



04

- Evaluation criteria – findings

► EVALUATION CRITERIA – FINDINGS

RELEVANCE

The strategy is broad in scope and highlights important strategic and operational issues for the ILO's work in DC but lacks a clear vision for improvement and does not effectively outline desired impacts beyond activity completion. Its purpose and measures of success are unclear, and it lacks a Theory of Change.

The Strategy is said to have been catalysed by 2018 Governing Body (GB) discussions, and to have faced significant drafting challenges, culminating in a last-minute withdrawal of a first draft intended for GB review. Based on HLE interviews with ILO staff, the team understand that the version finally approved was not the result of an extensive consultation process with staff in the field.

The Strategy covers numerous strategic and operational issues pertinent to ILO's DC work. Some of the longstanding concerns over the ILO's approach to DC delivery (see **SECTION 3**) are broadly addressed across the four pillars, but the Strategy lacks a clear purpose and success measures. Noting a lack of detail in the Strategy, the GB requested that an Implementation Plan be developed – a request that was noted by some we interviewed as being unusual. The Implementation Plan provided more detail, setting out deliverables and assigning responsibilities, but these were sometimes quite broad and were highly HQ-oriented. There was little direction set for field staff other than what would be presumably included in the “updated guidance tools” that are listed as deliverables.

In the Implementation Plan, 31 deliverables were mapped against the strategy and its actions, but it is unclear how these were determined and prioritised. Some parts of the strategy are de-emphasised or omitted in the Implementation Plan (see **EFFECTIVENESS** for examples). Many are worded in a way that suggests they have been designed so that examples of actions can be later identified and retro-actively fitted for reporting, rather than to guide an intentional process that would meet a need, solve a problem, or advance towards a specific and measurable objective. The actions themselves may be worthwhile, but they are piecemeal, and their strategic intent is not explicit. As such, their evaluability is limited.

The strategy cross-references other strategies and plans but the value it adds to these in terms of clear actions and deliverables is not always apparent. Criticisms from the interviews highlight the strategy's vagueness and generality, and its focus on activities rather than results – for example:

 **The strategy basically lets staff do whatever they want - there's always something in it they can use to justify what they're doing. There's way too much generalisation. It needs to be much sharper.**

■ The strategy is very shallow and weak. It's not really a strategy at all - more a list of 'guiding principles'.

In the surveys, staff and constituents reported a reasonably good familiarity with the Strategy, with 36.87% of the broader staff group, 50 % of CISS and 37.9% of constituents either agreeing or strongly agreeing with the statement that "I am well-informed of the ILO DC Strategy and what it means for my work". Another 33.5% of staff, 25 % of CISS and 31.53% of constituents saying they "somewhat agree".¹⁶ However, in the HLE's field visits there was limited awareness or concern about the Strategy's existence and relevance. Regional Office staff in programming units were more aware, but they generally did not see it as addressing what matters or as guiding their actions in a meaningful way. Many respondents within and outside of ILO, when presented with an outline of key points of the Strategy, found it more useful as a description of some of the key considerations of their current work than as a driver of future activities. As a staff survey respondent put it:

■ Overall, the DC strategy is more a reflection of what the Office already does rather than a strategy that influences what the Office should be doing. A few innovative actions have been integrated though, e.g. the pilot on structured funding dialogues, as well as the ILO business case for funding partnerships.

The strategy was seen as needing sharper, more specific goals and clear pathways through action to intended results. Effective dissemination and understanding of the strategy among staff and constituents with clearer direction on how it should influence their work would enhance its relevance and promote action, especially in the field. We found little or no evidence that the strategy was seen as a strong influence on how DC was being developed and delivered in the field with the overall impression being that it was a high-level conceptual document that offered little practical guidance. As we were told:

■ Like many ILO strategic documents, it is a high-level document, but with no clear indication of how it is meant to work on the ground. It doesn't say what success looks like and how it is to be implemented at the coalface.

¹⁶ Awareness was higher among institutional/corporate services staff: 50% agreeing or strongly agreeing with the statement and another 25% somewhat agreeing.

Development partners consulted at a country level were largely unaware of the Strategy, but when presented with its pillars, agreed that strengthened ILO performance in these areas would be beneficial. However, they generally have not noticed changes in ILO's strategic and operational approach and remain primarily concerned with the ILO's capacity to meet the DC project deliverables and targets they have funded. In some parts of the strategy, such as Pillar 2, some partners questioned the ability of the ILO to really influence behaviour of other UN agencies and other development partners to significantly change their focus and to align it with the ILO's vision – though its influence was seen as greater in some countries, such as Bangladesh, where the ILO has a large DC portfolio and commands more attention as a result. But in general, funding partners and other development institutions have their own priorities and are constrained by their own mandates and objectives.

A Theory of Change?

The DC Strategy does not appear to have been built on an explicit Theory of Change and its documentation does not incorporate such an approach. The HLE team has therefore constructed a purely evaluation-oriented Theory of Change¹⁷, derived from the formally adopted DC Strategy documents. This theory is presented in **Figure 22** under **IMPACT** as a tool supporting the evaluation of the design, implementation, and results of the Strategy.

Creating a more complete Theory of Change at the design stage and using it to monitor progress in a chain of results may have enhanced the relevance of the strategy and grounded it in outcomes and impact, rather than activities. This would outline intended long-term progress towards eventual impact objectives (in this case, in the way the ILO manages and delivers DC to ensure it advances organisational goals and is impactful).

To evaluate progress towards such impacts, data need to be gathered and assessed. In this respect, the primary available reporting framework is provided by the ILO P&B, though it currently fails to present a comprehensive narrative of progress. Even if it did, it operates through a biennial approach, which is not in itself suitable for assessing long term progress. Some longer-term narrative of progress is needed but the HLE's review of documents and databases, as well as extensive stakeholder discussions, suggest that ILO does not routinely gather and assess sufficient high-quality data on processes and results to effectively monitor or evaluate long term effects of its DC strategy or indeed of its DC work, whether at country, regional or global level.

