, UNDP received a large amount of funding for post-tsunami work on livelihoods. ILO received a portion of this funding to provide services that complimented the UNDP programme such as on employment registration, micro-finance, and employment intensive infrastructure (i.e. roads).

The role that ILO plays in the Aceh Programme may be a bit confusing. With regard to other UN agencies, such as UNDP and the World Bank, the ILO sometimes plays the role of subcontractor whereby it receives funds to carry out projects such as road reconstruction. In this capacity, it has earned the reputation of being an agency that can produce results.

As far as tripartite constituents are concerned, the ILO is a partner. The relationships with the regional government have been described as being "collaborative". However, the relationship with the social partners has had its ups and downs. Social partners are highly appreciative of the ILO's work to improve and sustain their capacity. However, one of the social partners described joint projects that were planned but which, for one reason or another, were never carried out.

The Aceh Programme used a market-driven approach to establishing priorities and pursued a strategy of growth. The programme followed a blue print developed by the mission of David

Lamotte in mid-January in January 2005. It was created by adding projects to the portfolio until there was a critical mass. The administrators then divided the projects into the six programme components.

Some of the early decisions that administrators thought were mistakes may actually have turned out to be the right thing to do. For example, the document entitled *Lessons learned and good practices from the ILO Aceh Programme (Oct 2006)*, states that, “The most immediate opportunities for the ILO in crisis situations lie with ‘cash-for-work’ or ‘rapid job creation’ initiatives”.

The report went on to say that, because of advice from the ILO’s Advisory Support, Information Services and Training (ILO-ASIST) Programme to limit the Aceh Programme’s participation in the area of cash-for-work, UNDP established itself immediately as the main agency on “job creation” through massive cash-for-work programmes. The implication was that ILO-Jakarta missed out on a huge strategic opportunity.

However, in a later report that year entitled *Making development aid work: Ensuring conflict and peace sensitivity in development programming*, Rebecca Spence of the Centre for Peace Studies states, “The cash for work scheme [in Banda Aceh] has resulted in a widening of the poverty gap in some areas and in migration to the tsunami affected areas by people seeking work for cash”.

Other authorities in Aceh, including the ILO’s own social partners, confirm that UNDP’s cash-for-work programme altered the economic structure of Aceh and created a sense of dependency in the people. So, in retrospect, perhaps it was actually a good thing that ILO did not participate in the cash-for-work scheme.

The hard truth is that the tsunami – a disaster for hundreds of thousands of people in Indonesia – was, for the ILO, a strategic opportunity. The ILO was able to expand its programming to a geographical area of Indonesia where it had not previously worked. In addition, it obtained post-tsunami funding that it otherwise would not have had. These additional resources helped the ILO grow to a size that it was recognized as a viable partner by the World Bank and UNDP.

At the beginning of the recovery effort, much needed to be accomplished. Delays could literally mean life or death. As a result, many UN agencies, including the ILO, were too busy carrying out urgent activities to document their results. This general attitude continues to the present time. That is, many of the projects in the Aceh Programme do not have monitoring and evaluation systems in place to record progress on the ground.

Some of the projects in the Aceh Programme have now begun to document their results, which have been impressive. For example, below is an excerpt from a mid-term evaluation that was carried out of the Roads Project.

*The independent evaluation mission for the midterm review (May 2007) of the project ‘Creating Jobs: Capacity building for local resource-based road works in selected districts in NAD and Nias’, concludes that, at midterm, the project is expected to be largely successful in achieving its objectives. It can reasonably be expected that at the end of the project 95 km of roads will have been rehabilitated or improved to a good quality standard. Training of*

*Kimpraswil staff has already exceeded the targets, training of contractors is progressing well, and the addition of Mobile Construction Trainers is having a major impact on the on-the-job training of contractors' and Kimpraswil staff.*

*All training is much appreciated by the project partners, and has resulted in improved quality of the road works executed. Improving techniques, standards, systems and strategies for local resource based road construction is ongoing and the main results in this area are to be expected during the second year of the project. Community participation will further improve when the use of the Integrated Rural Accessibility Planning (IRAP) will be expanded.*

#### **4.5 Resources mobilized**

In this section, the resources, both financial and human, that the ILO has accrued in order to achieve its DWCP are discussed. Financially, even though the ILO is “a small player” compared to other international organizations working in Indonesia, it has more resources than many ILO Country Offices. In the years 2004–2009, The Country Office will administer over \$70 million, or a little over \$11 million per year.

However, as was seen earlier, 92 per cent of these funds come from the 40 TCPs. Without these TCPs, the ILO in Indonesia would only be able to expend less than \$950,000 per year or only one twelfth as much as it can currently.

Table 13 below shows that these TCP funds come from 17 different donors, including a combination of donor countries and multilateral development agencies, several of which fund at the country level. Viewed positively, this diversity limits the risk if one donor changes its funding priorities. Also positive is that eight of these 17 donors give more than \$1 million per year, seven of which have funded more than one TCP. Viewed less positively, the top three donors combined give 75 per cent of all TCP funds. The loss of one of those donors would have a severe impact on the ILO's work in Indonesia.

In addition, the ILO seems to have excellent human resources, although the staff's workloads are heavy. Respondents inside and outside of the office speak highly of the Country Director, who has provided continuity to his position for the past seven years. One knowledgeable outsider called him “a very good Director of a busy place”. There was reportedly strong competition in late 2007 for the Deputy Director position, and the person who was appointed is also well regarded.

Respondents in many organizations outside of the ILO speak highly of the office's professional and administrative staff, not only for their expertise but also for their commitment, transparency and responsiveness. Overall, it was unusual for the evaluation team to hear negative comments in the many interviews conducted. Respondents with ILO experience in more than one Country Office report that the work ethic and collegiality of the ILO staff in Indonesia is very good.

**Table 13. Donor countries/multilateral development agencies funding ILO Jakarta technical cooperation projects, 2004–2009**

Source of funds	Amount of funds (US\$)	No. of projects funded	Total funds (%)
Netherlands	27 290 869	5	39
USDOL	14 258 376	6	20
World Bank	11 129 235	1	16
UNDP	5 448 033	10	8
Norway	3 763 468	2	5
Finland	2 409 636	1	3
UN-HSF	1 537 966	1	2
CIDA	1 463 415	3	2
New Zealand	751 109	2	1
UN-OCHA	506 362	1	<1
AusAID	376 369	1	<1
Adecco	346 886	1	<1
Ireland	304 856	1	<1
JICA	153 103	2	<1
ICF	144 023	1	<1
Migros	100 775	1	<1
British TUC	84 611	1	<1
<b>Total</b>	<b>70 069 092</b>	<b>40</b>	<b>100</b>

The strong work ethic exists despite the apparent inability of the ILO to match the salaries paid by other organizations, even by other UN organizations. Pursuing this issue was outside the evaluation team’s scope of work, but top managers report they overcome this limitation by recruiting very carefully and motivating intrinsically – by allowing staff to take initiatives and act on their own.

As discussed earlier, the ILO in Indonesia employs a full-time media person, one of only 14 out of 41 field offices to have one. This person provides an expertise that is rare in an ILO Country Office and highly valued in Indonesia.

However, respondents throughout the office commented on the limited availability of technical support in the Subregional Office and Regional Office. They recognize, however, that this is an ILO-wide issue, not one limited to Indonesia or the Asia and Pacific Region.

Finally, many of the stakeholders whom the evaluation team interviewed asked why the ILO recruits mainly foreign experts to manage key TCPs. They point to the head of the child labour project as evidence that national staff can fill these important roles quite effectively. They note that hiring nationals would be advantageous in terms of personal networks, long-

term continuity, potential for sustainability of the efforts, capacity building, and language skills.

**Recommendation 5: The ILO should take steps to seek, coach and hire qualified and experienced national staff for project management positions.**

#### **4.6 Implementation of TCPs**

In this section, the report discusses how the ILO in Indonesia manages the wide variety of TCPs that it uses to achieve its DWCP outcomes. In particular, implementation within and across TCPs is considered, plus some issues are raised for the ILO to consider.

The ILO in Indonesia seems to implement individual projects quite well. The tsunami recovery efforts in Aceh earned the ILO the respect of its strategic partners at the country level. Both national and international partners recognise the ILO's past work. Donors who have funded projects often return to fund additional projects. The Government of the Netherlands recently allocated \$22 million for the Education and Skills Training for Youth Employment (EAST) project, making it the largest project implemented by the ILO in Indonesia.

Based on internal data from ILO headquarters, the office's delivery rate is excellent. In 2007, it was 76 per cent, well above the 65 per cent average for all field offices and the 70 per cent average for the Asia and Pacific Region. In fact, only six ILO Country Offices worldwide had a higher delivery rate in 2007.

The ILO in Indonesia also seems to cross-implement projects well. Some TCPs work together officially – child labour and EAST, for example, collaborate well on child labour issues, mainly by using compatible materials in different geographic areas. Other projects also collaborate well, but by informal sharing of knowledge and expertise based on needs. Respondents with previous experience from multiple ILO Country Offices speak well of the way TCP project teams in Indonesia work together.

Overall, the evaluation team considers that the ILO in Indonesia implements its TCPs well, which is commendable, especially given the large size of its portfolio.

**Recommendation 6: The ILO in Indonesia should share its expertise in mobilizing extra-budgetary technical cooperation funding and in achieving high delivery rates within the region and with the rest of the ILO.**

#### **4.7 Gender considerations in the DWCP**

Gender equality is a fundamental component of decent work. Gender discrimination is a persistent concern in Indonesia's sex-segregated labour market. A substantial proportion of women are engaged in highly vulnerable work (i.e. in the informal economy and in the globalized labour manufacturing sectors). They face fewer opportunities for employment, poor conditions of work and pay, sexual harassment, poor access to finance, and higher risk of HIV/AIDS.

Indonesian migrant domestic workers especially confront huge risks of exploitation and abuse at every stage of the migration cycle, a cycle which the UN Rapporteur of Violence Against Women affirmed as a situation of “unparalleled vulnerability” to trafficking and forced labour practices.

The ILO has actively pursued the most critical elements of mainstreaming gender into its project operations which has resulted in notable progress in the area of programming and project implementation. For example:

- Gender-related policy issues were discussed during the process of developing the DWCP. The development of the DWCP involved The ILO in Indonesia’s tripartite constituents: the Government of Indonesia, APINDO, and the workers represented by their trade unions. However, these discussions apparently did not include the two key national offices for gender mainstreaming – the State Ministry for Women Empowerment and the National Commission on Anti-Violence Against Women (Komnas Perempuan).
- Gender disaggregated data are used in limited parts of the DWCP document, particularly with regard to female migrants under “Priority A: Stopping exploitation at work”. In addition, more rigorous gender-disaggregated data have been employed in the design documents of some projects such as child labour, migrant workers and in Aceh.
- Gender equality is incorporated into key policy documents, programming (including the DWCP), and Action Plans for Decent Work 2002–2005 of Indonesian tripartite organizations and partners<sup>11</sup>.

The ILO in Indonesia considers that it has done reasonably well in influencing its constituents about gender equality. For example, there are indications that workers’ organizations have quotas and involve women in decision-making processes. Also, the Government of Indonesia’s policies have been integrated women into the workplace. The ILO in Indonesia also believes that its Participatory Gender Audit exercise has proven to be an important and effective tool for assessing and strengthening gender awareness. It has been translated into Bahasa Indonesia, and constituents are increasingly requesting the audit in order to improve their own delivery of gender equality.

Constituents, however, consider that the ILO’s success in raising gender awareness and building gender-related capacity has been only moderately good. They expect the ILO to do more to develop a more conducive enabling environment regarding gender issues, particularly in workers’ organizations (i.e. supporting them to promote and encourage more women to be active in their organizations).

Respondents also report that many senior government people who have worked closely with the ILO show a very limited or inappropriate understanding of gender issues in the labour sector. Many of these government officials reportedly believe there are no gender issues in the labour sector in Indonesia, and some do not include gender-related issues in policy papers prepared for the ILO<sup>12</sup>. What they perceived as gender issues have been limitedly to gender parity or gender balance in training activities and projects.

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<sup>11</sup> Ibid.

<sup>12</sup> Komara Djaya. 2009. *Impact of the global financial and economic crisis on Indonesia. A rapid assesment* (Bangkok/Geneva, ILO Regional Office for Asia and the Pacific/ILO Policy Integration and Statistics Department).

Within the Country Office itself, a 2007 gender audit report noted that, in general, gender equality knowledge and competence was neither a requirement during recruitment nor was it tested or raised during job interviews. In addition, staff received no orientation on basic gender knowledge when they began work, and only a few had received gender training during their time in ILO. One training session that was mentioned by a number of staff was conducted during the 2004 gender audit and was useful because of its practicality.

However, gender issues were included in gender sensitive recruitment guidelines for Aceh projects. While it is not clear whether it has been carried out consistently and systematically, there are some indications that gender concerns have been included in the recruitment processes.

Partner organizations are expecting ILO to promote more progressive gender equality.<sup>13</sup> By its 5th congress in 2007, the Confederation of Indonesian Prosperity Labour Union had improved its gender equality commission, and MOMT has revised its gender mainstreaming team, which needs more progressive support from ILO. A study on how to reduce structural constraints underlying high mobility among women labourers and members of associations has been carried out, but no interventions have yet been made. Nevertheless, the ILO and its tripartite constituents have identified the practical use of gender audit tools as one way to increase awareness of the gender dimensions of decent work. Decent work activities on HIV/AIDS, which are relevant to gender equality promotion, are only one aspect of the support that is being provided by the international donor community in the global response to AIDS.

**Recommendation 7: The ILO in Indonesia should dedicate resources and backstopping arrangements should be made available to enhance efforts to build gender competence among ILO programmes, projects and partner organizations, specifically in the use of ILO tools for gender mainstreaming and gender-specific measures. The Office in Indonesia should also enhance partnerships with media organizations to promote gender issues.**

#### **4.8 Results achieved**

In this section, the report discusses what has been achieved as a result of The ILO in Indonesia's DWCP during the years 2006–2009. The evaluation team used four different methods to assess DWCP results:

- (1) the qualitative data collected from The ILO in Indonesia management and staff;
- (2) the qualitative data collected from informed observers of The ILO in Indonesia's efforts during these years;
- (3) the findings from mid-term and final evaluations of relevant TCPs conducted by The ILO in Indonesia during these years; and
- (4) progress on the official indicators and targets established in the DWCP.

This permitted findings derived from one method to be validated using a different method thus enhancing their credibility. All four perspectives showed positive achievements.

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<sup>13</sup> Partner organizations urged ILO to do more than requiring 50:50 or gender balance in representation, such as (a) targeting 50 per cent women participation in training activities, and/or (b) enhancing the representation of women in a union's organizational structure.

#### **4.8.1 The perspective of ILO Jakarta**

The management and staff of the ILO in Indonesia note a number of accomplishments during the past several years. In the office's own review of the DWCP, they report the following "concrete results and outcomes obtained or realistically envisaged":

- helped develop significant programmes to restore livelihoods in crisis-affected areas of Aceh/Nias and Yogyakarta through gainful employment and other income-generating activities;
- helped raise awareness of the plight of migrant workers and their need for greater support and protection which has led to a clear change in policies towards, and laws about, domestic migrant workers;
- helped make considerable progress in increasing the participation of children in education and reducing the number of children in the worst forms of child labour;
- helped adopt a comprehensive Youth Employment Action Plan;
- helped enact and implement three new labour laws.

When asked during interviews, respondents often mentioned these same accomplishments, especially the successes in Aceh, but they also pointed to other achievements including:

- The large expansion of TCP funding that, as we have seen, management believes was an essential accomplishment that provided the staffing, field presence and credibility that allowed the other successes to occur.
- More and better use of the media, both to present the ILO agenda and also to help constituents present their own agendas more effectively. In particular, there have been many more printed publications, in both English and Bahasa Indonesia, and greater use of electronic media, all of which they believe have helped to influence relevant policies. One example might be the well regarded report *Labour and Social Trends in Indonesia 2008*, which was written in-house.
- The development of APINDO. The ILO in Indonesia believes it has devoted more work to this employers' organization than perhaps any other ILO Country Office, and they believe APINDO has made great strides in establishing its own agenda, learning to use the media to present that agenda, and building its capacity to negotiate with workers' organizations.
- Policy development in several arenas, including youth employment, migrants and labour-intensive employment opportunities.
- Increased awareness of the ILO and the concept of decent work issues among a variety of audiences, including in non-traditional audiences such as the Ministry of Foreign Affairs.

At the same time, the Country Office acknowledges that Indonesia is a large country with many needs. The DWCP addresses many of those needs, however, in some areas, they have not accomplished as much as they might like. In particular, they recognize that they have not yet accomplished enough in the area of building and sustaining capacities of all partners, especially the capacities of workers' organizations. As has been seen, workers' organizations are quite weak in several aspects yet, reportedly, few donors are interested in funding capacity-building projects for them. In one project, centralized and managed by ACTRAV, a unions' research institute was established to produce policy-relevant information for workers'

organizations but, for whatever reasons, possibly including union disinterest, successful products have not yet emerged.

Finally, there are reports that document the DWCP results. The ILO in Indonesia provided the evaluation team with a sample of their Outcome Report. This report contains information about the progress made by the ILO towards the milestones that were specified in table 1.2 of the M&E Plan. The evaluation team recognizes and gives credit to the Country Office for complying with the requirement to submit this information to the ROAP every six months. However, as per the discussion in section 3.3, the evaluation team believes that the milestones on which reports are based have serious deficiencies. These deficiencies inherently limit the value of the results information that is currently being reported.

#### ***4.8.2 The perspective of constituents and partners***

Second, tripartite constituents, government officials, other partners, donors, UN partners agree that the ILO succeeded in its tsunami recovery efforts in Aceh, does very useful policy research, has excellent publications, and is influential with its policy advice. The evaluation team heard numerous examples of ILO advice being incorporated into the planning, policies and draft legislation of various organizations.

The evaluation team also heard strong support for specific TCPs (child labour and migrants projects most frequently) and that the visibility of the concept of decent work has been raised. Ratification of the core labour conventions has accelerated and excellent trainings and training materials have been provided. Lastly, the capacity of various organizations (Ministry of Manpower and Transmigration, the employers' organization, some workers' organizations, the National Development Planning Agency, and the new National Migrant Agency) has been developed.

On the other hand, the evaluation team also heard occasional complaints on a range of issues such as a lack of understanding at the local level of what "decent work" or "exploitation" mean; overly complex reporting formats; the need to improve the sustainability, continuity and transition of projects; ineffective trainers and training sessions; poor integration of HIV/AIDS concerns into projects; and little progress in implementing results-based management.

#### ***4.8.3 Findings of relevant project evaluations***

A third perspective is to look at the findings of relevant project evaluation reports supplied to the evaluation team for the document review at the outset of the evaluation. The ILO in Indonesia was able to locate reports for eight project evaluations conducted during the period 2006–2008. Six of the reports were final evaluations and two were mid-term evaluations. A summary of the results can be found in table 14. They indicate that, when they are evaluated, projects are generally found to have achieved their planned objectives. The low number of evaluations conducted would suggest that The ILO in Indonesia's practice of monitoring and evaluation is weak and should be reinforced.

**Recommendation 8: A small monitoring and evaluation advisory group should be formed by the ILO Office in Indonesia with 1–2 representatives each from the ILO and the tripartite constituents. This group might meet quarterly to review progress**

**on DWCP outcomes and to generate practical suggestions for improving performance in the future.**

#### ***4.8.4 Progress on DWCP outcome indicators and targets***

As noted above, the evaluation team does not believe a country programme evaluation should rely exclusively on an analysis of DWCP outcome indicators and targets as a measure of the results achieved. However, its value is recognized as one perspective among several, since it measures progress on the very indicators ILO itself originally planned to influence.

Taking into consideration the limitations explained in section 3.3, table 15 shows the three priorities, seven outcomes, 13 outcome indicators, and 22 targets of the Indonesia DWCP, along with an assessment of whether the target has been achieved and explanatory comments. All data for this table were provided by The ILO in Indonesia.

Table 15 shows that 11, or exactly 50 per cent of the 22 targets, have been achieved to date. The evaluation team applauds these successes and hopes they increase. An additional seven targets, or 32 per cent, have not yet been achieved, although most appear to be in process. Three sets of activities have achieved some, but not all, of the numerical targets originally established, and achieving the remaining numbers seems inevitable. For the other four targets, however, additional work will be needed before the target can be considered achieved.

No data are available for four, or 18 per cent of the 22 targets. In one instance, a first baseline study may provide data later this year; in the other three instances, it may have been methodologically naive to expect that the required data would be easily available. In all four instances, this lack of data makes it difficult for programme managers to manage for results and to improve effectiveness.

**Table 14. TCP performance as reported by previous evaluations, 2006–2008**

<b>Project name</b>	<b>Evaluation report (mid-term evaluation, final evaluation)</b>	<b>Date of evaluation</b>	<b>Summary assessment of project results</b>
Local Economic Recovery: Rebuilding Livelihoods & Employment Opportunities, Banda Aceh (Indonesia) (INS/05/M07/FIN)	Mid-term evaluation	2006	Evaluation showed that the project was effective and achieved successful outcomes at different levels.
Mobilizing Action on the Protection of Domestic Workers from Forced Labour and Trafficking (RAS/03/52M/UKM)	Final evaluation	2006	The project was considered to be very successful and it was recommended to extend it into a second phase.
ILO Declaration Project on Promoting and Realizing Fundamental Principles and Rights at Work to the Indonesian National Police (INS/03/P15/USA)	Final evaluation	2006	The evaluation team determined that the project objective was partly met.
Youth Employment in Indonesia: Policy & Action (INS/04/50M/NET)	Final evaluation	2006	Evaluation revealed that generally the project achieved successful outcomes in national policy through business creation programmes at the provincial level.
ILO Project Combating Forced Labour and Trafficking of Indonesian Migrant Workers (INS/06/M10/NOR)	Mid-term evaluation	2007	Evaluation found that the project delivered effectively upon all key activities addressing the five project's strategic components.
ILO Project Combating Forced Labour and Trafficking of Indonesian Migrant Workers (INS/06/M10/NOR)	Final evaluation	2008	Planned project objectives were achieved and the overall position of migrant workers was strengthened.
Combating the Worst Forms of Child Labour in Indonesia. Supporting the Time Bound Programme for the Elimination of the Worst Forms of Child Labour in Indonesia (INS/05/P50/USA)	Final evaluation	2008	Evaluation indicated that the project successfully achieved all the objectives set out at the beginning.
Papua Indigenous Peoples Empowerment (PIPE) Project: Reducing Poverty and Strengthening Peace and Development Mechanisms involving Indigenous Peoples in Papua and West Papua – Indonesia (INS/04/M01/HSF)	Final evaluation	2008	In terms of objectives achieved and results, PIPE was a very successful project. However, the evaluation team questioned the potential of the project to contribute to the DWCP.

**Table 15. Progress on the 22 targets in ILO Jakarta’s Decent Work Country Programme, 2006–2010**

DWCP priority/outcome and outcome indicator	DWCP target	Target achieved?	Comments
<b>Priority A: Stopping exploitation at work</b>			
<i>Outcome No. 1: Effective progress on the implementation of the Indonesia National Plan of Action on the Worst Forms of Child Labour</i>			
Incidence of child labour is reduced.	Child Labour Survey in 2008 reports reduction of worst forms of child labour incidences by 25 per cent (over 2005).	No data	The Government of Indonesia is expected to undertake its first National Child Labour Survey in the third quarter of 2009.
ILO constituents and stakeholders apply tools and methodologies developed under the Time-Bound Programme in the implementation of the NPA on the Worst Forms of Child Labour.	ILO constituents and stakeholders in over 20 “new” districts design and implement new initiatives to withdraw and prevent girls and boys from the worst forms of child labour.	Yes	Child labour project covers 26 districts to date – 12 districts in 2004–2007 and 14 districts in 2008; in addition, the EAST project is currently working with 33 districts.
<i>Outcome No. 2: Improved labour migration management for better protection of Indonesian migrant workers, especially migrant domestic workers</i>			
Laws and/or policies developed on the human rights and labour protection of migrant workers at the national and local level.	Local governments and relevant stakeholders in 20 provinces implement new migrant worker protection programmes, sensitive to the needs and conditions of women migrant workers.	Not yet	12 provinces to date
	New National Agency for Placement and Protection of Migrant Workers is fully operational according to Presidential Instruction 6/2006.	Yes	New agency is fully operational and works closely with ILO.
The ILO constituents and relevant stakeholders are utilizing the ILO Multilateral Framework on Labour Migration in relation to measures on migrant management and the protection of Indonesian migrant workers, both in Indonesia and abroad.	A minimum of two cross-border trade union networks to address the labour rights of Indonesian migrant workers established between the trade unions in Indonesia and the destination countries.	Yes	Five networks to date
	Para-legal, pre-departure and helpdesk services are available through trade unions and other organizations.	Yes	92 help outlets or helpdesks to date
	Over 400 consular officials and labour attaches trained to provide appropriate services on protecting migrant workers and internal as well as independent monitoring of performance of officials indicate improvement.	Not yet	244 trained to date; no data regarding performance of individual officials, but several examples of more services available for migrant workers.
<b>Priority B: Employment creation for poverty reduction and livelihoods recovery, especially for youth</b>			
<i>Outcome No. 3: Employment targets in the Indonesian Government’s Medium-Term Development Plan are underpinned by a set of policies and programmes that emphasize pro-poor employment growth</i>			
National employment policy in place that reflects the principles of the Global Employment Agenda.	At least three sectoral or regional policies make explicit reference to employment promotion and decent work.	Yes	Eight policies to date
	Decent Work indicators are consistently used in policy formulation and monitoring.	Yes	Several examples to date
<i>Outcome No. 4: Effective implementation of employment-intensive and other livelihood programmes for crisis-affected areas, especially Aceh, North Sumatra, and Eastern Indonesia</i>			
The National Community Development Programme (PNPM) and selected local governments integrate employment and local resource concerns into public investment policies in the infrastructure sector, applying labour-based infrastructure development tools and approaches/methodologies.	PNPM publicly recognizes ILO’s contribution to its policy development and training materials.	Yes	Several examples to date
	ILO tools and methodologies in the rural (infrastructure) development programmes adopted by 10 district governments.	Not yet	Five districts to date
ILO constituents and/or key partners apply employment-focused, integrated, LED	Pilot LED initiatives developed, implemented and replicated in North Sumatra, East Java, and Papua in collaboration with at least two UN agencies.	Yes	Three initiatives to date in these provinces; five other initiatives in different provinces.

DWCP priority/outcome and outcome indicator	DWCP target	Target achieved?	Comments
strategies that create sources of livelihood and income, reduce poverty and fight social exclusion, among women and men, in crisis-affected areas.			
<b>Outcome No. 5: Education and training systems and policies better equip young people for employment and entrepreneurship</b>			
Entrepreneurship training is provided to young people about to leave school, giving them clear information on opportunities in the labour market.	Ministry of National Education and Ministry of Manpower adopt the "Careers Guideline" to provide career counselling to young people, developed with ILO assistance over 2005–2006, and implemented by two local governments.	Not yet	No adoption at the ministry level, but endorsement by the Ministry of National Education for piloting; six provinces have implemented the training.
	Entrepreneurship development products are adopted and implemented in government educational institutions.	Yes	Four tools have been introduced for use with in-school and out-of-school youth in 33 districts in six provinces.
Vocational training centres (BLKs) are revitalized and sensitive to labour market needs.	At least 10 BLKs are implementing CBT as a result of ILO assistance.	Not yet	The initiative began in 2008 in three BLKs.
	CBT-based instructor training started with ILO involvement.	Yes	61 instructors have received training
<b>Priority C: Social dialogue for economic growth and principles and rights at work</b>			
<b>Outcome No. 6: Application of labour laws and practices fully in line with fundamental principles and rights at work, including through strengthened labour administration</b>			
Progress towards labour law reform.	All implementing regulations drafted and adopted.	Yes	Laws and implementing regulations formulated and adopted in 2007.
Measures to improve labour administration system at national level developed and implemented.	Effective mediation and bipartite cooperation result in a 30 per cent drop in the number of registered industrial relations disputes that reach the Labour Court system.	No data	...
	Dispute settlement institutions are operationalized by trained personnel and make decisions justly with specific reference to ILO core conventions.	No data	...
	Integrated employment services and modern labour inspection systems developed in line with ILO recommendation.	Not yet	One integrated employment service centre launched in one site; no data on modern labour inspection systems.
<b>Outcome No. 7: Employers and unions through bipartite cooperation achieve results on labour market flexibility and job security</b>			
Employers' and workers' organizations provide improved and new services to their members, and extend the representation of their organizations.	Provincial and district-level structures see increase in membership and develop resources and workplans for service expansion.	No data	No data on membership; data for service expansion combines national and provincial levels.
Employers' and workers' organizations participate in labour and employment policy development, at national and/or local levels, through bipartite and tripartite dialogue.	Consensus on labour market flexibility and job security implemented through regulations and tripartite agreement.	Not yet	Employers' and workers' organizations have exchanged positions on the subjects.

## 4.9 Results-based management

In this section, the report discusses how the ILO monitors and evaluates its efforts in Indonesia, uses the findings to improve its effectiveness, and then shares the knowledge gained both inside and outside its office.

The concepts and practical tools of results-based management (RBM) have not been fully assimilated by the ILO Office in Indonesia. This may be due to a reluctance to give up ongoing activities; lack of useful guidance and feedback from headquarters; concern over the paperwork involved; a preference for other approaches; and an incomplete understanding of the approach, among other reasons. In any event, RBM and its important elements have yet to take hold in the ILO in Indonesia:

- Logic models are not used to develop strategies for achieving the DWCP outcomes. All projects have logical frameworks (logframes), but there is no logframe for the programme level, and the more current (and now required) concept of logic models is unfamiliar.
- The indicators, baselines, targets and milestones that are included in the DWCP document and supplementary documents do not reflect a sound understanding and good practice of RBM concepts.
- There is compliance with the required outcome reporting. However, the reported information is, in the opinion of the evaluation team, of questionable value.

Without technically sound data on outcomes and what outputs and activities lead to their achievement, it is difficult to understand objectively what works in different situations. In other words, it is not possible to develop outcome-based lessons learned.

RBM is a high priority for the tripartite constituents in Indonesia. Many respondents from the government, the employers' organization, workers' organizations and donors commented that outcomes are important and that "they [the ILO] need to measure results better" and "we want more reports on results, not just activities". Frequent comments indicated that outcome-focused monitoring and evaluation is important both to them and to their own audiences, that the ILO should do a better job in this arena, and that they would like to be included in the planning and design of any system the ILO develops.

Additionally, more than one respondent within ILO staff suggested there might be a need for a "knowledge management specialist" or a "data czar". The evaluation team would leave the details to the Country Office. However, it certainly agrees that a centralized focal point who would monitor progress towards outcomes might be a useful addition to the office structure. It would be good practice for ILO Country Offices to designate and to fund a centralized focal point for monitoring progress toward DWCP and project outcomes.

**Recommendation 9: The ILO in Indonesia should renew its commitment to results-based management and participate in the Office-wide effort to adopt its principles into programme and project functioning. Specifically, the indicators, baselines, targets and milestones in the Indonesia DWCP should be refined so that progress towards DWCP outcomes can be reported to programme managers, staff and tripartite constituents.**

## **5. Conclusions, key recommendations and lessons learned**

### **5.1 The challenges of decent work in Indonesia**

Indonesia is a very challenging environment in which to expect an ILO Country Office to excel. The country's political and industrial relations systems were tightly controlled by successive governments for almost 40 years until 1998, and the one permitted labour organization was managed by the central government. Only in the past 10 years have these restrictions been loosened and independent labour unions been allowed to exist. The numerous workers' organizations that have mushroomed since then are weak and fragmented, and the country has no tradition of meaningful employer-labour social dialogue.

In addition, there are several structural problems that would challenge development in any country. Indonesia's 6,000 inhabited islands contain 230 million persons, half of whom live on less than \$2 per day. Unemployment is high, especially among youth, and 70 per cent of those who are employed work in the more-precarious informal sector. A poor educational system shackles the development of individuals and the country, and cultural barriers to gender equality further shackle women and girls.

Adding to these chronic challenges, the devastating Aceh tsunami of 2004 and a serious earthquake in Yogyakarta in 2006 each delivered crippling acute blows to the country in general and to those regions in particular. A longer-term challenge was the far-reaching 2001 decentralization of political, administrative, and fiscal responsibilities that shifted considerable power away from Jakarta and to the country's 33 provinces and 440 districts.

### **5.2 Achievements of ILO Jakarta**

In spite of the challenging environment in which it works, the ILO in Indonesia has done well. Indonesia has ratified 18 conventions, including all of the fundamental conventions, and the ILO has earned a recognized comparative advantage and a solid reputation as the best source in the country for policy advice regarding labour issues. It has maintained social dialogue among its tripartite constituents through difficult times, and it has expanded its partnerships to include several other agencies of the Government of Indonesia beyond the traditional Ministry of Manpower and Transmigration. National constituents, donors, international development agencies and the media all acknowledge that the ILO is an important player in Indonesia.