In summary, staff and stakeholders largely acknowledge the relevance of having a well-defined, actionable, and widely understood DC Strategy that can enhance the effectiveness, efficiency and impact of ILO's development cooperation efforts and which can promote the unique values and capabilities that the ILO brings to this work. However, the relevance of the current strategy is limited:

- ▶ Positively, even stakeholders with little or no prior awareness of the Strategy agree that it describes important challenges, which ILO needs to address.
- ▶ It lacks a clear Theory of Change and a vision for improvement. It does not outline desired impacts beyond activity completion. Its measures of success are unclear.
- ▶ The Strategy does not seem to have been built on widespread and transparent consultation, either inside or outside of ILO.
- ▶ Its purpose is unclear, and its actions are piecemeal rather than strategic. Its audience appears to have been the Governing Body and its relevance in influencing different parts of the ILO – especially those delivering DC – is currently low. The strategy cross-references the P&B and other plans and strategies, but it cannot be said that the DC Strategy itself adds much value to these, other than its coverage of DC resource mobilization.

¹⁷ Note that many additional elements could be added to the ToC, such as assumptions (which need to be true for progress to be generated), impact drivers (specific factors which can promote or accelerate progress) and timelines (although these are always hypothetical, they are useful to emphasise that the attainment of impacts, even at country level, should be seen as a "long haul").

- ▶ Although the Strategy has an Implementation Plan and deliverables, these are not widely known and the distribution of responsibilities to drive and monitor activities appears vague, lacking in ownership and weakly promoted across the organization, its constituents and partners.
- ▶ The Strategy seeks to add some tools and refocus some areas of work but in other important respects is perceived as a “business as usual” document that fails to address challenges that need to be overcome for ILO's DC work to achieve its intentions.

 **The DC strategy broadly addresses findings from the previous 2015 high-level evaluation (HLE) of technical cooperation and the 2021 MOPAN assessment, but more attention is needed on some important issues.**

Relevance of current strategy to findings of the previous 2015 HLE on technical cooperation

The previous 2015 HLE of the ILO's development/technical cooperation work¹⁸ had a somewhat different focus and terms of reference but raised issues and made recommendations that were intended to influence subsequent ILO strategic thinking on DC. It included important findings relevant to the evaluation of the current Strategy. An initial comparison of the current situation with that of 2015 suggests the following:

ON RELEVANCE THE PREVIOUS HLE NOTED THAT...

“The Technical Cooperation Strategy 2010–2015 appears to be largely an action plan for the **implementation of ILO's reforms**¹⁹ as they pertain to TC, focusing on internal institutional objectives. It is **weak in terms of explicit development-oriented objectives**, reducing its value added and relevance as a framework for the implementation of ILO TC during the period in question”.

- ▶ **Current strategy and situation:** While Pillar 4 of the current Strategy maintains this strong focus on internal objectives, Pillar 1 adds emphasis to the provision of services to constituents, building constituent capacity and promoting South-South and triangular cooperation. Pillars 2 and 3 emphasise work with external partners. It remains largely silent on explicit development-oriented objectives, largely because it positions itself as an enabling strategy for the P&B and DWCPs, instruments which focus on the specifics of the ILO's policy work.

On Coherence

“The majority of ILO projects reviewed were of less than three years' duration due to the structure of extra-budgetary funding. This limited design coherence, since it is understood that: (a) projects **cannot deliver their intended results within the available time**; and (b) the **achievement of outcomes and impacts largely occurs after the projects' closure**. Despite these challenges, the evaluation noted that, in response to donor requirements, programming documents continue to try to define the results of these short-duration projects in terms of national impact”.

¹⁸ ILO/EVAL, [Independent high-level evaluation of ILO's technical cooperation strategy, 2010–2015](#).

¹⁹ That is, reforms following the ILO [Field Operations & Structure and Technical Cooperation Review](#), 2014.

- **Current strategy and situation:** The DC HLE's interviews and its review of evidence found in project evaluations suggest that these deficiencies have not been effectively addressed, and that there continue to be problems with projects being approved with over-ambitious goals, which are exacerbated by slow commencement (see **EFFICIENCY**). A DC strategy could address unrealistic goals in the ILO's approach to resource mobilization and project appraisals. The complicating efficiency challenge of slow start-up is so long-standing and significant that it might require an operational strategy of its own focusing on administrative and HR processes, rather than being placed in a broader DC Strategy.

On Effectiveness

"Among constituents, there is **widespread satisfaction with the effectiveness of ILO TC activities**. They generally deliver their intended outputs at the expected professional level, reinforcing and complementing work on international labour standards (ILS). However, this perception is tempered by the fact that interventions are **often too small to have a national impact**, resulting in the need for other stakeholders to implement the changes at scale. However, it is often beyond the **limited capacity of ILO country teams to influence larger donors or development banks**, particularly where there is no country office".

- **Current strategy and situation:** The staff and constituent surveys suggest continuing high levels of overall satisfaction with the effectiveness of ILO DC. Internal and external stakeholders contacted by the DC HLE broadly confirmed that the limitations on scale remain except for a few large-scale global programmes, (e.g., Better Work). The strategy does not set out a position on small projects and whether they should receive special scrutiny in the appraisal process. Pillars 2 and 3 hint at the benefits of cultivating longer-term partnerships including with IFIs which may be better placed to finance longer interventions built on ILO groundwork. While this aspiration is not new, there is hope that initiatives like the Global Acceleration and the Global Coalition might lead to some progress.

On Efficiency

"Several donors reported negative experiences with the efficiency of ILO TC, particularly at start-up, often resulting in **project extensions**. These were mostly associated with **delays in recruitment or procurement**. Some ILO TC project personnel, in countries lacking a country representative, were strongly critical of the difficulties they face because of their lack of authority over recruitment, procurement and financial management".

- **Current strategy and situation:** These longstanding challenges remain, as has been confirmed to the HLE DC team by numerous internal and external stakeholders and strongly reinforced in the staff survey (see **EFFICIENCY**). Pillar 4 of the strategy makes broad references on the need to improve the quality of DC design, implementation and evaluation, but few concrete steps addressing known efficiency issues are included in the Implementation Plan (see **EFFECTIVENESS**). As mentioned above, there may be a need for a separate operational strategy on these, backed by a clear commitment from senior management to find ways to fix bottlenecks that have been reported for many years.

On Sustainability

"ILO TC projects were often found to target **sustainability through follow-on phases** of the same activity, sometimes by scaling them up. This is largely because of the funding requirements of many donors, under which project durations are too short to deliver sustainable results, making a second phase essential".

- **Current strategy and situation:** This finding is linked to the finding under effectiveness on the small-scale nature of many ILO DC initiatives. See above.