In particular, the ILO in Indonesia has accrued an impressive set of financial and human resources. During the period covered by this evaluation, it motivated 17 different donors to contribute over \$70 million for 40 separate technical cooperation projects. This is more TCP funding than any other ILO Country Office and, in this regard, Indonesia might serve as a model for other ILO offices. The 109 staff members are well regarded for the expertise and abilities to implement projects, and the office's delivery rate (76 per cent) is among the best.

The ILO in Indonesia has some demonstrable achievements, both quantitative and qualitative. The concept of decent work is more visible than before. Policy advice is often woven into legislation and regulations. The capabilities and operations of new and existing constituent organizations have been improved. At the local level, various TCPs are directly contributing to improving the lives of child labourers, migrant workers, victims of natural disasters, unemployed youth and other vulnerable groups.

### **5.3 A limited contribution by the DWCP**

However, as impressive as these achievements are, they owe relatively little to the existence of a DWCP in Indonesia. Even though the ILO developed a country programme document before one was officially required, the value of an overarching programme-level strategy that supersedes individual projects has not been fully accepted. In reality, the DWCP is more a collection of separate TCPs than a comprehensive strategy at a higher conceptual level. The evaluation team believes that, as positive experiences are gained with the DWCP, this situation will begin to change.

On a practical level, this means that TCPs remain the cornerstone of the ILO's strategy, with continued emphasis on activities and outputs, rather than on outcomes. Indeed, the idea of focussing on outcomes does not seem to be high on The ILO in Indonesia's priorities. Perhaps as a result, the DWCP's outcome indicators and targets are unevenly strong, and those indicators that do exist are not measured on a regular basis, much less analysed, discussed widely, or used to improve effectiveness.

### **5.4 Areas deserving ILO Jakarta's attention**

In addition to a wider adoption of DWCP and resultant concentration on outcomes, The ILO might also productively focus its attention on more consultation with its traditional tripartite constituents. There is close interaction with several organizations but, curiously, the three core constituents seem to receive less attention than one might expect. Whether the corrective actions manifest themselves as more true consultation with the Government of Indonesia, APINDO and workers' organizations, or as more efforts to support the third priority on social dialogue, the evaluation team believes this merits the ILO's consideration.

The ILO's commitment to implementing gender mainstreaming as a key strategy to achieve gender equality has resulted in notable progress in the area of programming and project implementation. However, more remains to be done to fully integrate gender responsiveness into the ILO's procedures for planning, implementation, monitoring and evaluation.

## **5.5 Issues for the ILO as a whole to consider**

Beyond the issues specifically relevant to Indonesia, the Country Office's successes and its operating strategies raise several important issues for the ILO as a whole. Since the Indonesia office operates differently from other Country Offices, and since this may be a direction in which the ILO wishes to encourage others to follow, the issues are important to address sooner rather than later. As discussed in more detail in this evaluation, these issues include the most effective purpose(s) of a DWCP; the proper role of TCPs in an ILO Country Office portfolio; the relative importance of the ILO's traditional tripartite constituents vis-à-vis other, perhaps more active and effective, national partners; the relative importance of social dialogue as a DWCP priority; the rights of donors relative to country objectives; and ways to maximize the learning of operational-level lessons from TCPs.

## **5.6 Lessons learned**

The evaluation team also identified some lessons that could be applied to other DWCPs. These lessons are listed below:

- It would be good practice to consider the implications of Country Offices establishing strategic partnerships with groups other than tripartite constituents. The evaluation team realizes that this issue will necessarily be country specific, but nonetheless urges the ILO to consider some general principles.
- It would be good practice for ILO Country Offices to replicate the entrepreneurial approach to mobilizing extra-budgetary technical cooperation funding and the strong work ethic that the ILO brings to project implementation in Indonesia.
- It would be good practice for the ILO to determine the ideal mix of TCPs in terms of maximum number, size and complexity that can be efficiently managed at any given time.
- It would be good practice for ILO Country Offices to designate and to fund a centralized focal point for monitoring progress toward DWCP and project outcomes.

## **5.7 Recommendations**

The recommendations found in the body of the text are recapitulated below:

**Recommendation 1:** The ILO should develop, in close cooperation with its tripartite constituents, two explicit, formal plans: one plan to develop the separate capabilities of each of the three groups – with special attention to developing the capacities of workers' organizations – and a second plan to strengthen social dialogue among the three groups and with the ILO.

**Recommendation 2:** The ILO should increase its efforts to fund activities to enhance social dialogue, while recognizing the difficulties involved.

Recommendation 3: In the next DWCP, all TCPs should be structured to develop synergy in support of all the DWCP outcomes. In practical terms, this means that each project or cluster of activities should address multiple DWCP outcomes.

Recommendation 4: The ILO should develop an explicit plan for learning lessons at the operational levels of its key TCPs and sharing those lessons with various audiences at the policy level. While this plan may vary slightly from one TCP to another, the general principles and procedures should be consistent across all projects.

Recommendation 5: The ILO should take steps to seek, coach and hire qualified and experienced national staff for project management positions.

Recommendation 6: The ILO in Indonesia should share its expertise in mobilizing extra-budgetary technical cooperation funding and in achieving high delivery rates within the region and with the rest of the ILO.

Recommendation 7: The ILO in Indonesia should dedicate resources and backstopping arrangements should be made available to enhance efforts to build gender competence among ILO programmes, projects and partner organizations, specifically in the use of ILO tools for gender mainstreaming and gender-specific measures. The Office in Indonesia should also enhance partnerships with media organizations to promote gender issues.

Recommendation 8: A small monitoring and evaluation advisory group should be formed by the ILO Office in Indonesia with 1–2 representatives each from the ILO and the tripartite constituents. This group might meet quarterly to review progress on DWCP outcomes and to generate practical suggestions for improving performance in the future.

Recommendation 9: The ILO in Indonesia should renew its commitment to results-based management and participate in the Office-wide effort to adopt its principles into programme and project functioning. Specifically, the indicators, baselines, targets and milestones in the Indonesia DWCP should be refined so that progress towards DWCP outcomes can be reported to programme managers, staff and tripartite constituents.

## **5.8 Comments from the Office on the evaluation**

The ILO Regional Office for Asia and the Pacific (ROAP) welcomes the independent evaluation of its largest and most dynamic country programme in the region. ROAP endorses the findings that the ILO in Indonesia has done very well despite the challenging environment and takes in particular note of the recognition by the independent evaluators of the “demonstrable achievements, both quantitative and qualitative” that have been amassed through the ILO contribution in Indonesia. As recognized in the report, through its work and contribution, the ILO has earned “a solid reputation as the best source in the country for policy advice regarding labour issues. It has maintained social dialogue among its tripartite constituents through

difficult times, and it has expanded its partnerships to include several other agencies of the Government of Indonesia beyond the traditional Ministry of Manpower and Transmigration.”

ROAP therefore strongly supports recommendation 6 that “the ILO in Indonesia should share its expertise in mobilizing extra-budgetary technical cooperation funding and in achieving high delivery rates within the region and with the rest of the ILO.” In addition, there are many other aspects of the ILO programme in Indonesia that can be considered as good practices for replication throughout the ILO as recognized in the report, including the influence that the ILO and the social partners have had in policy-making on labour and employment issues in the recent Government of Indonesia’s economic stimulus package; the innovative new strategic partnerships that have been established; the strength of the Country Office’s media relations in enhancing these strategic partnerships; etc.

As a follow-up to the Declaration on Social Justice for a Fair Globalization and with support from ACTEMP and ACTRAV, ROAP and ILO Jakarta will take into account recommendations 1 and 2 on the need to strengthen the capacity of constituents with special focus on workers organizations. Mobilizing donor support in the area of social dialogue is recognized as being difficult. One possible TCP in Indonesia that could help further enhance the capacity of the social partners is the imminent *Better Work Programme*, which will be developed for the garment industry directed at improving labour standards and enterprise performance including capacity building for the social partners.

Mindful of the constant need to improve the synergy between technical cooperation programmes and the DWCP outcomes, and the need to document lessons learnt from the operational level up to the policy level, ROAP endorses recommendations 3 and 4. Implementation of these recommendations will help improve the coherence and ideal mix of TCPs for future DWCPs. The recommendations provide a framework for the required collaboration by different ILO units to support the achievement of results in an integrated manner. ROAP and ILO Jakarta would welcome any information on good practices in other regions in regard to the coherence and synergy between TCPs and DWCPs.

Regarding recommendation 5, ROAP will seek guidance from HRD on how better consideration can be given to national candidates for positions with high level technical responsibilities.

Concerning recommendation 7, ROAP and ILO Jakarta will look into modalities to mobilize resources and promote ILO tools on gender mainstreaming to enhance efforts to build gender competence among ILO projects, programmes and partner organizations in the region. The Regular Budget Supplementary Account (RBSA) may provide opportunities in this regard.

As for recommendations 8 and 9, ROAP will seek to further improve the managing for results aspect of the DWCP in Indonesia and will move forward to further strengthening the Office’s results-based management. It should be noted that ROAP since early 2007 has put in place a monitoring mechanism of DWCPs and a regional evaluation network to support the development and implementation of a monitoring

and evaluation mechanism in the region. The evaluation demonstrates that the RBM principles as defined in the *ILO's Guidebook on Results-based Management* is still a relatively new concept in the office. ROAP therefore will continue to improve support to Country Offices with guidance from headquarters in developing results-based DWCPs. ROAP will also continue to design and conduct the necessary training in RBM and in monitoring and evaluation for staff and constituents.

In summary, the recommendations and comments in the Evaluation Report will provide the basis for the development of the next DWCP for Indonesia and will be a guide as to how the development and implementation of DWCPs within the region may be further improved. ROAP strongly endorses the importance of independent evaluations and looks forward to a significant involvement in future exercises to ensure the independent evaluation team has access to all relevant information, consults all concerned stakeholders and the evaluation methodology is fully understood by all involved prior to the start of the exercise. In this respect, ROAP notes also that the evaluation methodology could have been more focused on the challenges and achievements of the Indonesia DWCP and how ILO and the constituents could learn from the experiences of Indonesia, rather than being focused on the ILO Jakarta Office and its activities.

## **5.9 Tripartite constituents' comments**

The following statement was prepared based on the discussions at a tripartite-plus meeting held on 2 September 2009 to consider the draft evaluation report on the Decent Work Country Programme. The statement has been adopted by the Indonesian Employers' Association (APINDO) and the four main workers' organizations in Indonesia:

- The tripartite constituents of the ILO in Indonesia welcome the evaluation of the Indonesia Decent Work Country Programme (DWCP). The current DWCP has provided valuable support to the development of Indonesia in the field of decent work, with important results and progress on key subjects. This work needs to continue in a DWCP for 2011 – 2015, based on clearly identified needs and priorities, based on tripartite feedback.
- The Decent Work Country Programme for Indonesia is the joint responsibility of the ILO, reinforced by joint implementation among the tripartite constituents.
- We acknowledge that ILO Jakarta has made enormous efforts in bringing technical cooperation projects and other programmes to Indonesia. The ILO is encouraged to document and share the lessons and best practices of the work over the past years, in order for others to learn from this work and the projects. For example, the Roads' project in Aceh and Nias might be replicated in other areas in Indonesia.
- The Government of Indonesia through its National Planning Board (BAPPENAS) is starting to mainstream decent work for national full employment in its development plan for the next five years. The Ministry of Manpower and Transmigration is incorporating decent work in its strategic planning that needs to include an operationalization and targets at the provincial and district level in the

context of the decentralisation of Government responsibilities. Further assistance from the ILO will be needed to ensure that the Government can lead the planning and implementation of decent work in Indonesia.

- While the ILO is engaged in an impressive programme of activities targeted at the tripartite constituents, coordination with, and among, the tripartite constituents needs to be improved. More joint-tripartite activities are called for, in order for ILO constituents to learn from each other and synergize their activities. This in turn will further enhance the support from the tripartite partners to the DWCP.
- We urge ILO Jakarta to further strengthen its programme of work in the field of social dialogue, with an emphasis on working more at the workplace level.

The endorsement of the evaluation report by the Government of Indonesia is in the following terms:

- The Government of Indonesia welcomes the evaluation of the Indonesia Decent Work Country Programme (DWCP). The current DWCP has provided support to the development of Indonesia in the field of decent work. This work needs to continue in a DWCP for 2011 – 2015, based on clearly identified needs and priorities.
- The Government acknowledges that ILO Jakarta has made enormous efforts in bringing technical cooperation projects and other programmes to Indonesia. The ILO is encouraged to document and share the lessons and best practices of the work over the past years, in order for others to learn from this work and the projects.
- While the ILO is engaged in some programmes that have been consulted with constituents, coordination with and among the tripartite constituents needs to be improved. More joint-tripartite activities are called for, in order for ILO constituents to learn from each other and synergize their activities. This in turn will further enhance the support from the tripartite partners to the DWCP.
- The Government urges ILO Jakarta to further strengthen its programme of work in the field of social dialogue, with an emphasis on working more at the workplace level.

The agreement on the statement was facilitated by Dr Komara Djaja from the Coordinating Ministry of Economic Affairs. The tripartite constituents party to the statement are:

- Ministry of Manpower and Transmigration (MOMT);
- Indonesian Employers' Association (APINDO);
- four workers' organizations in Indonesia, namely:
  - Confederation of Indonesian Prosperity Trade Union - (KSBSI)
  - Confederation of Indonesian Trade Union - CITU (KSPI)
  - Confederation of All Indonesian Trade Union (group I) (KSPSI)
  - Confederation of All Indonesian Trade Union (group II) (KSPSI)

# APPENDICES

## Appendix I. Terms of reference for the evaluation

### Terms of Reference

#### Independent evaluation of the ILO's country programme in Indonesia

*January 2009*

#### 1. Introduction

The ILO is conducting an evaluation of the ILO's country programme of support to Indonesia. The evaluation will be managed by the Evaluation Unit in close coordination with the ILO Regional Office for Asia and the Pacific (ROAP) and the ILO Subregional Office in Manila. The evaluation team will consist of three persons: an external evaluator to act as team leader, a national evaluation consultant, and ILO Evaluation Officer from EVAL. The Regional Evaluation Officer will provide direct support to the team.

#### 2. Background and Context

In Indonesia, the Decent Work Country Programme 2006 – 2009 was developed with the ILO constituents. It built on the evaluation of the 2004 – 2005 ILO Jakarta Office Programme, the Indonesia Decent Work Action Plan 2002 – 2005, and previous initiatives undertaken.

The DWCP was based upon, and aligned with, key policy frameworks of the Government of Indonesia, the ILO and the UN System Inter-connected priorities for realising decent work and poverty reduction in Indonesia during this Asian Decent Work Decade are reflected in the DWCP.

The formulation of the DWCP involved wide-ranging consultations with the constituents and wider stakeholders. The ILO Jakarta Office specifically worked with all Directorates of the Ministry of Manpower and Transmigration to reflect the priorities covered by the Ministry's Strategic Plan.

Inputs from the three main Trade Union groupings were taken into account as well as those of the Employers Organisation, APINDO. Regular 'Tripartite Consultative Meetings provide a forum for the tripartite partners to share their needs and concerns, identify common priorities and review and if needed update the DWCP.

The main priorities of the DWCP are:

- Stopping Exploitation at Work
- Employment Creation for Poverty Reduction and Livelihood Recovery, especially for youth
- Social Dialogue for Economic Growth and Principles and Rights at Work
- Other cross-cutting priorities include gender equality; development of HIV/AIDS workplace programmes; improving social security and social protection; and effective implementation and monitoring of occupational safety and health in informal and formal workplaces.

The overall strategy for implementation of DWCP covers:

- A coordinated approach to institutional capacity building of the constituents and other key stakeholders relevant to the achievement of Indonesia's national development goals on employment and poverty alleviation;
- Mainstreaming gender initiatives across all interventions and programmes; and
- Strengthening cooperation with other UN agencies.

A review of the DWCP found that Indonesia's DWCP has played an important role in raising awareness of key decent work issues among the national constituent partners, UN and international development agencies (including stopping exploitation at work, employment creation for poverty reduction and livelihoods recovery, especially for youth and social dialogue for economic growth and principles and rights at work).

In addition to working with traditional constituent partners, the DWCP required ILO collaboration with other national governmental stakeholders, including the Planning Agency, Education Ministry, Ministry of Foreign Affairs and the police. This raised the visibility of decent work issues in the broader national development context, including UNDAF and PRS.