On Impact

“The evaluation, therefore, concludes that there are currently **insufficient data to enable the impact of ILO TC to be evaluated**”.

- **Current strategy and situation:** The evaluation of the long-term impacts of ILO DC work for both systems and individual beneficiaries remains a weakness. The Strategy referred to the need for better data, including impact evaluations, but the Implementation Plan does not advance this. The issue needs to be addressed at multiple levels, including through the monitoring and evaluation approaches built into individual projects and through the ability of the ILO's results-based management system to look beyond a horizon of two-years and present a longer-term narrative of progress towards true impact.

Building on its evaluation findings, the HLE TC provided recommendations, which are attached to this document as **Annex C. Table 1** below relates the DAC criteria covered in the TC Evaluation and the DC Evaluation to the Theory of Change and Pillars of the DC Strategy.

TABLE 1: RELATIONSHIP BETWEEN TC 2015 HLE FINDINGS ON DAC CRITERIA, THEORY OF CHANGE AND STRATEGY PILLARS FOR DC STRATEGY 2020-2025

EVALUATION CRITERION	LEVEL IN THEORY OF CHANGE (SEE ABOVE)	MAIN PILLAR IN 2020 – 2025 DEVELOPMENT COOPERATION STRATEGY
Relevance	From outcomes to impacts	1,2,3
Coherence	From outcomes to impacts	1
Effectiveness	From outcomes to impacts	1,3
Efficiency	Inputs to outputs	4
Sustainability	Outcomes to Intermediate States	1
Impact	Impact	1,4

Relevance of current strategy to findings of the 2020 MOPAN assessment

The 2020 MOPAN²⁰ assessment, provided a detailed overview of the quality of ILO's work in DC and identified areas for improvement (see **Table 2**). It emphasised the need to **improve internal systems and performance**, with five of its seven recommendations in this area. It saw work with beneficiaries as largely positive, highlighting one specific need, **accountability**, for improvement. It did not see partnerships as a major area of weakness, although it emphasised the need to **scale up interventions via multi-donor participation** to get more results. Here the emphasis seemed to be on finance rather than on coherence.

20 Multilateral Organisation Performance Assessment Network (MOPAN), [MOPAN Assessment Report: ILO 2020 Assessment Cycle](#), 2021.

TABLE 2: MOPAN AREAS FOR IMPROVEMENT V DC STRATEGY COVERAGE BY PILLAR 2021 REPORT

AREA FOR IMPROVEMENT		DC STRATEGY PILLAR
1	The ILO has yet to prioritise the "green recovery" or serving the world of work by addressing the climate crisis.	?
2	The organisation could increase its impact through large-scale interventions with multi-donor participation and attain more sustainable results.	3
3	The ILO needs to improve intervention design and monitoring practices through the consistent use of baselines and theory of change, take more timely action on underperformance, and streamline business processes that directly affect its projects and programmes.	4
4	Strengthening field capacity with technical expertise remains a challenge, but the ILO can achieve this by building on remote solutions developed during the COVID-19 pandemic .	4
5	Accelerating actions to establish a fully-fledged system to prevent and respond to SEA is essential in the context of increasing interventions targeting disadvantaged and vulnerable groups.	4
6	The ILO lacks clear and robust standards and procedures for accountability to end beneficiaries , an area that is gaining in importance with increased staff interaction with vulnerable workers.	1,4
7	The ILO has focused on developing an innovation culture and investing in innovation across the organisation but would benefit from a more systemic approach in this regard.	4

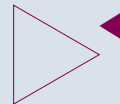
The DC Strategy is relevant to and coheres with the MOPAN assessment on many of these issues, especially through Pillar 4, but the Implementation Plan is light on detail in some important respects. These are discussed in more depth in **EFFECTIVENESS**.

Comparing the most recent MOPAN assessment with the previous 2015 assessment shows some apparent progress and reinforces the relevance of the current strategy's work in two partnership-related areas previously mentioned as needing improvement – "coherence and coordination of partnerships" (relevant to Pillar 2) and "additional funding sources, including private sector funding" (Pillar 3).

The absence of the former issue (Pillar 2) in the most recent assessment as an area for improvement suggests that progress has already been made, leaving the need to scale up funding as the major remaining challenge around partnerships. This suggests that inclusion of partnership issues as two of the four strategic pillars may be over-stated and that the relevance of the emphasis on coherence and coordination among partners had already declined by the time the 2020 – 2025 DC Strategy was adopted. Despite this, HLE stakeholder discussions and documents confirm that coherence remains a serious challenge.

► **Box 2: What staff and constituents said about the strategy's relevance.**

- "The strategy basically lets staff **do whatever they want** - there's always something in it they can use to justify what they're doing. There's way too much generalisation. It needs to be much sharper."
- "This is not a '**natural strategy**' in terms of the way the ILO works."
- "It seems to be **for the GB** - nobody else looks at it. It is the P&B that drives action including DC."
- "The strategy is very **shallow and weak**. It's not really a strategy at all - more a list of 'guiding principles'."
- "Is the Strategy really fit for purpose?"
- "Overall, the DC strategy is **more a reflection of what the Office already does** rather than a strategy that influences what the Office should be doing. A few innovative actions have been integrated though, e.g., the pilot on structured funding dialogues, as well as the ILO business case for funding partnerships." (Staff survey)
- "While I have some understanding of the ILO's Development Cooperation strategy, I often find it **difficult to see how it applies directly to my daily tasks**." (Staff survey)
- "**Perhaps it has value to report to the GB (?)** but I don't really see the point of it otherwise." (Staff survey)
- "For me it is **the key document guiding my work [resource mobilization]**, although I do feel that a more 'regional chapter should be adapted to involve the region in partnerships and resource mobilization.'" (Staff survey)
- "The strategy **has influenced my work**, since one of the main lines is to coordinate ILO cooperation within the Ministry of Labor." (Constituent survey)
- "The strategy was not discussed at tripartite level, and we are **not aware of what it is**." (Constituent survey)



COHERENCE

The design of the DC strategy broadly follows directions set by key ILC documents and other ILO plans, but the level of coherence is inconsistent. The strategy's efforts to better align DC with constituent needs and to specific P&B outcomes lack detail and measures of success.

COHERENCE OF DESIGN WITH THE 2018 ILC RESOLUTION ON DEVELOPMENT COOPERATION

The 2018 ILC Resolution on Development Cooperation is a key policy document for the ILO and was intended to enhance and to refocus its DC work, especially in the context of the 2030 Agenda for Sustainable Development. At a conceptual level, the pillars of the DC Strategy echo many of the key concerns covered in the Resolution including how best to support constituents in a changing DC context to achieve decent work outcomes and the SDGs (through Pillar 1); how to support policy coherence and to mainstream decent work in national development plans and UNDAFs (Pillar 2); how to ensure the right mix of funding partnerships and modalities to adequately fund ILO DC (Pillar 3); and how to better present the ILO's unique added value to address decent work gaps at the national level (Pillar 4).

At this conceptual level, the Strategy's pillars also cover eleven of the twelve "Priority Areas" set out in the Resolution (See **Table 3**). The main gap concerns the importance of a "programmatic approach". Its absence reflects this HLE's assessment of the importance of having a Theory of Change as a foundation for the Strategy, one that would establish impact objectives and the change pathways for the ILO's DC delivery approach (i.e., what exactly does it want to change about how it develops and implements DC projects?)

TABLE 3: ALIGNMENT OF DC STRATEGY PILLARS WITH 2018 ILC RESOLUTION PRIORITIES

PRIORITY AREA IDENTIFIED BY ILC	DC PILLARS ALIGNMENT
Country Ownership and Relevance	1
ILO's Strategic Objectives:	1,2
Coordinated Strategy	2
Enhanced ILO Role	1,2
Private Sector Role	2
Inclusion	4
Programmatic Approach	-
Capacity Development	8
Transparency and Shared Responsibility	1,4
Inclusive Partnerships	2,3
Development Financing	3
South-South and Triangular Cooperation (SSTC):	2,4

However, coherence between the Resolution and the actions and deliverables set out in the Strategy's Implementation Plan is inconsistent. Some elements of the Resolution only vaguely address or offer minimal guidance on how to apply its key principle and priorities. Key strengths and weaknesses in coherence relative to these principles are:

Stronger coherence:

- ▶ **Capacity Development:** The Resolution highlights the importance of strengthening the capacities of the ILO, its constituents, and national stakeholders in implementing the Decent Work Agenda. This area is probably the most coherently addressed of all in the DC Strategy document, covering organizational and institutional capacity building, advancing the ILO existing strategy for this work and South-South cooperation. The Implementation Plan includes measures to address the needs of constituents and DC staff and the central role of ITCILO was reinforced.
- ▶ **Transparency and shared responsibility:** Transparency is often mentioned in the Strategy though with few specific measures described. These were clearer in the Implementation Plan, emphasising transparency initiatives to meet international standards.
- ▶ **Inclusive Partnerships:** The Strategy has substantial coverage of partnerships, with a reasonable degree of coherence with the Resolution. Some of the content is specific and actionable.

Weaker coherence:

- ▶ **Programmatic approach:** This related to adopting a long-term, programmatic approach for sustainable results. Although the Strategy implies that a programmatic approach could be valuable, there are no specific actions in line with this priority in either the Strategy or the Implementation Plan.
- ▶ **Country/constituent ownership and relevance:** This priority reinforced the need to tailor DC to the needs of regions and countries through social dialogue and for the active involvement of social partners. The Strategy echoes this need but does not demonstrate a coherent and measurable approach to improvements.

Coordinated Strategy: While the concept of coordinated strategy within the ILO and with its external stakeholders is often implied, this remains at a generic level and presents no practical advice or direction.

- ▶ **Inclusion:** Although inclusion is specifically mentioned, there is no explicit strategic approach to promote performance or results in this area.

Coherence of design with the 2019 Centenary Declaration

The 2019 *ILO Centenary Declaration for the Future of Work* is one of the defining documents for the Organization's approaches in normative and development fields. The nature of the Declaration is such that it makes any meaningful assessment of the coherence between it and the DC Strategy impractical. This is because the Declaration presents itself primarily as an aspirational document, pointing towards an idealized vision of the future of work. Paragraph 1D provides a concise example of the difficulty in assessing its coherence with the Strategy:

“The ILO must carry forward into its second century with unrelenting vigour its constitutional mandate for social justice by further developing its human-centred approach to the future of work, which puts workers’ rights and the needs, aspirations and rights of all people at the heart of economic, social and environmental policies”.

The global ambitions of the Declaration are to some extent specified through 30 proposed areas, towards which the ILO should focus its efforts, with little indication of prioritization, possible change pathways or approaches to results monitoring. Given the generic and aspirational nature of the Declaration, it would be difficult for the DC Strategy to propose any approaches, which could not be associated with its intentions. Put simply, some level of coherence is guaranteed by the near universal coverage of the numerous clauses and sub-clauses of the Declaration.

Coherence with the “One ILO” approach

The promotion of a “One ILO” approach has been a policy priority for some time and responds to historical concerns that the ILO has internal divisions and “silos” that inhibit its optimal performance. Although some advances have been noted in recent years, it remains a priority that has been reinforced by the new DG. It is primarily about making the best use of ILO human and financial resources to provide solutions to the challenges confronting tripartite constituents.²¹

Although the DC Strategy document has a substantial focus on external collaboration and partnerships, the need for stronger cohesion within ILO is not substantively addressed as a theme, though it does point out that “For development cooperation to be effective and the objectives of the focus areas to be achieved, the ILO must work cohesively” (Para. 48). One ILO has a similarly low profile within the Implementation Plan, though its implementation approach – using a mechanism which devolved monitoring and reporting of delivery to focal points in HQ departments and Regional Offices who convened multi-disciplinary teams – was in itself an attempt to work in a more collaborative and devolved way. This mechanism seemed to lose momentum after the Mid-Term Review, providing some lessons for future strategy implementation.

Although still in their early stages of planning and implementation, the four new Priority Action Programmes introduced through the 2024-25 P&B “have been designed to foster integrated cross-Office action and collaborative working modalities across departments at headquarters and in field offices”²². The role of DC in advancing the work of the Priority Action Programmes will need to be explored in any future strategy.

Coherence with the P&B

All levels and units of the Organization endeavour to align their work with the requirements of the P&B and, in the field, report results against Country Programme Outcomes (CPOs) that align with one or more of the P&B’s outcomes. Representatives of PARTNERSHIPS stressed that in the Strategy’s design, there was a conscious decision to cast the strategy as an enabler of the P&B rather than as something separate. This was one reason put forward as to why the Strategy and Implementation Plan were short on detail. As PARTNERSHIPS told the HLE:

²¹ ILO. Transition Discussion: Delivering as One ILO. Accessed 18 June 2024.