ILO has developed significant programmes to restore livelihoods in crisis affected areas of Aceh/Nias through gainful employment and other income-generating activities. This is part of the UN crisis response and led to the development of employment-intensive infrastructure reconstruction, provision of emergency employment services, vocational training, local economic development and enterprise/entrepreneurship programmes.

In the area of labour law reforms, three new laws have been enacted and implemented in line with ILO Conventions. At the request of the Ministry of Manpower, the ILO is currently conducting a labour administration review to assist in building capacity and strengthening the role of the Ministry.

### **3. Client**

The principal clients for the evaluation are the ILO's national constituents, international partners in Indonesia and national implementing partners, all of whom support national efforts to decent work and poverty reduction, and who share responsibility for deciding on follow-up to the findings and recommendations of the evaluation. The evaluation is also intended for the Office by providing a basis for

improved insights as to how to better design, implement, monitor and assess country programmes in the future. The ILO's Governing Body is also an important client.

When conducting the evaluation, in addition to the Office (headquarters and field), the tripartite constituents-- as well as other parties involved in the country programme and targeted for making use of the ILO's support, will be asked to participate.

#### **4. Purpose/Objective**

The purpose of this independent evaluation of the ILO's country program of support to Indonesia for the 2006-2009 period is to: 1) provide an account to the Governing Body regarding the results achieved from ILO programme of support for Indonesia over an extended period of time, 2) provide an opportunity for reflection and lesson-learning regarding how the ILO could improve the effectiveness of its operations in the next Decent Work Country Programme for Indonesia, and 3) analyze the effectiveness of the ILO's program in terms of supporting the development objectives set forth in the 2004-2009 National Medium-Term Development Plan. The evaluation has two further intents:

- 1) to provide an ex-post assessment of major initiatives undertaken during the evaluation period that should have longer-term impact
- 2) to assess the evaluability of ongoing projects supporting the DWCP within the context of the DWCP strategy and links to UNDAF and national development monitoring and evaluation.

#### **5. Evaluation Scope**

The evaluation timeframe proposed for study is 2006 to 2009. The evaluation will focus on the ILO's strategic positioning in the country, its approach to setting an ILO agenda, as well as the composition, implementation and evolution of ILO national strategies as they relate to the decent work agenda. Finally, lessons learned related to ILO management and organizational effectiveness will be noted.

The evaluation will make recommendations for use in preparation for the next DWCP including the following:

- 1) The role and relevance of the ILO in Indonesia, its niche and comparative advantage, and partnership approach;
- 2) The role and effectiveness of the national tripartite constituents and UN and development partners in promoting decent work;
- 3) The focus and coherence of the country programme's design and strategies;
- 4) Evidence of the direct and indirect use of ILO's (and counterparts') contributions and support at national level (outcomes); evidence of pathways towards longer-term impact
- 5) The efficiency and adequacy of organizational arrangements to deliver the ILO's programme in Indonesia;

- 6) Knowledge management and sharing;
- 7) Lessons learned and good practices

The attached annex lists scoping criteria and related questions for each aspect listed above. The scope of work will NOT include ILO Indonesia's work as liaison to ASEAN or the rehabilitation and reconstruction work going on in Timor Leste unless it is directly related to the Decent Work Country Programme.

## **6. Methodology**

The evaluation will involve constituents during the several stages and levels of analysis presented below:

### Phase I:

- A desk-based portfolio review will analyze project and other documentation, key performance criteria and indicators, to compare and assess developments and performance over time for the main programme technical areas.
- A scoping mission to gather input from key stakeholders, gauge evaluability of the programme, and confirm proposed coverage and methodology for the study.

### Phase II: March-May

- A country mission to Indonesia will enable detailed interviews of key international and national constituents, development partners, implementing partners, relevant Regional Office specialists and management. ILO staff working in the field, Manilla and Geneva on Indonesia activities, as well as current and past project staff in the Indonesia will be consulted. Travel to selected parts of the country will support more in depth case review at project/outcome level.
- A review of internal organizational capacities and practices to support ILO's work in Indonesia will be conducted. This will include interviews with SRO staff and other ILO officials working substantively with the country programme to:

Address opportunities to improve cost containment and efficiencies.

Pinpoint areas of risk, recommend process changes, managerial and organizational improvements, and suggest "best practices" for the ILO, as appropriate.

- A draft report based on analysis of all information will be circulated to key stakeholders for comment and factual correction.

## **7. Expected Outputs**

- A full report of findings and recommendations to be finalized by the Evaluation Unit and presented to the ILO Director General. The content of this report will focus on recommendations on how to revise the country programme to be better positioned for future action in the current national, regional and global environment in light of the financial crisis.

- Background documentation and analysis on which the findings, conclusions and recommendations are based.

## 8. Provisional work plan and schedule

These terms of reference will be finalized by February 2009. The draft report will be written in May 2009, circulated for comments, and then finalized by June 2009. A summary of the evaluation report will be included in the November 2009 submissions to the PFA Committee of the Governing Body. This timetable is based on the scope of work and methodology set out above, and resources available for the evaluation.

### Proposed Time Table:

Task	Time frame
Preliminary interviews and scoping exercise, draft TORs prepared	February 2009
Internal and external consultations to finalize terms of reference	February 2009
Document review, key stakeholder interviews	March 2009
Field mission to country	March 2009
Draft evaluation report circulated to constituents/stakeholders	April/May 2009
Workshop to review draft evaluation report with constituents	May 2009
Final evaluation report	June 2009

### Specific Issues to be Addressed

The evaluation will be based on analysis of empirical evidence to establish findings and conclusions in responses to specific questions. The evaluator will seek to apply a variety of rather simple evaluation techniques—meetings with stakeholders, focus group interviews, desk reviews of project documents, field visits, surveys, informed judgement and possible scoring, ranking or rating techniques.

The desk review and initial interviews will suggest a number of initial findings that in turn will point to additional issues and information to find. This will guide the means of conducting more in depth analysis to refine the findings. Programme and project documents are being collected by the ILO evaluation unit. Key steps being followed in the analysis are:

1. Mapping and trend analysis of DWCP outcomes:

- a. Analyze the context (social, political and economic information to help understand why and what the problems are that ILO seeks to address;
  - b. Describe each intended outcome, as well as the baseline or starting conditions, and specified indicators and targets (if these are not documented, attempt to compile through interviews or other communication); note key partners for each outcome;
  - c. For each outcome, identify the ILO operations in the country—projects and non-project activities, major outputs, and related services since 2006, indicating the time frame for each;
  - d. For each outcome, summarize evidence of ILO effectiveness in supporting achievement of the outcome. Note key factors of success and constraints encountered;
  - e. Summarize evidence of lessons learned being applied to improve our programme of support;
2. Choice and fit of the ILO strategy in Indonesia:
- a. Analyze whether the ILO strategy and design of outcomes was a strategic exercise with a clear road map towards results, and whether results are relevant to our national constituents and UN partners;
  - b. Analyze the adequacy and appropriateness of ILO's range of support (projects, policy advice, technical service, advocacy, training, tools and guidance, capacity building, etc.); note if resources were adequate to support the effort;
  - c. Analyze the effort made to manage risk, including uncertainty about resource levels and use;
  - d. Make a critique of the logic/fit of major actions and outputs with the intended outcomes;
  - e. Analyze the strategic fit of the ILO in the area of the outcome; its comparative advantages in terms of expertise and level of effort; its partners and the potential to influence policy and decision making processes;
  - f. Analyze the scope and quality of tripartite participation and how these have contributed to progress in achieving outcomes; note capacity and skills of constituents as these correspond with partnership roles;
3. Documenting and critiquing the status of outcomes:
- a. Critique the formulation of outcomes (clarity, link with national priorities and UNDAF, making recommendations for improvement);
  - b. Analyze the status of outcomes and outputs based on data-supported evidence; indicate timeframe, and progress made (being made),
  - c. If absence of performance information and results-based targets, propose proxies to be applied for the evaluation;
  - d. For each outcome, rate performance based on the scale and matrix shown in table 2 (BCPR draft, to be revised);
  - e. Determine the major difficulties and constraints, especially the continuing constraints, both internal and external, that effected the results, analyze how these interact with enabling factors; negative constraints that need to be removed;
4. Sustainability and managing for future results:

- a. Analyze whether there is evidence that the ILO's interventions have been gradually and effectively handed over to national partners; and the extent to which there is national ownership through improved capacity, will, and an enabling environment (changed laws, policies, behaviours, budgets);
- b. Determine whether the ILO has articulated an exit or transition strategy for its support;
- c. Analyze the actions taken to design and implement a knowledge management strategy with national partners and civil society;
- d. Consider the adequacy of resource mobilization to support future work;
- e. Determine the extent to which the ILO has worked coherently to jointly support outcomes, and whether this was efficient, avoiding duplication, inconsistencies, and fragmentation;
- f. Consider the cost-effectiveness of ILO's work in relation to each outcome and major output;
- g. What are the constraints to sustainability and how can they be managed?

5. Efficiency of partnership arrangements:

- a. Analyze the work planning, implementation management and reporting practices of the ILO for the country programme;
- b. Make a critique of the communication practices, both internally and externally;
- c. Analyze the match between supply and demand for technical expertise to support the country programme;
- d. Take note of any concerns related to the transparency and integrity of the ILO's operations;

**Performance criteria for Indonesia Country Programme Evaluation**

<b>The role and relevance of ILO in Indonesia, its niche and comparative advantage, and UN partnership approach</b>
<p>Performance criteria:</p> <ul style="list-style-type: none"> <li>• National political, economic and social factors have shaped formulation of Country Programme</li> <li>• Flexibility and ability to respond to emerging opportunities.</li> <li>• ILO establishes priorities consistent with its capacities and comparative advantages.</li> <li>• ILO ensures CCA addresses subjects that are priorities for decent work in the country.</li> <li>• ILO achieves overall policy coherence between ILO action and the UNDAF</li> <li>• PRSP / MDGs: ILO's country programme links to and supports/influences national PRS's</li> </ul>

### **Tripartite participation and partnership**

Performance criteria:

- National tripartite constituents are active in national development planning forums and networks
- National tripartite constituents take ownership of the ILO's country programme
- Tripartite constituents have improved capacities to influence national policy and resources within decent work areas
- Constituents have clear links to target groups.

### **The focus and coherence of programme's design and strategies**

Performance criteria:

- Programme coherence supporting an integrated approach to decent work.
- Country programme fits within ILO's Strategic Policy Framework and Programme and Budget priorities and strategies.
- DWCP reflects a consensus between the country and the ILO on decent work priorities and areas of cooperation.
- Presents a strategy with main means of action for delivery of ILO support.
- Cross-cutting goals are integrated.
- Current programme is coherent, logic and captures opportunities for reinforcing each other in meeting objectives.
- Partnerships and tripartite constituents build national capacities and support policy change.
- Verification that ILO responds to recognized needs among constituents.
- Resource mobilisation is an integral part of strategies.

### **Evidence of the direct and indirect results of ILO's contributions and support at national level**

Performance criteria

- The programme has defined clear outcome-level results against which it can be assessed.
- These results are documented and verifiable.
- The outcomes justify the resources spent.
- The secondary effects, either positive or negative, are known and associated risks addressed
- ILO has influenced thinking and action related to policy changes.
- Results are sustainable by partner institutions and at various levels (local, national, regional).
- Expansion and replication of successful demonstration and pilot interventions.

### **The efficiency and adequacy of organizational arrangements to deliver the ILO's programme in Indonesia**

Performance criteria:

- The operations of the programme match the programme plan.
- The ILO has operated fairly and with integrity.
- Credible, skilled specialists support the work.
- Resource mobilization is effectively and efficiently carried out.
- Work processes are efficient and timely.

### **Knowledge management and sharing**

Performance criteria:

- M&E is part of the knowledge base.
- Office follows a communication/KM strategy, making effective use of its web site, and other tools for outreach.
- ILO knowledge development used to improve national programmes, policies and benefit priority groups.

## Appendix II. ILO/Jakarta's portfolio of TCPs: Financial expenditures for Indonesia's DWCP priorities and outcomes, 2004–2009

Project	Project name	Long name	Start date	End date	Total budget (US\$)	Budget spent (%)	Status	Organization (admin. unit)	ILO responsible official
100435	INS/51/071/11	Capacity building for local resource-based road works in selected districts in NAD and NIAS	1 Mar. 2006	31 Dec. 2009	11 650 331	54	Active	ILO Jakarta	Ms P. Liewkeat
100280	INS/05/04/CAN	Entrepreneurship culture and business creation for youth employment in Aceh	1 Dec. 2005	31 Dec. 2008	1 022 481	89	Reactivated	ILO Jakarta	...
101053	INS/07/02/CAN	KDP training programme: Capacity building for entrepreneurship development	1 Jan. 2008	31 Jul. 2009	395 966	34	Active	ILO Jakarta	Mr M. Clemensson
100074	INS/05/07/FIN	Local economic recovery: Rebuilding livelihoods and employment opportunities	5 May 2005	31 Aug. 2008	2 409 636	95	Active	ILO Jakarta	Ms P. Liewkeat
100179	INS/04/01/HSF	Promoting human security and reducing poverty among indigenous peoples in Papua	15 Sep. 2005	31 Jan. 2009	1 537 966	99	Active	ILO Jakarta	Mr A. Boulton
100214	INS/05/10/IRL	Women entrepreneurship in Indonesia	27 Sep. 2005	31 Mar. 2008	304 856	100	Completed	ILO Jakarta	Ms P. Liewkeat
101484	INS/08/02/NAD	Combating forced labour and trafficking of Indonesian migrant workers, phase II	1 Nov. 2008	31 Dec. 2011	2 310 359	2	Active	ILO Jakarta	Ms L. Kejser
12308	INS/04/50/NET	Promoting youth employment	1 Mar. 2004	28 Feb. 2007	1 283 048	100	Completed	ILO Jakarta	...
100618	INS/06/15/NET	Education and skills training for youth employment (EAST)	1 Nov. 2006	28 Feb. 2011	22 675 772	308	Active	ILO Jakarta	Mr P. Van Rooij
100501	INS/06/50/NET	Employment-intensive growth for Indonesia: Job opportunities for young women and men	1 Jul. 2006	30 Apr. 2010	2 482 980	44	Reactivated	ILO Jakarta	Ms R. Damayanti
100545	INS/06/10/NOR	Combating forced labour and trafficking of Indonesian migrant workers	1 Jun. 2006	30 June 2009	1 453 109	94	Active	ILO Jakarta	Ms G. Panjaitan
100069	INS/05/02/NZE	Aceh employment and livelihoods training support	1 May 2005	31 Jan. 2008	351 109	100	Completed	ILO Jakarta	...
100806	INS/06/20/NZE	Women entrepreneurship II	1 Apr. 2007	30 June 2008	400 000	100	Active	LO Jakarta	...
101219	INS/08/01/REN	Mobilisation and capacity building of teacher trade union in Indonesia	1 Jul. 2008	30 June 2011	142 734	3	Active	LO Jakarta	Mr A. Boulton
100057	INS/05/05/UND	Emergency response and transitional recovery programme	28 Apr. 2005	31 Dec. 2006	...	...	New	ILO Jakarta	...
100064	INS/05/54/UND	Enterprise development and micro-finance for Aceh-component 3 ERTR	28 Apr. 2005	31 Oct. 2008	1 272 310	83	Active	ILO Jakarta	Mr A. Boulton
101154	INS/08/50/UND	Avian influenza and the workplace in Indonesia	1 Oct. 2007	31 Dec. 2009	250 000	25	Active	ILO Jakarta	Mr P. Van Rooij
10635	INS/02/51/USA	Promoting and realizing freedom of association in Indonesia	30 Sep. 2002	31 Dec. 2008	1 997 459	98	Completed	ILO Jakarta	...
10639	INS/03/50/USA	The TBP in Indonesia	30 Sep. 2003	31 Dec. 2008	4 065 000	96	Active	ILO Jakarta	Ms S. Lan Djoa
12515	INS/04/51/USA	HIV/AIDS Workplace Education Programme in Indonesia	1 Feb. 2005	31 Mar. 2008	800 000	91	Active	ILO Jakarta	Mr A. Boulton
12512	INS/05/50/USA	Addendum to the IPEC Project of Support	1 Feb. 2005	31 Dec. 2007	1 355 022	100	Completed	ILO Jakarta	...
100957	INS/07/03/USA	Project of Support to the Indonesian Time-bound Programme on the elimination of the worst forms of child labour - Phase II	1 Nov. 2007	31 Oct. 2011	5 550 000	13	Active	ILO Jakarta	Mr A. Boulton
	M63010900877	Social Dialogue and Youth Employment Project	Aug. 2006	Mar. 2009	2 463 470	1	Active	ILO Jakarta	...
	M62010900879	Strengthening the Capacity of APINDO to Promote Employability of Youth	Apr. 2007	Dec. 2008	1 762 014	1	Complete?	ILO Jakarta	...