²² ILO. [Director-General's Announcement \(IGDS 660 \(version 1\)\)](#), Accessed 18 June 2024

“One of the reasons why it was hard to create a detailed plan with deliverables was that we see DC as a means of action for the P&B. It’s why the plan included cross-references. We don’t see DC as separate from ILO ‘core business’ - they are interlinked.”

While coherence is notionally demonstrated by incorporating cross references, the downside of this approach is that it makes it more difficult to assess the value added by the strategy to the P&B and how well its design supports the achievement of its 8 policy outcomes. Broadly, the Strategy fits under P&B “enabling outcome” 3 – “effective, efficient and results-oriented and transparent management”. The Strategy aims to improve the quality of DC in terms of its results focus, efficiency, visibility, transparency and results-based management. But how was it designed to do this exactly?

An example: If one asks if the Strategy seeks to advance “gender equality and equality of treatment and opportunities for all” (Outcome 5), the answer is “yes, see the P&B and the Programme Implementation Report”. But how has the Strategy improved the way DC has contributed to this result? This seems an important thing to know, regardless of whether DC is inextricably linked to “core business”? Maybe there is potential for DC to greatly enhance Outcome 5 results if certain specific practices are adopted in DC project design, appraisal, or implementation. It may be impractical to set out in the Strategy the details of how DC is intended to contribute to each P&B outcome, but the value added by DC to these outcomes is currently opaque.

As P&B documents have referenced the need to direct DC resource mobilization efforts particularly to areas where funds are scarce, this makes the Strategy an important means of providing clarity on this dimension of the ILO’s work. While the Strategy cross-references the P&B to demonstrate coherence, it lacks detail on how it would mobilize resources to address gaps in DC coverage across the eight policy outcomes.

Coherence with UN development system and other stakeholders

The Strategy places considerable emphasis on improving policy coherence between ILO, the UN Development System and a range of other stakeholders. For example, it covered:

- ▶ Engaging with IFIs to influence policy and financing decisions (Para 19c)
- ▶ Supporting constituent engagement in the development of integrated national financing frameworks (Para 26)
- ▶ Engaging constituents in UN Common Country Assessments and UN Cooperation Frameworks and integrating priorities in DWCPs (Para 30)
- ▶ Policy dialogues promoting ILO normative, tripartite and social dialogue mandate within the UN country teams and with IFIs and multi-bilateral partners (Para 31)
- ▶ Promoting International Labour Standards and social dialogue through UN country teams and through the SDG Fund, and in international forums such as the UN Inter-Agency Task Force on Financing for Development (Para 32)
- ▶ Engaging with the private sector for policy coherence (Para 34) and seek increased funding (Para 40d)
- ▶ Convening multi-stakeholder partnerships to promote awareness and drive policy coherence (Para 33)

Coherence of actions in the Implementation Plan to advance work in these areas are also more detailed and comprehensive. These will be outlined below under EFFECTIVENESS.

EFFECTIVENESS

The effectiveness of the DC strategy was hampered by the lack of an organizational structure or coordination mechanism to drive, implement and monitor it. Monitoring and reporting of the Strategy dropped off after the 2023 Mid-Term Review.

The strategy lacked an effective and sustained approach to managing its implementation across the organization. PARTNERSHIPS is the custodian of the Strategy, but it is not its responsibility alone. Rather, there is a large network of “focal points” across HQ and the regions that are nominally responsible for various actions and deliverables and for contributing updates on progress on a spreadsheet kept on an ILO Teams Channel. Work on the strategy is expected to occur both with and without PARTNERSHIPS’ involvement, including through interactions between focal points or through actions taken independently in specific departments. Current oversight and management of this process appear to be quite loose.

The HLE team learned that the level of monitoring and reporting for the strategy was substantially ramped up to gather information for the mid-term review that was presented to the GB in March 2023, but the level of monitoring has fallen away significantly since then. The main tool for collecting data is an excel spreadsheet where designated focal points in HQ and the regions can add updates, listing activities that they interpret as fitting the deliverables, however loose the connection might be. The most recent update of this spreadsheet²³ was reviewed by the HLE team and it was apparent that only a limited number of focal points had made contributions.

Given the latitude available to report against the Strategy’s quite broad deliverables, it seems unlikely that the report has captured a complete picture of what has been done in the areas that ILO sees as being linked to the strategy. Below we cover what has been reported under each Pillar, along with other relevant actions that have been reported elsewhere or brought to our attention, but the lack of detail on some limits our analysis of their effectiveness.

The HLE team was also told that PARTNERSHIPS convenes “dedicated meetings involving HQ and staff in the regions” to review progress, but the frequency of these is now sporadic at best and participation may be low (e.g., a representative indicated that she was the only person who attended a recent meeting). The HLE team was unable to obtain minutes or notes of these meetings.

It should be stressed that PARTNERSHIPS has been placed in something of an invidious position in the stewardship of the DC Strategy. While it plays an important role in resource mobilization and supporting DC project development, its span of control in DC does not extend beyond these functions. As we will see below, it has worked closely and effectively with other HQ units and ITCILO to drive some important initiatives that will enhance the ILO’s DC work, but, as one informant told us “This is not a ‘natural strategy’ in terms of the way the ILO works”. As much as the organization may have made progress in working as “One ILO”, the silos have not disappeared and it is extremely difficult to instigate and sustain changes that span different units and offices, especially when the strategy itself is seen as being too vague or, in the eyes of some, irrelevant. As one informant said:



“It was difficult to expect PARDEV to be fully responsible, but ‘someone’ should have had a stronger coordination role. This was lacking. The plan was just the Excel sheet. People fell out. It was loose and unmanaged.”

²³ We understand this was as of April 2024, covering all actions since the last update completed for the mid-term review.

The new Priority Action Programmes were introduced partly in recognition of the fact that operational silos persist in the ILO and an improved enabling environment is needed to support the effective coordination and integration of policies and activities across different areas of work and to ensure the provision of consistent integrated support to constituents. An important lesson from the current Strategy is the need for a similar enabling framework to enable coordination and continuous improvement of DC systems and procedures.

 **Effectiveness of Actions under Pillar 1 - Services to Constituents:**
Tools and guidelines were introduced to foster national ownership of DWCPs and to support South-South and Triangular Cooperation (SSTC). DC frequently aligns with national priorities, but challenges remain in ensuring this. Gaps persist in harnessing DC to promote social dialogue and tripartism and contribute to the organizational needs of constituents.

Background

The strategy states that services to ILO's tripartite constituents in its Member States are both an objective and a cross-cutting foundation. Actions under Pillar 1 aim to improve the responsiveness of development cooperation to Member States' decent work needs, determined based on social dialogue, ensuring country ownership, relevance, focus, sustainability and impact.

The strategy describes five areas intended to improve service delivery to constituents through development cooperation:

- ▶ Improve integration of Development Cooperation into the programme and budget.
- ▶ Focus services on organizational and institutional capacity development, implementing the ILO-wide strategy for institutional capacity development.
- ▶ Provide data and evidence-based services and examples of what works.
- ▶ Offer services to constituents on the financing for decent work.
- ▶ Promote South-South and triangular cooperation.

The Implementation Plan²⁴ reframed these under four Actions and ten Deliverables. The actions do not align clearly with the strategy narrative, somewhat complicating the assessment of progress towards this focus area.²⁵

Notably the strategy element, **"improve integration of DC more effectively into the programme and budget"**, is not operationalised in actions and deliverables in the implementation plan; the emphasis is rather placed on ***strengthening constituents' ownership of DWCPs, DC programmes and projects***. The extent of integration of development cooperation with the Programme and Budget is discussed earlier in this report in the section addressing **COHERENCE**. Another omission in the Implementation Plan is the ***provision of data and evidence-based services to constituents***. Neither the Mid-Term Review nor the focal point reporting commented on this area, but the Programme

²⁴ ILO. Development Cooperation Strategy 2020–25: Implementation Plan (GB.341/POL/4).

²⁵ The challenge for monitoring the results of the strategy implementation is that the spreadsheet reporting by the leads and focal points is uneven and is not consolidated in a cumulative fashion. Meanwhile, the mid-term review (MTR) does not refer to the specific deliverables of the Action Plan.

Implementation Report 2022-2023 discusses progress in the provision of ILO's knowledge services, especially in response to the onset of the COVID-19 pandemic.

A summary of the links between the strategy, the Implementation Plan and the reported actions is included in **Annex E**, based on the Mid-Term Review, focal point progress reports and the HLE surveys and informant interviews. Results are set out below under key themes.

STRENGTHENING CONSTITUENTS' OWNERSHIP OF DC

The HLE identified the following actions:

- ▶ Increased upfront **support for designing project proposals**, accompanied by a helpdesk and a collaborative design platform was introduced by PARDEV to enable ILO staff to better consult across the Office, including with workers' and employers' specialists.
- ▶ Constituents' **participation in the governance of development cooperation** is being supported via tripartite steering committees for DWCPs, and as of September 2022, 52 of 55 active DWCPs had established a tripartite steering committee. The number of countries without DWCPs is not included in the reporting, but the HLE noted that only a few countries in the Americas have DWCPs. The reason for this may be due to challenges obtaining tripartite buy-in for the DWCP process, or a lack of ILO human resources in-country. Where there is no DWCP, the ILO may plan its work according to national plans on labour issues, as staff in Uganda noted regarding the time that elapsed between DWCPs, as well as donor and UN planning processes.
- ▶ As part of the **ILO Plan of Action on Social Dialogue and Tripartism for 2019-2023**, the Office set up an internal advisory group to develop a user-friendly tool kit for mainstreaming social dialogue in DWCPs and projects. However, the HLE did not learn from key informants in the case study countries the extent to which the tool kit is being used. The Mid-Term Review notes that some DC projects focus on promoting and enhancing constituents' capacity for social dialogue, while others take a more mainstreamed approach, using social dialogue as a means of action.
- ▶ **ACTRAV and ACT/EMP made efforts to create tools and guidelines** to promote social partners' engagement. These include an internal note on DC Project Appraisal for Field Specialists (2020-2021) and an update of the DWCP Guide for Trade Unions released in 2023. In October 2021, as part of the ITCILO DC Learning Journey on project design, ACTRAV and ACT/EMP developed a joint podcast on consultation of the social partners in development cooperation project design.
- ▶ The Regional Office for Asia and the Pacific (ROAP), through its Regional Programming Unit and with ITCILO support, developed a **training course "Advancing Decent Work through Tripartite Engagement"** for constituents and staff. To be delivered in 2024, this course is intended to produce a roadmap for constituents' tripartite engagement in all stages of the DWCP process and includes a guide for consultants and ILO staff to facilitate DWCP development and review.
- ▶ In Latin America and the Caribbean (LAC) programme managers have been active in **enhancing approaches to engage** the constituents, and a training workshop is planned on results-based management for Paraguayan constituents, following the recent signing of Paraguay's Decent Work Plan.
- ▶ The 2022-2023 Programme Implementation Report highlights the role of the ITCILO in supporting tripartite engagement and social dialogue.²⁶

²⁶ ILO. [Programme Implementation Report, 2022-2023](#), p.18.

The cases studies also highlighted some country-level efforts to engage the constituents in developing DWCPs and projects:

- ▶ For **Uganda**, the Dar es Salaam CO programme officers reported giving more attention to this objective and constituents reinforced this. As one labour ministry representative said:

 **“We were involved in the development of the DWCP III from the word go, and throughout the consultation reviews. This is our document.”**

The workers and employers' representatives highlighted their direct engagement in ILO projects, including PROSPECTS, and the child labour and forced labour projects, ACCCEL and CAPSA.²⁷

- ▶ In **Bangladesh**, constituents also reported a high-level of engagement. As the country approaches graduation from Least Developed Country (LDC) status, constituents see significant challenges ahead and the need to “future proof the country”. Challenges covered by the DWCP include upgrading and diversifying the skills base to enhance production and productivity and adapting to technological change in manufacturing. Social Protection initiatives, including a new Employment Injury Scheme, implementing labour law amendments, fair and safe migration policies, and compliance with due diligence requirements all require attention.
- ▶ **Uzbekistan's** first DWCP (2014-20) focused on institutional development as they were initially non-existent. This has continued under the current DWCP along with support for the ratification of key Conventions and the development of national legal frameworks. Some criticisms were levelled against the ILO in relation to project activities regarding insufficient engagement and transparency and recruitment of project staff.
- ▶ In **Paraguay**, the country has operated without a DWCP for some time, though in March 2024 a new framework agreement has been signed and is hoped to be a springboard for a new DWCP. For the time being, constituents engage in DC via a consensus process based on social dialogue which ensures that capacity building is incorporated into all projects and that projects are based on constituent needs.
- ▶ In **Jordan**, although a DWCP was drafted in 2022, it has not been signed and workers' representatives are unhappy that it has been put on hold. Similarly, the UNSDCF has not been signed. Jordan is currently without an ILO Country Coordinator, and this may have contributed to this. There was a view that the ILO DC programme has grown too big in Jordan and is not sticking to a coherent DWCP approach.