Project	Project name	Long name	Start date	End date	Total budget (US\$)	Budget spent (%)	Status	Organization (admin. unit)	ILO responsible official
A27008326051	Child labour eradication		2006	2009	14 000	16	Active	ILO Jakarta	...
A27008326052	Labour migration management		2006	2009	16 000	6	Active	ILO Jakarta	...
A27008326053	Socio-economic planning		2006	2009	27 000	1	Active	ILO Jakarta	...
A27008326054	Enterprise development strategy		2006	2009	5 000	...	Active	ILO Jakarta	...
A27008326055	Competency-based training at national level		2006	2009	20 000	...	Active	ILO Jakarta	...
A27008326056	Strengthen institutional capacity of ILO constituents		2008	2009	22 000	1	Active	ILO Jakarta	...
A27008326057	Strengthen institutional capacity of workers' organizations		2008	2009	17 000	1	Active	ILO Jakarta	...
A27008326058	Strengthen institutional capacity of employers' organizations		2008	2009	3 500	4	Active	ILO Jakarta	...
A27008326059	Increase value of workers' organizations		2008	2009	3 500	1	Active	ILO Jakarta	...
A27008326060	Workers' organizations develop social and labour policy		2008	2009	4 000	12	Active	ILO Jakarta	...
A27008326061	National plan on HIV/AIDS		2008	2009	9 000	3	Active	ILO Jakarta	...
A27008326062	Strengthened capacity of tripartite organizations		2008	2009	2 000	3	Active	ILO Jakarta	...
A27008326063	Green jobs Indonesia UN conference		2008	2009	9 000	2	Active	ILO Jakarta	...
A27008326601	Equality an decent work promotion for Asian women (IDN 902)		2008	2009	200 000	...	Active	ILO Jakarta	...
A27008326901	ILO Office, Jakarta		2008	2009	2 380 887	2	Active	ILO Jakarta	...
F27008326501	ILO Jakarta Office (P.S.I)		2008	2009	559 033	2	Active	ILO Jakarta	...

... = data not available.

### Appendix III. Key documents reviewed

*DWCP/Employment Plan – Indonesia.*

*DWCP M&E plan. Table 1.1: Template summarising the logic of DWCP by priority and outcome. Table 1.2: Baseline and specific progress (milestones) to be made (by outcome).*

*DWCP Workplan. Compilation of outputs, start and end dates, budget, responsible unit, and partners for each technical cooperation project.*

*IDN Outcome Report. Table 3.2: Assessment of progress against the planned milestones set in Table 1.2.*

*Table 1. Indonesia ILO/UNDAF Framework.*

*Review of the Decent Work Country Programme – Indonesia & Timor-Leste*

*Programme outline of Employment for Youth in Indonesia: Employable skills and enterprise development.*

Hendricks, M. 2009. *Data necessary to monitor and evaluate progress on the 13 DWCP indicators, March* (Jakarta).

Indonesia. Central Bureau of Statistics. n.d. *Human development report: Table 3.8 Human Development Index by province – 1996-2005* (Jakarta).

International Labour Organization (ILO). 2009. *Terms of Reference: Independent evaluation of the ILO's country programme in Indonesia, January* (Geneva).

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\_\_\_\_\_. 2009. *The Director-General's Programme and Budget proposals for 2010–01* (Geneva).

\_\_\_\_\_. 2009. *The Relationship between Decent Work Country Programme and Technical Cooperation Projects: The case of Indonesia; Detoubab Gueye, March* (Geneva).

\_\_\_\_\_. 2009. List of ILO/Jakarta press releases from 2006-2008, March (Jakarta).

\_\_\_\_\_. 2009. *Response to "Data necessary to monitor and evaluate progress on the 13 DWCP indicators". April* (Jakarta).

\_\_\_\_\_. 2009. *List of ILO/Jakarta consultative group meetings, 2003-2009, March* (Jakarta).

\_\_\_\_\_. 2009. Minutes of meetings of the Tripartite Consultative Group: 12 October 2004, 3 April 2007, 29 November 2007, 17 April 2008, and 24 November 2008 (Jakarta).

\_\_\_\_\_. 2009 *DWCP progress report: Indonesia/table: Assessment of status of outputs against planned work plan/reporting period: July-December 2008* (Jakarta).

\_\_\_\_\_. 2008. *Labour and Social Trends in Indonesia 2008: Progress and pathways to job-rich development* (Jakarta).

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\_\_\_\_\_. 2005. *Jakarta Office Internal Consultations – Bogor, 25–27 September 2005* (Jakarta).

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Kee Beom Kim. 2009. Email regarding progress on two DWCP indicators, 17 March (Jakarta).

- Rooij, van P. 2009. *Assignment of ILO/Jakarta technical cooperation projects to outcomes of the DWCP, March* (Geneva, International Labour Organization).
- Russon, C. 2009. Telephone interview with Alan Boulton and Peter van Rooij on 10 February (Geneva).
- Russon, C. 2009. *Mission report to ILO/Jakarta on 14-21 February 2009* (Geneva).
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- Suharmoko, A. 2009. “Stimulus can absorb 3m new workers”, *The Jakarta Post*, 10 Mar.
- Susanto, J. 2009. *Decent Work Country Programmes: Maximizing employers’ contribution and role*. (Jakarta, The Employers’ Association of Indonesia), (Powerpoint presentation).
- Topolsjky, B. Table of ILO/Jakarta staff in various positions (Geneva, International Labour Organization).
- United Nations. 2008. *Review of results-based management at the United Nations*, 28 September (New York, NY, Office of Internal Oversight Services).
- \_\_\_\_\_. n.d. *United Nations recovery framework for Aceh and Nias 2006-2009* (New York, NY).

### **Education and Skills Training for Youth Employment project**

- Docher, V. 2006. *Project document – Education and Skills Training for Youth Employment (EAST), 11 October* (Jakarta).
- \_\_\_\_\_. n.d. *Mission Report on the EAST project, November-December* (Jakarta).
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- \_\_\_\_\_. 2008. *Operation Manual (Draft); EAST project, 20 November* (Jakarta).

### **Roads project**

- Beusch, A. 2008. *Final project phase evaluation: “Creating jobs: Capacity building for local resource-based road works in selected districts in NAD and Nias”, March/April* (Jakarta).
- Bynens, E. 2007. *Progress Report on “Creating Jobs: Capacity building for local resource-based road works in selected districts in NAD and Nias”, 13 May* (Jakarta).
- \_\_\_\_\_. 2007. *Mid-term evaluation of the project “Creating jobs: Capacity building for local resource-based road works in selected districts in NAD and Nias”, July* (Jakarta).
- Indonesia. Executing Agency for Reconstruction of Aceh and Nias, International Labour Organization (ILO) and the United Nations Development Programme (UNDP). 2007. *Project document – creating jobs: Capacity building for local resource-based road works in selected districts in NAD and Nias, 15 February* (Jakarta).
- International Labour Organization (ILO). 2009. *“Creating jobs: Capacity building for local resource-based road works in selected districts in NAD and Nias”, UNDP/ILO Rural Roads Project, March* (Banda Aceh, Indonesia).
- \_\_\_\_\_. 2006. *Lessons learned and good practices from the ILO Aceh Programme, October* (Jakarta).
- Nycander, L.; Puspasari, L. 2006. *Mid-term evaluation: Local economic recovery: Rebuilding livelihoods and employment opportunities, October* (Banda Aceh, Indonesia, International Labour Organization).

### **Child labour project**

- International Labour Organization (ILO). International Programme on the Elimination of Child Labour (IPEC) and the Government of the United States of America. 2008. *Project Document – Project of support to the Indonesian time-bound program on the elimination of the worst forms of child labor (WFCL), April* (Geneva).

### **Job Opportunities for Youth project**

- International Labour Organization (ILO). 2009. *Project document – employment-intensive growth for Indonesia: Job opportunities for young women and men (JOY), 10 March* (Jakarta).

**Migrants project**

Holden, DL. 2008. *Mid-term evaluation report of “Combating forced labour and trafficking of Indonesia migrant workers, phase I”, December* (Jakarta).

International Labour Organization (ILO). n.d. *Project document – Combating forced labour and trafficking of Indonesia migrant workers, phase II* (Jakarta).

Schmidt, S. 2008. *End-of-project evaluation of “Combating forced labour and trafficking of Indonesia migrant workers, phase I”, October* (Jakarta).

## Appendix IV. Persons interviewed

Name	Title
<b>ILO Jakarta Office</b>	
Alan Bolton	Director
Peter van Rooij	Deputy Director
Kee Beom Kim	Economist
Parissara Liewkeat	Senior Programme Officer, Aceh Programme's Coordinator
Tauvik Muhamad	National Programme Officer (Employment and Entrepreneurships)
Dyah Retno Sudarto	Programme Officer
Lusiani Julia	Programme Officer/ Gender Focal Point
Soeharjono	Programme Officer/ Workers Organizations
Gita Lingga	Media Relations/ Public Information Officer
Ine Indiravitri	Programme Assistant and IT Assistant (Dili Programmes)
Mega Dewi	Finance Officer
Bas Athmer	Employment-Intensive Investment Specialist
Peter Rademaker	Former Deputy Director
Mukda Sunkool	Former Chief of Regional Programming Service (ILO/ Bangkok)
<b>ILO projects team/Jakarta Office</b>	
<i>EAST project</i>	
Patrick Daru	Chief Technical Adviser
Budi Maryono	National Programme Officer, Entrepreneurship
Srivinas Reddy	Skills Development Specialist
Agapitus Haridanu	National Programme Officer, Child Labour Education
Snezhi Bedalli	Child Labour and Education Specialist
<i>International Programme on the Elimination of Child Labour project</i>	
Arum Ratnawati	National Chief Technical Adviser
Abdul Hakim	Project Officer for M&E
Dede Shinta Sudono	National Programme Officer
<i>Job Opportunities for Youth project</i>	
Markus Powell	Chief Technical Adviser
Teuku Rahmatsyah	National Economist
<i>Migrant workers' project</i>	
Lotte Kejser	Chief Technical Adviser
Albert Y. Bonasahat	National Project Coordinator
<b>ILO/ Aceh programme</b>	
<i>Education and Skills Training for Youth Employment</i>	
Pandji Putranto	EAST, Provincial Programme Coordinator for Banda Aceh
Wanda Moennig	EAST, TVET Specialist, Aceh
<i>Kecamatan Development Program (KDP)</i>	
Sanda Risma Panggabean	Programme Officer
<i>Rural roads project</i>	
Eav Kong	Resident Engineer for Aceh Cluster
Vanda Day	Programme Officer for Road Project
<b>Aceh office support staff</b>	
Yulia Frida (Inong)	Programme Assistant for KDP and Road Project
Aidil Azhari	Contract Administrator for Road Project

<b>Name</b>	<b>Title</b>
<b>The Government of Indonesia</b>	
<i>Ministry of Manpower (Depnakertrans)</i>	
<b>Besar Setyoko</b>	Secretary General
<b>Guntur Witjaksono</b>	Director, International Cooperation Center
<b>Haryadi Dedi Agah</b>	Sub-Director, International Cooperation Center
<b>Andi Awaluddin</b>	Head of Sub-Division of International Cooperation
<b>Wisnu Pramono</b>	Director, Domestic Employment
<b>Wahya Supramono</b>	Director, Migrant Workers' Affairs
<b>Firdaus Muhammad</b>	Staff of the Directorate General for Placement and Migration Unit
<b>Silalahi Dumairia</b>	Staff of the Directorate General for Placement and Migration Unit
<b>Yamto</b>	Labour Market's Unit
<b>Rena</b>	Staff of the Directorate General for Placement and Migration Unit
<b>Titin</b>	Staff of the Directorate General for Placement and Migration Unit
<b>Dolos</b>	Staff of the Directorate General for Placement and Migration Unit
<b>Mulyanto Budi</b>	Director for Training and Productivity
<b>Putri</b>	Head, Sub-Directorate for Training and Productivity
<b>Tati Hendarti</b>	Secretary for the Directorate General for Industrial Relation and Social Security
<b>Lumban Gaol</b>	Director for Workers' Wages, the Directorate General for Industrial Relation and Security
<b>Harry Heriawan Saleh</b>	Director General, Transmigration Settlement, Preparation, and Placement (Former Secretary General, Depnakertrans)
<i>National Development Planning Board</i>	
<b>Bambang Widiyanto</b>	Deputy Ministry for the Evaluation of Development Performance
<b>Prasetijono Widjojo Malang Joedo</b>	Deputy for Poverty, Labour and Small & medium Enterprises
<i>Coordinating Ministry for Economic Affairs</i>	
<b>Komora Djaja</b>	Expert Adviser
<i>Ministry of National Education</i>	
<b>Hamid Mohamed</b>	Director General for Formal and Informal education, Ministry of National Education
<b>Ella Yulaelawati</b>	Director of Community Education
<i>National Agency for the Placement and Protection of Indonesian Overseas Workers</i>	
<b>Moh Jumhur Hidayat</b>	Chairman
<b>Endang Sulistyarningsih</b>	Director of Promotion
<i>Department of Foreign Affairs</i>	
<b>Darmansjah Djumala</b>	Head, Center for Education and Training
<i>Regional Government of Nangroe Aceh Darussalam</i>	
<b>Reconstruction and Rehabilitation Board (BRA)</b>	
<b>Eddy Purwanto</b>	Deputy Chair of BRA for Infrastructure Development
<i>Governor's Office</i>	
<b>H.T. Said Mustafa</b>	Assistant for Special Autonomous of Government of Aceh and Development and Economy to the Governor of Aceh
<i>Provincial Education Unit</i>	
<b>Azhari Aidil</b>	Contract Administrator
<b>Muhamad Nour</b>	Local Project Coordinator
<i>Provincial Social and Welfare Unit</i>	
<b>Di Darwis SsI Aks</b>	Staff of the Provincial Unit
<b>Darmaini</b>	Project Manager, Provincial Unit
<i>Regional Planning Agency (BAPPEDA)</i>	
<b>Syaifullah Muhammad</b>	BAPPEDA Sabang District
<i>District's Public Works Unit</i>	
<b>Ir Zuhairun</b>	Aceh Besar District

<b>Name</b>	<b>Title</b>
<b>Syahrial</b>	Aceh Besar District
<b>The Employers' Association of Indonesia</b>	
<i>Jakarta</i>	
<b>Djimanto</b>	Chairman for Organization Development
<b>Susanto Joseph</b>	Member of the Sector & Division Mining
<b>Iftida Yasar</b>	Vice Secretary General
<b>Andi Pangeran</b>	Executive Director
<i>Nangroe Aceh Darussalam</i>	
<b>Dahlan</b>	Chairperson, APINDO Nangroe Aceh Darussalam
<b>Iska</b>	Secretary of APINDO
<b>Totok Yulianto</b>	Industrial Relation
<b>Lukman</b>	Law and Advocacy
<b>Nuzul</b>	Consultancy
<b>Irwan</b>	Research and Training
<b>Yuli</b>	Member of Start and Improve Your Business (SIYB) Training
<b>Workers' organizations</b>	
<i>Confederation Jakarta</i>	
<b>Alboin Sidabutar</b>	Chairman, Confederation of All Indonesian Trade Unions (KSPSI)
<b>Syafril Arsyad</b>	Treasurer, Konfederasi Serikat Pekerja Indonesia (KSPI)
<b>Helmy Salim</b>	Deputy General Secretary, SPSI
<b>Miftah</b>	SBMI
<b>Sulistiyono</b>	SBMI
<b>Rekson Silaban</b>	President, KSPI
<i>Workers' associations/Nangroe Aceh Darussalam</i>	
<b>Syahbuddin Yacob</b>	KSPSI, Aceh
<b>Ali Usman</b>	KSPSI
<b>Irwan Abadi</b>	KSPSI Prop. NAD – Perwakilan Daerah
<b>Mirwandi</b>	KSPSI
<b>Partner organizations</b>	
<i>National AIDS Committee</i>	
<b>Nafsiah Mboi</b>	Secretary to the Committee
<b>Setyo Warsono</b>	Institutional Relations Coordinator
<i>Workers' Social Security Scheme (PT. Jamsostek)</i>	
<b>Hotbonar Sinaga</b>	President
<b>Bambang Purwoko</b>	National Social Security Council
<b>Tianggur Sinaga</b>	National Social Security Council
<b>Ahmed Ansyori</b>	Director of Operations
<b>Jakarta-based NGOs on Labour and Employment</b>	
<b>Tia Mbouik</b>	Programme Officer for Trade Union, FES
<b>Surya Tjandra</b>	Executive Director, Trade Union Rights Center
<b>Tati Kresnawati</b>	Former Commissioner, National Commission for Anti-Violence Against Women
<b>Lisa Shrader</b>	Mercy Corps
<i>Nangroe Aceh Darussalam-based NGOs and Academe</i>	
<b>Rosmiyati</b>	Pusat Kajian dan Perlindungan Anak – Center for Study and Protection of Children – PKPA
<b>Syaifullah</b>	Pusat Kajian dan Perlindungan Anak – Center for Study and Protection of Children – PKPA
<b>Nora Faulina</b>	Baitul Khirah – Baitul Rachman Micro Finance
<b>Susanti</b>	Sejati, BDSP/ Business Development Service Provider (Participants of capacity Development Project)
<b>Hj. Titin Sri H</b>	IWAPI – Business Women Association – Aceh Province (Grantee)
<b>Mieke Ingriani</b>	Safe the Children
<b>Daimini (Mini)</b>	Social Welfare District's Unit
<b>Debbie</b>	Yayasan Nusantara (YNI)
<b>Sigit</b>	Yayasan Nusantara (YNI)