The HLE interviews also highlighted that **other national counterparts are sometimes more central** to development cooperation projects than the ILO's core constituents. In the case of PROSPECTS, ILO's largest DC project, senior managers observed that while every effort is made to bring all the core constituents on board, in some countries work with forcibly displaced persons and their host communities is not the natural sphere of labour ministries. In **Uganda**, for example, the project engages closely with the Office of the Prime Minister, which is the government focal point for refugee and host community issues, as well as with the Ministry of Gender, Labour, and Social Development (MGLSD) and the social partners. In many countries, ILO engagement with ministries of finance and planning is mandatory, while ministries of education and health are often the counterparts for projects related to skills and occupational safety and health work.

²⁷ PROSPECTS: Partnership for Improving Prospects for Forcibly Displaced Persons and Host Communities; ACCCEL: Accelerating Action for the Elimination of Child Labour in Supply Chains in Africa; CAPSA: Capacity Strengthening of Governments to Address Child Labour, Forced Labour and Violations of Acceptable Conditions of Work in Sub-Saharan Africa.

Regarding alignment between DC work and constituent priorities, the **Bangladesh** case study and **Regional Office for Asia and the Pacific** interviews revealed that constituents' priorities do not always align with the ILO's mandate and policies, and gaining tripartite consensus is often complex and time consuming. The HLE constituent survey respondents highlighted that disparity between the positions of the tripartite partners sometimes delayed action toward national priorities. Nevertheless, the ILO's tripartite mandate and normative authority remains its unique comparative advantage. On the extent of ILO's promotion of tripartism and social dialogue through development cooperation, a senior ITUC informant stressed that **ILO's tripartite structure should be more vigorously elevated in ILO communications with potential DC partners and in project design.**

 **“Once a policy is agreed by the tripartite partners it has a very strong foundation”.**

The HLE's meta-analysis of final evaluation reports in the period found variable results regarding constituent engagement, with nearly 60 per cent of cases positively responding to national needs and involving constituents in the planning, design and implementation of interventions, but 40 per cent were only partly successful, revealing an area of weakness. There were instances where key-government and decision-making bodies were unwilling to promote progress towards project objectives, even when those objectives were seen as relevant.

From the HLE surveys, constituents were moderately positive regarding the relevance of ILO DC in their country, opportunities for involvement with the design phase and with ILO's adherence to tripartite processes:

- ▶ 49% believe ILO DC is largely aligned or completely aligned with the priorities and needs of their country, while 13% believe it is misaligned to a lesser or greater extent. (See Figure 2)
- ▶ Constituents' comments were generally positive regarding alignment of DC with their priorities, for example:

 **“I am sure all ILO development cooperation strategy will be very completely aligned with our country priorities such as what we have in our next DWCP”.**

“Toutes les interventions sont en alignées dans le respect des documents stratégiques du pays” (Translated by EVAL : “All interventions are aligned with the country's strategic documents”).

- ▶ While 57% of constituents answered that ILO's DC work was relevant or highly relevant in their country, a substantial 34% find the work only somewhat relevant or not relevant. Some countries were critical of the ILO's failure to source DC funds for national priorities. (See Figure 1)
- ▶ Regarding overall effectiveness of DC during the period, only 50% rated delivery as effective or highly effective. Countries highlighted in their comments some specific problems they faced, including the effect of the pandemic and lack of participatory planning.

- ▶ 50% of constituents believe that the ILO has promoted tripartism and social dialogue by involving the constituents in country-level UN planning, though a substantial proportion found such promotion lacking. (See Figure 3)
- ▶ 73% of constituents were satisfied at varying levels with opportunities for inputs in project design, while 26% were dissatisfied to varying degrees with such opportunities. (See Figure 4)

To sum up, various actions were taken in the period to develop processes for deeper tripartite ownership and involvement, contributing to the ILO's foundational mandate of serving national needs. The effectiveness of the tools and guidelines produced could not yet be evaluated. The views of constituents suggest that ongoing action is needed to strengthen the constituents' engagement and ownership throughout development cooperation planning and project cycles.