<b>Name</b>	<b>Title</b>
<b>Evayani</b>	UKM Center, Faculty of Economics, USK
<b>Evie Ramadhani</b>	Aceh Institute
<b>Donor organizations</b>	
<i>Jakarta</i>	
<b>Mette Kottmann</b>	Counsellor, Royal Norwegian Embassy
<b>Steen Bjorn Hanssen</b>	Consultant, Royal Norwegian Embassy
<b>Arnold van der Zanden</b>	First Secretary Education, Embassy of the Kingdom of the Netherlands
<b>Christian Hukom</b>	Programme Officer for Development Cooperation, Embassy of the Kingdom of the Netherlands
<b>Hakan Bjorkman</b>	Country Director, UNDP
<b>Kristanto Sinandang</b>	Senior Programme Officer, UNDP
<b>Andre Bald</b>	Infrastructure Specialist, World Bank
<b>Deepty Tiwari</b>	Programme Officer, United Nations Human Settlements Programme (UN-Habitat)
<b>Marc Beckmann</b>	Coordination Specialist, UNRC
<b>Brandi M. Brinson</b>	United States Department of Labor (US-DOL)
<i>Aceh</i>	
<b>Simon Field</b>	Programme Adviser, UNDP Aceh & Nias
<b>Syafriza Sofyan</b>	Deputy of Aceh and Nias Multi Donor Fund, World Bank, Aceh
<b>Donor-funded programme</b>	
<b>Rusli M. Ali</b>	World Bank's Kecamatan Development Program Aceh, Provincial Coordinator
<b>Ramli</b>	World Bank's Kecamatan Development Program Aceh, Infrastructure Specialist
<b>Marzuki</b>	World Bank's Kecamatan Development Program Aceh, Training Specialist
<b>Happy</b>	World Bank's Kecamatan Development Program Aceh, Financial Management Support

## Appendix V. ILO Conventions ratified by Indonesia

No.	Title	Date
C. 19	Equality of Treatment (Accident Compensation) Convention, 1925	12.06.1950
C. 27	Marking of Weight (Packages Transported by Vessels) Convention, 1929	12.06.1950
C. 29	Forced Labour Convention, 1930	12.06.1950
C. 45	Underground Work (Women) Convention, 1935	12.06.1950
C. 69	Certification of Ships' Cooks Convention, 1946	30.03.1992
C. 81	Labour Inspection Convention, 1947 (No. 81)	29.01.2004
C. 87	Freedom of Association and Protection of the Right to Organise Convention, 1948	9.06.1998
C. 88	Employment Service Convention, 1948	8.08.2002
C. 98	Right to Organise and Collective Bargaining Convention, 1949	15.07.1957
C. 100	Equal Remuneration Convention, 1951	11.08.1958
C. 105	Abolition of Forced Labour Convention, 1957	7.06.1999
C. 106	Weekly Rest (Commerce and Offices) Convention, 1957	23.08.1972
C. 111	Discrimination (Employment and Occupation) Convention, 1958	7.06.1999
C. 120	Hygiene (Commerce and Offices) Convention, 1964	13.06.1969
C. 138	Minimum Age Convention, 1973 (Minimum age specified: 15 years)	7.06.1999
C. 144	Tripartite Consultation (International Labour Standards) Convention, 1976	17.10.1990
C. 182	Worst Forms of Child Labour Convention, 1999	28.03.2000
C. 185	Seafarers' Identity Documents Convention (Revised), 2003	16.07.2008



## Appendix VI. Evaluability assessment of the Indonesia DWCP document and supplementary documents

Dimension	Criteria	Comments
<b>Objectives</b>	<p>Clear identification of long-term ILO priorities and outcomes.</p> <p>Consistency with objectives of the international development frameworks.</p> <p>Clear identification of areas of agreement and disagreement with the constituent's priorities and strategies.</p> <p>Full involvement of ILO constituents and partnerships.</p> <p>Clear definition of proposals and actions towards achieving outcomes through chosen strategy.</p>	<ul style="list-style-type: none"> <li>• ILO priorities and outcomes are clearly identified and are linked to international development frameworks.</li> <li>• Areas of agreement with constituents' priorities are less clearly identified. On page 3, paragraph 4, it states that constituent priorities were taken into account. However, details are not provided.</li> <li>• The description in section 2 indicates that ILO constituents and partners were fully involved in development of the document.</li> <li>• Sometimes the outcomes, strategies and action are incomplete. For example IPEC's contribution to outcome 5 is not recognized.</li> </ul>
<b>Indicators</b>	<p>Indicators are quantitative, or are qualitative and include comparison points of level, quality or grade.</p> <p>Indicators are specific, measurable, attainable, relevant, time-bound and verifiable.</p>	<ul style="list-style-type: none"> <li>• Most of the indicators have SMART flaws.</li> <li>• ILO/Jakarta does not collect some data elements necessary to construct the indicators.</li> <li>• Means of verification have not been identified in the document.</li> </ul>
<b>Baselines</b>	<p>Baselines are explicitly stated for each indicator or are implicit in the stated objectives.</p> <p>Are baselines specific to the programme/project?</p> <p>Baselines are unambiguous, clearly describe the situation prior to the intervention, and permit comparison and measurement of results.</p>	<ul style="list-style-type: none"> <li>• A baseline is the first time an indicator is measured.</li> <li>• Baselines for many indicators are deficient.</li> <li>• Targets are the baseline plus the amount of improvement desired.</li> <li>• If baselines are deficient, then the targets perform deficient.</li> </ul>
<b>Milestones</b>	<p>Milestones provide a clear sense of the time frame of achievement of results; help identify the path towards outcomes; and provide clear sense of progress towards the development goal.</p>	<ul style="list-style-type: none"> <li>• Milestones are targets that have been divided into time-bound increments.</li> <li>• Milestones in many cases have no relation whatsoever to the corresponding target.</li> </ul>
<b>Risks</b>	<p>Identification of principal restrictions to achieving outcomes and risks associated with each strategy option and/or the achievement of project outcomes.</p> <p>Clear definition of risk mitigation measures, supported by theory, logic, empirical evidence and/or past ILO experience.</p>	<ul style="list-style-type: none"> <li>• Risk information has not been included in the document.</li> </ul>
<b>Monitoring &amp; Evaluation</b>	<p>Results frameworks clearly define actions to be undertaken to achieve appropriate evaluation and monitoring.</p> <p>Progress monitoring system defined for objectives and strategy, including actions to be undertaken to record progress.</p> <p>Risks monitoring system defined, including actions for its achievement.</p>	<ul style="list-style-type: none"> <li>• An M&amp;E plan exists as a companion to the DWCP document that contains a results framework.</li> <li>• Progress and risk monitoring system information has not been included in the document.</li> </ul>



## Appendix VII. Analysis of TCPs supporting ILO Geneva's objectives

ILO strategic framework immediate outcomes/code P&B	ILO strategic framework immediate outcomes/content	Indonesian DWCP outcomes
<b>Joint immediate objectives</b>		
J1	Coherent economic and social policies in support of decent work: Increase capacity of member States and development partners to promote coherent economic and social policies in support of decent work at national, regional and global levels.	
J2	Integrated policies for the informal economy: Increase constituent capacity to develop integrated policies for upgrading the informal economy and facilitating transition to formality.	
J3	Strengthening labour inspection: Increase member States' capacity to carry out labour inspection.	
J4	Advancing gender equality in the world of work: Increase capacity of constituents to develop integrated policies and programmes to advance gender equality in the world of work.	
J5	Microfinance for Decent Work: Increase the participation of constituents in the formulation of financial policies.	
<b>Strategic Objective No. 1: Promote and realize standards and fundamental principles and rights at work</b>		
<b>1a</b>	<b>Fundamental principles and rights at work are realized</b>	
1a.1	Increase member State capacity to develop policies or practices reflecting fundamental principles and rights at work.	
<b>1.b</b>	<b>Targeted action progressively eradicates child labour, with a particular focus on the worst forms of child labour.</b>	<b>Outcome 1</b>
1b.1	Increase constituent and development partner capacity to develop or implement policies or measures focused on reducing child labour.	
<b>1.c</b>	<b>International labour standards are broadly ratified and significant progress is made in their application</b>	
1c.1	Increase Member States' capacity to ratify and apply international labour standards.	
<b>Strategic Objective No. 2: Create greater opportunities for women and men to secure decent employment and income</b>		
<b>2.a</b>	<b>Coherent policies support economic growth, employment generation and poverty reduction.</b>	
2a.1	Increase constituent capacity to develop policies and policy recommendations focused on job-rich growth, productive employment and poverty reduction.	<b>Outcome 3</b>
2a.2	Increase member State and development partner capacity to develop and implement policies and programmes on employment-intensive investment focusing on infrastructure.	
2a.3	Increase member State capacity to develop policies or programmes focused on youth employment.	<b>Outcome 5</b>
<b>2.b</b>	<b>Workers, employers and society benefit from the wider</b>	

ILO strategic framework immediate outcomes/code P&B	ILO strategic framework immediate outcomes/content	Indonesian DWCP outcomes
	<b>availability of relevant and effective skills development and employment services.</b>	
2b.1	Increase member State and constituent capacity to develop or implement training policies.	
2b.2	Improve member State capacity to develop or implement employment services.	
2b.2	Improve member State capacity to develop or implement employment services.	
2c.3	Increase the capacity of member States to develop post-crisis recovery programmes.	
<b>Strategic Objective No. 3: Enhance the coverage and effectiveness of social protection for all</b>		
<b>3.a</b>	<b>More people have access to better managed social security benefits.</b>	
3a.1	Increase member State capacity to develop policies focused on improving social security systems.	
3a.2	Improve member State capacity to manage social security schemes and to implement policies focused on improving social security systems.	
<b>3.b</b>	<b>Safety and health and working conditions in workplaces are improved</b>	
3b.1	Increase constituent capacity to develop or implement policies and programmes on improving working conditions and safety and health at work.	
<b>3.c</b>	<b>Labour migration is managed to foster protection and decent employment of migrant workers</b>	<b>Outcome 2</b>
<b>Strategic Objective No. 4: Strengthen tripartism and social dialogue</b>		
<b>4.a</b>	<b>Employers and workers have strong and representative organizations.</b>	<b>Outcome 7</b>
4a.1	Increase the value of employers' organizations to existing and potential membership.	
4a.2	Increase the value of workers' organizations to existing and potential membership.	
<b>4.b</b>	<b>Social partners influence economic, social and governance policies.</b>	
4b.1	Increase the capacities of employers' and workers' organizations to participate effectively in the development of social and labour policy.	
<b>4.c</b>	<b>Tripartite dialogue occurs widely in policy-making, labour law reform and implementation.</b>	<b>Outcome 6</b>
4c.1	Increase member State capacity to develop policies and labour legislation through more tripartite dialogue between constituents.	
4c.2	Improve the capacity of the tripartite constituents to implement labour policies and programmes, including through coordination at regional and subregional levels.	

ILO strategic framework immediate outcomes/code P&B	ILO strategic framework immediate outcomes/content	Indonesian DWCP outcomes
4.d	<b>Sectoral social dialogue promotes the improvement of labour and social conditions in specific economic sectors.</b>	
4d.1	Increase the level of consensus on social and labour issues in specific economic sectors.	
4d.2	Increase constituent capacity to develop policies or programmes focused on improving labour and social conditions in specific sectors.	

**Source:** *ILO Programme and Budget for the Biennium 2008–09*. These are the ILO's operational outcomes (i.e. 14 intermediate outcomes; 26 immediate outcomes and five joint immediate outcomes) established in the *Programme and Budget 2008–09*, which is built on the four strategic objectives of the ILO within the Decent Work Agenda. Decent Work Country Programmes' outcomes have to be aligned with the operational outcomes above, so as to support their attainment.

**Appendix VIII. Indonesia DWCP – Monitoring Plan: Table 1.1 Template summarizing the logic of DWCP by priorities and outcomes**

Country programme outcomes (1)	Links to national plans/frameworks, UNDAF (2)	Links/contributes to ILO operational P&B outcomes (3)	Strategic partners (4)
<b>DWCP Priority 1 (IDN 100): Stopping exploitation at work</b>			
<p><b>CPO 1.1 (IDN 101):</b> Effective progress on the Indonesia National Plan of Action on the Worst Forms of Child Labour.</p>	<p><b>National Medium-Term Development plan 2004-2009:</b> Follow-up in the implementation of the National Action Plan on Worst Forms of Child Labour.</p> <p><b>Ministry of Manpower and Transmigration (MOMT) Strategic Plan (RENSTRA) 2005–2009:</b> Establishment of Action Committees for implementation of the National Action Plan (NAP-WFCL) in 33 provinces.</p> <p><b>UNDAF Sub-Outcome 3.1:</b> A protective and empowering environment is in place in line with the Convention of the Rights of the Child, the World Programme of Action for Youth; Program Nasional Bagi Anak Indonesia (PNBAI) 2015 and other international and national commitments, which protects children and youth including street children and disabled children from violence and abuse and seeks to eliminate worst forms of child labour including sexual</p>	<p><b>Outcome 1a.2:</b> Member States undertake targeted action against child labour in line with fundamental ILO conventions on child labour, giving priority to the urgent elimination of the worst forms of child labour and the provision of alternatives to boys and girls, as well as to their families.</p>	<ul style="list-style-type: none"> <li>• The Indonesia National Action Committee (NAC) on the Elimination of the Worst Forms of Child Labour, bringing together all relevant stakeholders</li> <li>• National Planning Agency of BAPPENAS</li> <li>• Ministry of Manpower and Transmigration (MOMT)</li> <li>• Ministry of National Education (MONE)</li> <li>• Ministry of Social Affairs (MOSA)</li> <li>• Provincial and district/municipal governments</li> <li>• Relevant non-governmental organizations</li> <li>• United Nations Children’s Fund (UNICEF)</li> <li>• United Nations Development Fund for Women (UNIFEM)</li> </ul>

Country programme outcomes (1)	Links to national plans/frameworks, UNDAF (2)	Links/contributes to ILO operational P&B outcomes (3)	Strategic partners (4)
<p><b>CPO 1.2 (IDN 102):</b> Improved Labour Migration Management for Better Protection of Indonesian Migrant Workers, especially Migrant Domestic Workers.</p>	<p>exploitation and trafficking.</p> <p><b>National RPJM 2004–2009:</b> Improved policies in relation to labour migration, both internal and external migrations.</p> <p><b>MOMT RENSTRA 2005–2009:</b> Implementation of placement and protection services for 3.5 million Indonesian migrant workers both in Indonesia and abroad, increase formal workers to 50 per cent of total overseas placement by 2009.</p> <p><b>UNDAF Sub-Outcome 3.1:</b> A protective and empowering environment is in place in line with the Convention of the Rights of the Child, the World Programme of Action for Youth; PNBAI 2015 and other international and national commitments, which protects children and youth including street children and disabled children from violence and abuse and seeks to eliminate worst forms of child labour including sexual exploitation and trafficking.</p> <p><b>UNDAF Sub-Outcome 3.2:</b> By 2010, the vulnerability of domestic and international female migrant workers is reduced including through appropriate national and local legislation/policies developed.</p>	<p><b>Outcome 1a.1:</b> Member States are increasingly aware of the content of fundamental principles and rights at work (freedom of association/collective bargaining, freedom from forced labour, child labour and discrimination), and undertake progressive steps to respect, promote and realize them, including in their national development and poverty reduction frameworks; national law and practice; and in the policies and practices of employers' and workers' organizations and their members.</p>	<ul style="list-style-type: none"> <li>• National Planning Agency of BAPPENAS</li> <li>• Ministry of Manpower and Transmigration</li> <li>• National Board on Placement and Protection Services for Indonesian Overseas Workers</li> <li>• Ministry of Foreign Affairs</li> <li>• Ministry of Law and Human Rights</li> <li>• Provincial and district/municipal governments</li> <li>• Recruitment agencies</li> <li>• International Organization for Migration (IOM)</li> </ul>

Country programme outcomes (1)	Links to national plans/frameworks, UNDAF (2)	Links/contributes to ILO operational P&B outcomes (3)	Strategic partners (4)
<b>DWCP Priority 2 (IDN 125): Employment creation for poverty reduction and livelihoods recovery, especially for youth</b>			
<p><b>CPO 2.1 (IDN 126):</b> Employment targets in the Indonesian Government's RPJM are underpinned by a set of policies and programmes that emphasize pro-poor employment growth.</p>	<p><b>National RPJM 2004–2009:</b> Progressive decrease in number of male and female poor, and progressive increase in the fulfilment of basic rights of the poor.</p> <p><b>Ministry of Manpower and Transmigration (MOMT) RENSTRA 2005–2009:</b> Realization of labour planning at national, regional, and all sectors in 33 provinces and the availability of labour information in the province and in regency/city, as well as micro labour plan of the government and private sector as a reference for national, sectoral, regional and institution/corporation labour development. Implementation of placement services for 2.17 million workers through 441 labour service institutions, which are supported by the implementation of Job Market Information.</p>	<p><b>Outcome 2a.2:</b> ILO constituents have strengthened capacity to develop and implement effective skills and employability policies and programmes for productivity, social inclusion and decent work.</p> <p><b>Outcome 2a.3:</b> ILO constituents have improved data, methodologies, best practice examples and technical support to develop and implement integrated, effective and inclusive policies and programmes to promote opportunities for young women and men to obtain decent and productive work.</p>	<ul style="list-style-type: none"> <li>• Ministry of Manpower and Transmigration</li> <li>• National Development Planning Board</li> <li>• Coordinating Ministry for Economic Affairs.</li> <li>• Central Bureau of Statistics</li> <li>• World Bank</li> <li>• Asian Development Bank</li> <li>• UNDP</li> </ul>
	<p><b>UNDAF Sub-Outcome 1.4:</b> By 2010, increased opportunities for achieving sustainable livelihoods in the poorest provinces of Indonesia through the development and implementation of appropriate participatory policies and programmes.</p>		

Country programme outcomes (1)	Links to national plans/frameworks, UNDAF (2)	Links/contributes to ILO operational P&B outcomes (3)	Strategic partners (4)
<p><b>CPO 2.2 (IDN 127):</b> Effective implementation of employment-intensive and other livelihood programmes for crisis-affected areas, especially Aceh, North Sumatra, and Eastern Indonesia.</p>	<p><b>UNDAF Sub-Outcome 2.2:</b> By 2010, pro-poor, participatory and decentralized policies and capacities are in place resulting in improved public service delivery focusing on health and education services.</p> <p><b>UNDAF Sub-Outcome 1.4:</b> By 2010, increased opportunities for achieving sustainable livelihoods in the poorest provinces of Indonesia through the development and implementation of appropriate participatory policies and programmes.</p> <p><b>UNDAF Sub-Outcome 3.3:</b> By 2010, policy frameworks in place that recognize the specific relationship between cultural communities and their natural environment, respect the customary rights of cultural communities and create equitable conditions for cultural communities to participate in the country's development process.</p> <p><b>UNDAF Sub-Outcome 3.4:</b> Reduced longer-term vulnerability to social and natural disasters through a shift from crisis response to crisis prevention.</p>	<p><b>Outcome 2b.2:</b> ILO constituents and key stakeholders integrate employment and social policy concerns into public and private investment policy in the infrastructure and construction sector.</p> <p><b>Outcome 2b.3:</b> ILO constituents and key partners apply employment-centred, integrated local development strategies that reduce poverty and fight social exclusion among women and men, including in the rural and urban informal economy.</p>	<ul style="list-style-type: none"> <li>• Ministry of Manpower and Transmigration</li> <li>• Ministry of Under-Developed Region</li> <li>• Provincial and district/municipal governments</li> <li>• UNDP</li> <li>• UN Office for Reconstruction</li> <li>• United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA)</li> <li>• United Nations Industrial Development Organization (UNIDO)</li> <li>• Food and Agriculture Organization (FAO)</li> <li>• United Nations Human Settlements Programme (UN-Habitat)</li> <li>• Ministry of Interior (DEPDAGRI)</li> <li>• Regional Planning Agency (BAPPEDA)</li> <li>• Ministry of Manpower and Transmigration</li> <li>• Ministry of National Education.</li> <li>• Ministry of Trade and Industry</li> </ul>
<p><b>CPO 2.3 (IDN 128):</b> Education and training systems and policies better equip young people for employment and</p>	<p><b>UNDAF Sub-Outcome 1.1:</b> By 2010, increased education opportunities are available for children and youth both male and female through a more conducive</p>	<p><b>Outcome 2a.3:</b> ILO constituents have improved data, methodologies, best practice examples and technical support to</p>	

Country programme outcomes (1)	Links to national plans/frameworks, UNDAF (2)	Links/contributes to ILO operational P&B outcomes (3)	Strategic partners (4)
entrepreneurship.	<p>environment to achieving Nine-Year Compulsory Education and the provision of non-formal education opportunities including support to the Government to decrease adult illiteracy to 5 per cent by 2009.</p> <p><b>UNDAF Sub-Outcome 1.4:</b> By 2010, increased opportunities for achieving sustainable livelihoods in the poorest provinces of Indonesia through the development and implementation of appropriate participatory policies and programmes.</p>	<p>develop and implement integrated, effective and inclusive policies and programmes to promote opportunities for young women and men to obtain decent and productive work.</p>	<ul style="list-style-type: none"> <li>• Vocational Training Institutions and Vocational Schools.</li> <li>• World Bank</li> <li>• United Nations Educational, Scientific and Cultural Organization (UNESCO)</li> </ul>

**DWCP Priority 3 (IDN 150): Social dialogue for economic growth and principle and rights at work**

<p><b>CPO 3.1 (IDN 151):</b> Application of labour laws and practices fully in line with fundamental principles and rights at work, including through strengthened labour administration.</p>	<p><b>National RPJM 2004-09:</b> Establishment of organizational system and governance that are clean, efficient, effective, transparent, professional, and accountable.</p> <p><b>MOMT RENSTRA 2005-09:</b> Realization of increase in quality of management development and departmental administrative support as well as the creation of government institution and management system that is efficient, effective, and professional. Implementation of 80,250 labour inspection visits that are independent, unbiased, and equally in all provinces every year.</p>	<p><b>Outcome 1a.1:</b> Member States are increasingly aware of the content of fundamental principles and rights at work and undertake progressive steps to respect, promote and realize them, including in their national development and poverty reduction frameworks, national law and practice, and in the policies and practices of employers' and workers' organizations and their members.</p>	<ul style="list-style-type: none"> <li>• Ministry of Manpower and Transmigration.</li> <li>• Indonesian National Police</li> <li>• Trade union confederations</li> <li>• The Employers' Association of Indonesia</li> <li>• Trade union confederations</li> <li>• Provincial and district/municipal governments</li> </ul>
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Country programme outcomes (1)	Links to national plans/frameworks, UNDAF (2)	Links/contributes to ILO operational P&B outcomes (3)	Strategic partners (4)
<p><b>CPO 3.2 (IDN 152):</b> Employers and unions through bipartite cooperation achieve results on labour market flexibility and job security.</p>	<p><b>UNDAF Sub-Outcome 2.1:</b> By 2010, public and private institutions are more effectively adhering to the rule of law and supporting human development through the adoption of a rights-based approach to governance in accordance with the UN conventions, conferences, treaties &amp; protocols, the Poverty Reduction Strategy Papers (PRSPs) and the Medium-Term Development Plan.</p> <p><b>National RPJM 2004-09:</b> Refinement of labour policies and regulations for the establishment of flexible labour market, including through the promotion of collective bargaining between workers and employers.</p> <p><b>MOMT RENSTRA 2005–2009:</b> Creation of harmonious industrial relations through implementation of role and functions of industrial relations institutions.</p>	<p><b>Outcome 4a.2:</b> Employers’ organizations influence policies at the national or international level to improve enterprise performance and competitiveness; workers’ organizations make an effective input into equitable, sustainable and participatory socio-economic development.</p>	<ul style="list-style-type: none"> <li>• National Planning Agency</li> <li>• Ministry of Manpower and Transmigration</li> <li>• Trade union confederations.</li> <li>• The Employers’ Association of Indonesia.</li> <li>• Provincial and district/municipal governments</li> </ul>

## Appendix IX. Comparison of the links between technical cooperation projects and the DWCP

Priority 1: Stopping exploitation at work	Linked indicators	Targets	Ongoing	Pipeline
Outcome 1: Effective progress on the implementation of the Indonesia National Plan of Action on the Worst Forms of Child Labour.	<p>1.1 Incidence of child labour is reduced.</p> <p>1.2 ILO constituents and stakeholders apply tools and methodologies developed under the Time-bound Programme in implementation of the NPA on the Worst Forms of Child Labour.</p>	<p>(a) Child Labour Survey in 2008 reports reduction of worst forms of child labour incidents by 25 per cent (over 2005).</p> <p>(b) ILO constituents and stakeholders in over 20 “new” districts design and implement new initiatives to withdraw and prevent girls and boys from the worst forms of child labour.</p>	<p>Time-bound Child Labour Programme – Support to phase 1 of the Indonesian National Action Plan on the Worst Forms of Child Labour, funded by the USA.</p> <p>INS/03/50/USA, \$5,550,000.</p>	<p>Phase 2 of Time-bound Child Labour (support to National Action Plan).</p> <p>INS/07/03/USA</p>
Outcome 2: Improved labour migration management for better protection of Indonesian migrant workers, especially migrant domestic workers.	<p>2.1 Laws and/or policies developed on the human rights and labour protection of migrant workers at the national and local level.</p> <p>2.2 The ILO constituents and relevant stakeholders are utilizing the ILO Multilateral Framework on labour Migration in relation to measures on migration management and the protection of Indonesian migrant workers, both in Indonesia and abroad.</p>	<p>(a) Local governments and relevant stakeholders in 20 provinces implement new migrant worker protection programmes, sensitive to the needs and conditions of women migrant workers.</p> <p>(b) New national Agency for Placement and Protection of Migrant Workers is fully operational according to Presidential Instruction 6/2006.</p> <p>(a) A minimum of two cross-border trade union networks to address the labour rights of Indonesian migrant workers established between the trade unions in Indonesia and the destination countries.</p> <p>(b) Para-legal, pre-departure and helpdesk services are available through trade unions and other organisations.</p> <p>(c) Over 400 consular officials and labour attaches trained to provide appropriate services on protecting migrant workers and internal as well as independent monitoring of performance of officials indicate improvement.</p>	<p>Combating Forced Labour and Trafficking of Indonesian Migrant Workers – enhanced migrant workers protection in Indonesia and abroad, funded by the Government of Norway.</p> <p>INS/08/02/NAD, \$2,310,359.</p>	

Priority 2: Employment creation for poverty reduction and livelihoods recovery	Linked indicators	Targets	Ongoing	Pipeline
<p><b>Outcome 3:</b> Employment targets in the Indonesian Government’s Medium-term Development Plan are underpinned by a set of policies and programmes that emphasize pro-poor employment growth.</p>	<p>(i) National employment policy in place that reflects the principles of the Global Employment Agenda.</p>	<p>(a) At least three sectoral or regional policies make explicit reference to employment promotion and decent work. (b) Decent Work Indicators are consistently used in policy formulation and monitoring.</p>	<p>Employment-intensive Growth for Indonesia: Job Opportunities for Youth – formulation and implementation of national and local (youth) employment policy and strategy, funded by the Government of the Netherlands, \$2,482,980.</p>	
<p><b>Outcome 4:</b> Effective implementation of employment-intensive and other livelihood programmes for crisis-affected areas, especially Aceh, North Sumatra, and Eastern Indonesia.</p>	<p>(i) The National Community Development Programme (PNPM) and selected local governments integrate employment and local resource concerns into public investment policies in the infrastructure sector, applying Labour-based infrastructure Development tools and approaches/methodologies. (ii) ILO's constituents and/or key partners apply employment-focused, integrated, local economic development strategies that create sources of livelihood and income, reduce poverty, and fight social exclusion, among women and men, in crisis-affected areas.</p>	<p>(a) The PNPM publicly recognizes ILO's contribution to its policy development and training materials. (b) Ten district governments integrate the ILO tools and methodologies in the rural (infrastructure) development programmes.  (a) Pilot LED initiatives developed, implemented and replicated in North Sumatra, East Java and Papua in collaboration with at least two UN agencies.</p>	<p>(1) ILO's Tsunami response programme in Aceh – a multi-disciplinary programme including employment services, vocational training, enterprise development, employment intensive reconstruction, LED, child labour, and support to the social partners, funded by a variety of donors: Australia, Canada, Finland, Ireland, Netherlands, New Zealand, UNDP, UNOCHA, the Multi Donor Trust Fund, etc. (2) Promoting human security and reducing poverty among indigenous peoples in Papua – support to indigenous people's</p>	

Priority 2: Employment creation for poverty reduction and livelihoods recovery	Linked indicators	Targets	Ongoing	Pipeline
<p><b>Outcome 5:</b> Education and training systems and policies better equip young people for employment and entrepreneurship.</p>	<p>(i) Entrepreneurship training is provided to young people about to leave school, giving them clear information on opportunities in the labour market.</p> <p>(ii) Vocational training centres (BLKs) are revitalized and sensitive to labour market needs</p>	<p>(a) Ministry of National Education and Ministry of Manpower adopt the "Career Guidelines" to provide career counselling to young people, developed with ILO assistance over 2005–2006, and implemented by two local governments.</p> <p>(b) Entrepreneurship development products are adopted and implemented in government educational institutions.</p> <p>(a) At least 10 BLKs are implementing community-based training as a result of ILO assistance.</p> <p>(b) CBT-based instructor training started with ILO involvement.</p>	<p>empowerment and economic development in Papua, funded by the UN Human Security Trust Fund/Japan.</p>	<p>The EAST project - will cover four provinces in Eastern Indonesia as well as Aceh. In process for central government clearance, funded by the Netherlands Government, INS/06/15/NET (IPEC)<sup>14</sup> INS//06/15/NET (EMP/SKILLS)<sup>15</sup> INS/06/15/NET (EMP/SEED)<sup>16</sup> \$22,675,772.</p>

<sup>14</sup> ILO's International Programme on the Elimination of Child Labour.

<sup>15</sup> ILO's Skills and Employability Department.

<sup>16</sup> ILO's Boosting Employment through Small Enterprise Development Unit.

Priority 3: Social dialogue for economic growth and principles and rights at work	Linked indicators	Targets	Ongoing	Pipeline
<p><b>Outcome 6:</b> Application of labour laws and practices fully in line with fundamental principles and rights at work, including through strengthened labour administration.</p>	(i) Progress towards labour law reform.	(a) All implementing regulations drafted and adopted.		<p>Support to Sound Industrial Relations - new initiatives for which funding is required, seeking to promote social dialogue to resolve industrial disputes, strengthen labour courts and realize flexible labour market that is conducive to investment while providing security to workers (flexicurity).</p>
	(ii) Measures to improve labour administration system at national level developed and implemented.	<p>(a) Effective mediation and bipartite cooperation result in a 30 per cent drop in the number of registered IR disputes that reach the Labour Court system.</p> <p>(b) Dispute settlement institutions are operationalized by trained personnel and make decisions justly with specific reference to ILO core conventions.</p> <p>(c) Integrated employment services and modern labour inspection systems developed in line with ILO recommendation.</p>		
<p><b>Outcome 7:</b> Employers and unions, through bipartite cooperation, achieve results on labour market flexibility and job security</p>	(i) Employers' and workers' organizations provide improved and new services to their members, and extend the development of their organization.	(a) Provincial and district level structures see increase in membership and develop resources and workplans for service expansion.	<p>Support and capacity building for trade unions and for APINDO – two interlinked projects funded by the Government of Norway to support the constituents and stimulate social dialogue, M62010900879</p>	<p>Labour Management Cooperation and Productivity – new initiative for which funding is required, seeking to promote strong bipartite workplace</p>

Priority 3: Social dialogue for economic growth and principles and rights at work	Linked indicators	Targets	Ongoing	Pipeline	
<p><b>Outcome 6:</b> Application of labour laws and practices fully in line with fundamental principles and rights at work, including through strengthened labour administration.</p>	<p>(ii) Employers' and workers' organizations participate in labour and employment policy development, at national and/or local levels, through bipartite and tripartite dialogue.</p>	<p>(a) Consensus on labour market flexibility and job security implemented through regulations and tripartite agreement.</p>	<p>\$1,762,014.</p>	<p>cooperation for productivity improvement.</p>	
	<p>(i) Progress towards labour law reform</p>	<p>(a) All implementing regulations drafted and adopted.</p>			<p>Support to Sound Industrial Relations – new initiatives for which funding is required, seeking to promote social dialogue to resolve industrial disputes, strengthen labour courts and realize flexible labour market that is conducive to investment while providing security to workers (flexicurity).</p>
	<p>(ii) Measures to improve labour administration system at national level developed and implemented.</p>	<p>(a) Effective mediation and bipartite cooperation result in a 30 per cent drop in the number of registered IR disputes that reach the Labour Court system.            (b) Dispute settlement institutions are operationalized by trained personnel and make decisions justly with specific reference to ILO core conventions.            (c) Integrated employment services and modern labour inspection systems developed in line with ILO recommendation.</p>			

Priority 3: Social dialogue for economic growth and principles and rights at work	Linked indicators	Targets	Ongoing	Pipeline
<p><b>Outcome 7:</b> Employers and unions, through bipartite cooperation, achieve results on labour market flexibility and job security</p>	<p>(i) Employers' and workers' organizations provide improved and new services to their members, and extend the development of their organization.</p>	<p>(a) Provincial and district level structures see increase in membership and develop resources and workplans for service expansion.</p>	<p>Support and capacity building for trade unions and for APINDO – two interlinked projects funded by the Government of Norway to support the constituents and stimulate social dialogue, M62010900879 \$1,762,014.</p>	<p>Labour Management Cooperation and Productivity – new initiative for which funding is required, seeking to promote strong bipartite workplace cooperation for productivity improvement.</p>
	<p>(ii) Employers' and workers' organizations participate in labour and employment policy development, at national and/or local levels, through bipartite and tripartite dialogue.</p>	<p>(a) Consensus on labour market flexibility and job security implemented through regulations and tripartite agreement.</p>		



## Appendix X. Summary of country project activities

**Table 16. Summary table of country projects, by major donors**

Country projects by donors	
Source of funding	No. of projects
CANADA	2
Finland	1
Ireland	1
<b>Netherlands</b>	<b>3</b>
New Zealand	2
Norway	1
Norway Agency for Development Cooperation	1
UNDP	4
United Nations Human Security Fund (Japan)	1
<b>United States</b>	<b>5</b>
Japanese Trade Union Cooperation	1
<b>Grand total</b>	<b>22</b>

**Table 17. Total TCP budgets, by sources of funding and project title**

Allocations by project and by donor		
Source of funding	Total budget (US\$)	Project title
<b>Netherlands<sup>17</sup></b>	1 283 048	Education and Skills Training for Youth Employment (EAST/ 1 Nov. 2006–28 Feb. 2006)
	2 482 980	Employment-Intensive Growth for Indonesia: Job Opportunities for Young Women and Men (1 Jul. 2006–30 Apr. 2010)
	22 675 772	Promoting Youth Employment (1 Mar. 2004–28 Feb. 2006)
<b>Netherlands total allocation</b>	<b>26 441 800</b>	
<b>United States</b>	800 000	Addendum to the IPEC Project of Support
	1 355 022	HIV/AIDS Workplace Education Programme in Indonesia
	1 997 459	Project of Support to the Indonesian TBP on the WFCL, Phase II
	4 065 000	Promoting and Realizing Freedom of Association in Indonesia
	5 550 000	The Time-Bound Programme in Indonesia
<b>United States total allocation</b>	<b>13 767 481</b>	

<sup>17</sup> The evaluation mission of the EAST project will be conducted on November 2009.

(1) Projects results outputs (Netherlands). (2) Assessment of logical link with DWCP, coherence with others projects and donors. This should include some details such as: degree of completion of agreed outputs, effectiveness and likely impact on achieving DWCP outcomes.

### **Promoting Youth Employment in Indonesia: Policy and Action (INS/04/50/NET)**

(Independent final evaluation, January 2006)

The ILO's Youth Employment project in Indonesia is funded through the TC resource allocation mechanism process in the framework of the ILO/Netherlands partnership programme for 2005–05. The project started in April 2004 and ended on February 2006.

The project development objective was stated as follows: foster gender sensitive policies and sustainable capacity at national level and local level that place women and men at the heart of employment and competitiveness strategies yielding decent, secure and self-fulfilling jobs.

Two immediate objectives were stated: (1) formalized and operational mechanisms are established to allow networking, collaboration and planning around youth employment issues, substantiated by an increased number of national and local policies and programmes that reflect youth employment concerns; and (2) provision of employment related services to young people has been strengthened through delivery of action programmes that are being replicated by major service providers.

Though evaluators were to defend that the development objective was vaguely stated and therefore provide limited guidance in some way, it appears beyond any doubt that the project has been successful in fostering policies and strategies for youth employment. Tangible outputs have been delivered for each of the immediate objectives.

Regarding immediate objective (1) the four following highly relevant **results outputs** were produced towards its achievement:

- (1) the Youth Employment Action Plan (endorsed by the IYEN Coordinating Team and implemented);
- (2) the East Java Provincial Youth Employment Strategy (endorsed by the Governor and disseminated to all the districts with instruction on its implementation);
- (3) the Indonesian Youth Employment Action Plan (IYEAP) Implementation Strategy (draft);
- (4) the Facilitator's Manual and Toolkit for Implementing the Indonesia Youth Employment action Plan (draft).

As regards the immediate objective (2), three highly relevant outputs were created, as follows:

- (1) an adapted Know About Business (KAB) programme introduced and piloted through Ministry of Education, including methodology and training modules;
- (2) an adapted Start Your Business (SYB) programme introduced and piloted for in-school youth around the country and for out-of-school youth in Aceh, including methodology and training;

- (3) *Pocket and Mentor's Guides for Youth Seeking Work* (self-empowering careers guidance and counselling materials for use in formal careers counselling programmes and in non-formal, individual or community-based programmes).

Concerning other outputs planned among the project's intended results, such as school-to-work transition programmes, they were not fully produced. However evaluators indicated that through private-public partnerships a model for local economic development was developed, to produce decent and productive income earning opportunities for young people in the informal economy has been developed. A skills programme to enhance their employability in the wood furniture industry was also implemented.

**Table 18. Completion of YEP outputs and their logical link with DWCP outcomes, and coherence with other TCPs and donor priorities**

Results outputs	Logical link with DWCP outcomes	Coherence with other TCPs and donors	Completion of agreed outputs	Effectiveness and likely impact on achieving DWCP outcomes
1 – The Indonesian Youth Employment Action Plan (IYEAP)	→ 3 – Employment targets in the Indonesian Government's Medium-Term Development Plan are underpinned by a set of policies and programmes that emphasize pro-poor employment growth	Yes	Yes	
2 – The East Java Provincial Youth Employment Strategy	→ 3 – Employment targets in the Indonesian Government's Medium-Term Development Plan...	Yes	Yes	
3 – The IYEAP Implementation Strategy (draft)	→ 3 – Employment targets in the Indonesian Government's Medium-Term Development Plan...	Yes	Yes	
4 – The Facilitator's Manual and Toolkit for Implementing the IYEAP (draft)	→ 5 – Education and training systems and policies better equip young people for employment and entrepreneurship	Yes	Yes	
5 – An adapted KAB programme	→ 5 – Education and training systems and policies...	Yes	Yes	
6 – An adapted SYB programme	→ 5 – Education and training systems and policies...	Yes	Yes	
7 – <i>Pocket and Mentor's Guides for Youth Seeking Work</i>	→ 7 – <i>Pocket and Mentor's Guides for Youth Seeking Work</i>	Yes	Yes	

### **Know About Business and Start Your Business achievements**

KAB programme achievements: this programme was carried out in a flexible manner – materials were translated and adapted to the national context. In total, 126 KAB teachers were trained and 52 schools (vocational secondary) and six teacher-training institutes have included KAB in their programmes. This shows both high output training and efforts to adapt

the concept. Better tools for entrepreneurship training programmes have enhanced the organizational capacities of schools and institutes. At the micro level, participants (teachers, trainers) gained new abilities in teaching and training.

SYB programme achievements: this programme also was carried out with flexibility. In terms of concrete results, the Ministry of National Education estimated that 2,000 teachers had received training through the SYB during the 2005 school year. In addition, 14 SYB lead trainers are teaching 160 teachers and 179 vocational school students. However, evaluators posted a caveat against a possible continual use of the SYB programme by those who received the training, which undoubtedly questions the project tangible impact and sustainability. Nevertheless, MONE's position showed a commitment to develop both the KAB and SYB programmes in all 5,300 vocational secondary schools, as early as 2006/2007.

Regarding gender concerns, evaluators indicate the worthy job done by the project, by aiming at equal representation of men and women. Indications are as follows: the percentage of women involved in the SYB training in Aceh was higher than for men (52 per cent against 48 per cent). Gender is not only a sensitive issue for national authorities, but also for donors. Taking this into account, the project showed coherence with their concerns and outcomes.

As for its coherence with other projects, the Promoting Youth Employment project in Indonesia is clearly the follow-up of the ILO project implemented between January 2003 and February 2004. Both contributed support TO Indonesia in its efforts to address youth employment issue. The project is also coherent with the following projects: (1) Education and Skills Training for Youth Employment (EAST), and (2) Employment-intensive Growth for Indonesia: Job Opportunities for Young women and Men.

### **Project limitations**

Despite the achievements highlighted above, the project showed less effectiveness with regards to outputs, such as the development of counselling and career guidance skills of employment counsellors. Though the project included a gender dimension, evaluators indicate that women entrepreneurship has not been mainstreamed. As for the creation of a local economic development model that provides young people in cities with jobs and adequate skills to increase their employability and competitiveness, the project's effectiveness was too little, due to difficulties in finding the right partners and gathering needed resources.

### **Employment-intensive Growth for Indonesia: Job Opportunities for Young Women and Men (JOY) /INS/06/50/NET**

(Independent mid-term evaluation, 12 May 2009)

The JOY project falls under the ILO/Netherlands partnership. It started in 2006 and will last until April 2010. The JOY project is counted among the five largest TCPs of ILO Jakarta – others are EAST, roads, child labour, and migrants. The project reflects in its development objective the ILO/Netherlands partnership's dedication to decent work and improvement of living conditions for people: poverty reduction and creation of income earning opportunities for young women and men in Indonesia, through complementary national policies and local initiatives that lead to more employment-intensive economic growth. It is structured around two focusing and mutually reinforcing components: (1) build the capacities of the tripartite

constituents and others to develop and implement effective national employment policies, programmes, strategies and consultative mechanism, and (2) foster area-based employment and economic development through a participatory LED approach.

For each these two components, four well defined outputs were specified and stated, as follows:

**Component (1)**

- (1) strengthened institutional capacities of the social partners and other key stakeholders, including women's groups and youth organizations, to engage in economic;
- (2) establishment of a mechanism for enhanced systematic coordination and networking on employment issues;
- (3) strengthened capacities of the Central Bureau of Statistics and the Ministry of Manpower and Transmigration to collect and utilize for policy-making; and
- (4) strengthened capacities of MOMT, the National Professional Certification Board and other relevant authorities in implementing policies towards an improved competency-based certification system.

**Component (2)**

- (1) strengthened institutional capacities of the constituents, local communities and other stakeholders in East Java to formulate and implement youth employment policies;
- (2) strengthened capacities of local communities to design and undertake locally-driven, partnership-based LED projects benefiting young;
- (3) specific local development initiatives undertaken, one involving the promotion of employment intensive infrastructure investments; and
- (4) examples of good practice, developed, tested and disseminated both within East Java and throughout Indonesia.

Evaluators' indications are that the JOY project showed great results in implementing quality activities in line with project objectives so far. However, all outputs stated are not fully realized, but there are satisfactory indicators that the JOY project is evolving towards achievements that will meet intended results. Table 19 shows results produced so far.

**Table 19. Completion of JOY outputs, their logical link with DWCP outcomes, and coherence with other TCPs and donor priorities**

<b>Results outputs</b>	<b>Logical link with DWCP outcomes</b>	<b>Coherence with other TCPs and donors</b>	<b>Completion of agreed outputs</b>	<b>Effectiveness and likely impact on achieving DWCP outcomes</b>
1 – Mainstreamed youth issues in the National Medium-Term Development Plan	→ 3 – Employment targets in the Indonesian RPJM are underpinned by a set of policies and programmes that emphasize pro-poor employment growth	Yes	Not fully completed yet, but process is going well	
2 – Revitalized the Indonesian Youth Employment Network	→ 3 – Employment targets in the Indonesian RPJM are underpinned by a set of policies...	Yes	Not fully completed yet, but process is going well	
3 – Job Opportunities Index developed	→ 3 – Employment targets in the Indonesian RPJM are underpinned by a set of policies...	Yes	Not fully completed yet, but process is going well	
4 – A degree programme in labour market development and planning established	→ 3 – Employment targets in the Indonesian RPJM are underpinned by a set of policies...	Yes	Not fully completed yet, but process is going	
5 – District level LED forums that are developing their agribusiness and tourism established	→ 3 – Employment targets in the Indonesian RPJM are underpinned by a set of policies...	Yes	Not fully completed yet, but process is going well	
6 – Access to microfinance improved	→ 3 – Employment targets in the Indonesian RPJM are underpinned by a set of policies...	Yes	Not fully completed yet, but process is going well	
7 – Communities provided with linkages to a range of supporting organizations and programmes to help them achieve their goals	→ 3 – Employment targets in the Indonesian RPJM are underpinned by a set of policies...	Yes	Not fully completed yet, but process is going well	

## **Effectiveness and likely impact on achieving DWCP outcomes**

The indications are that the expected employment generation and poverty reduction benefits are not fully realized. However, taking into account the condensed duration of the JOY project (2007–2010), it is correct to assume that remarkable progress has been made through the implementation of the project's activities (see table above).

Regarding Component (1) on policy development and institutional capacity building, the JOY project has been of great support to the Government in advancing its policy development goals. In this sense, an employment strategy based on a sector-based approach has been developed aiming at increasing jobs opportunities and improving the training system in three employment-intensive manufacturing industries – food and beverage, electrical/electronics, and textiles, clothing and footwear. Within the framework of this immediate objective (1), the Indonesian Youth Employment Network has been revitalized through efforts to reinforce national youth advocacy and knowledge sharing mechanisms. This has contributed to consolidating the importance given to youth employment goals in the Medium-Term Development Plan. Evidence of service delivery also included development of a Job Opportunity Index (JOI) for capturing information on labour market – recruitment advertisements, information on supply and demand, industry and location. In total, some 300,000 advertisements for jobs have been recorded over a 12-month period.

As regards Component (2) focusing on fostering area-based employment and economic development via LED, indications are that the project made outstanding progress (especially in East Java). Cooperating with the East Java Provincial Planning Bureau, of the 29 districts selected, 14 districts participated in the JOY project LED workshops.

These LED workshops were conducted during March in Pasuruan and Malang. Two more pilot locations were added: Poncokusumo (Malang) and Tukur (Pasuruan). They focused on identifying local sustainable competitive advantages and economic potential, among others. Project services provided also included training sessions for farmers via Improve Your Exhibition Skills (IYES). Among the most significant achievements of the LED activities are the district LED forums to stimulate the development of sectors such as agribusiness and tourism.

In overall terms, the JOY has been effective at its two levels to date. However, there is still a way to go and further efforts are still needed to fully realize the planned results. This concerns mainly Component (2). As to this immediate objective, the project has had little impact on enhancing LED forums' capacities. They are still largely dependent on JOY staff for direction, basic administrative support, running meetings, decision-making and actions, and follow-up. The JOY project did not give more weight to gender issues during the project.

It has to be emphasized that this is not fundamentally a failure of the JOY project, but more a result of design adjustments at the level of output and appropriate activity.