FIGURE 1: RELEVANCE OF ILO DC – STAFF AND CONSTITUENT SURVEYS

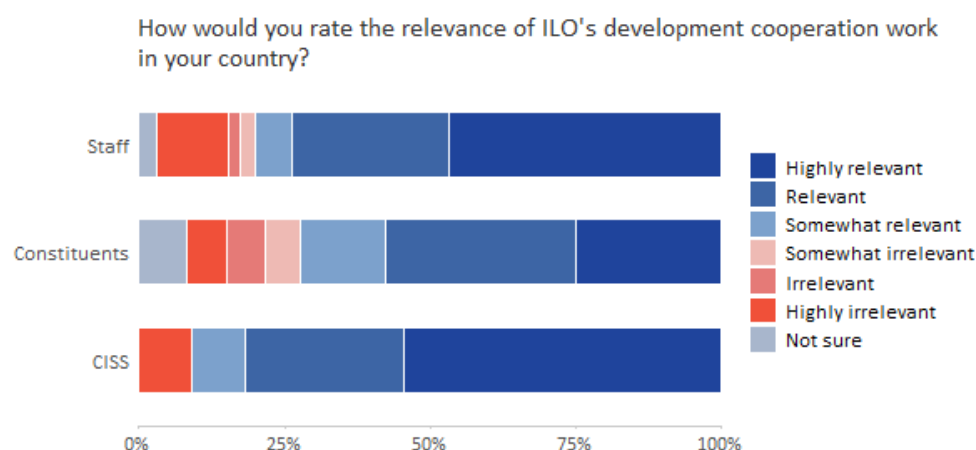


FIGURE 2: ALIGNMENT OF DC WITH PRIORITIES AND DWCP – STAFF AND CONSTITUENT SURVEYS

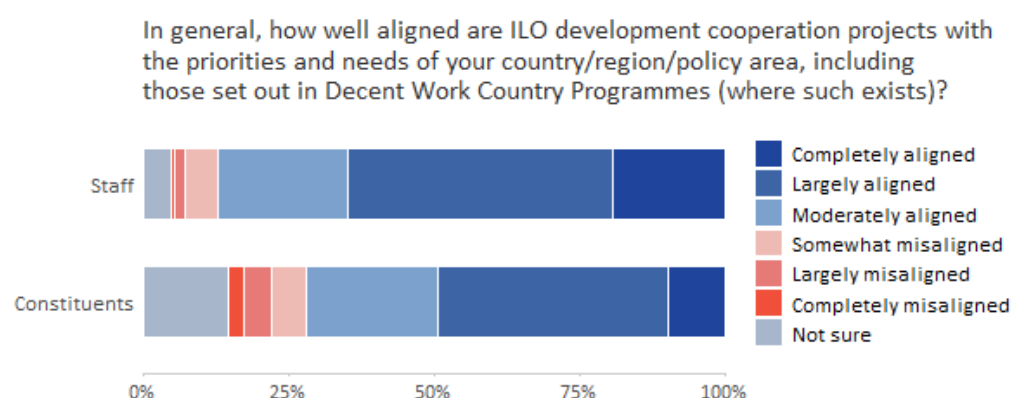
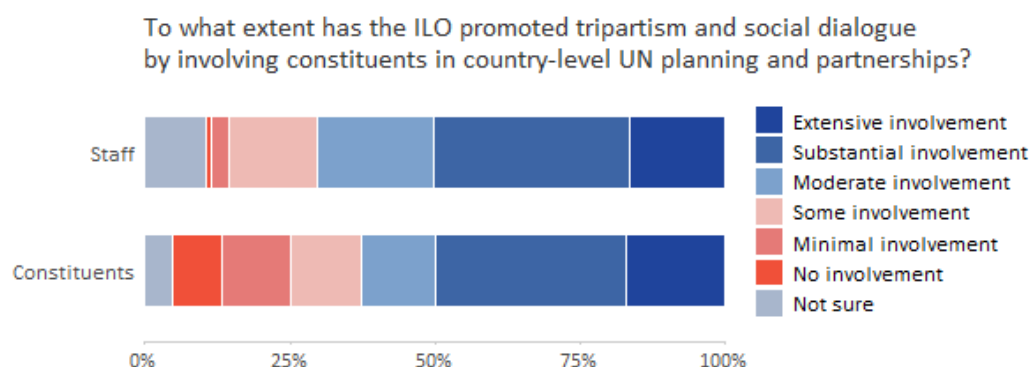
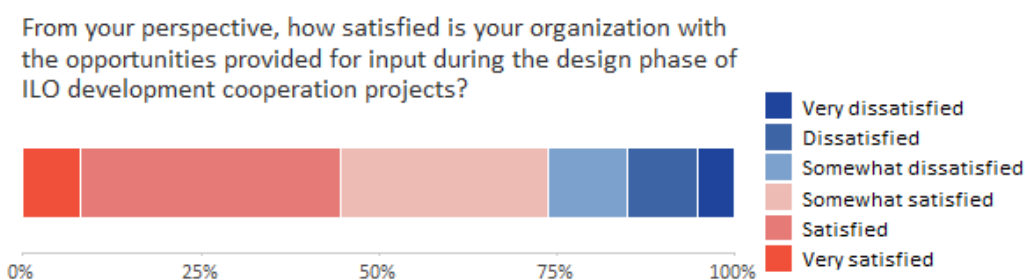


FIGURE 3: PROMOTION OF SOCIAL DIALOGUE IN COUNTRY LEVEL UN PLANNING AND PARTNERSHIPS – STAFF AND CONSTITUENT SURVEY**FIGURE 4: INVOLVEMENT OF CONSTITUENTS IN DC DESIGN – CONSTITUENT SURVEY**

INTEGRATING DEVELOPMENT COOPERATION WITH THE PROGRAMME AND BUDGET

The strategy emphasises the integration of DWCPs, programmes and projects with the P&B given that DWCPs are intended to be anchored in national priorities, while the P&B reflects global priorities for a biennium. Project proposal design templates are required to state their alignment with the P&B and therefore all projects align in some way with one or more outcomes. However, the contribution of DC voluntary funding is not evenly distributed. This issue is discussed in more detail under Pillar 3.

Observing a disconnect between Development Cooperation and the P&B, the PROSPECTS project HQ managers also observed that there is no clear place to capture PROSPECTS' results in the P&B. Rather, this relatively new and expanding area of ILO's work, is spread across nearly every outcome in the P&B reporting.²⁸ The staff recommended that a specific output should be allocated for work with forcibly displaced persons and host communities.

²⁸ Outcome 7 has 3 outputs relating to migration, but no specific outcome on support to forcibly displaced persons and refugees.

RESPONDING TO TRIPARTITE CONSTITUENTS' NEEDS FOR ORGANIZATIONAL & INSTITUTIONAL CAPACITY DEVELOPMENT

The strategy aims to support the implementation of the **ILO-Wide Strategy for Institutional Capacity Development**, launched at the Governing Body meeting of March 2019.²⁹ This strategy emphasizes action at three levels - individual, organizational and the enabling environment level and the HLE makes the following findings on actions linked to the DC Strategy:

Guidance tools

The Mid-Term Review had little to say about progress in developing tools and guidance on the design of capacity building interventions. PARTNERSHIPS cited the **DC Learning Journey** on design, including a podcast on capacity development, as well as the Development Cooperation Internal Governance Manual.³⁰ The Governance Manual mostly describes broad approaches and does not introduce specific tools for the design of capacity development interventions.

More tangible evidence on guidance tool development is cited by ACTRAV and ACT/EMP in the focal point reporting. For example, ACTRAV developed a **guidance note on the involvement of trade unions in the design and implementation of DC projects**, launched on the ACTRAV website in late 2023. ACTRAV also developed a training module on the design and formulation of DC projects for trade unions in collaboration with ITCILO, completed in 2023.

ACT/EMP reported that it conducts **country-level needs assessments** on a biennial basis, followed by development of workplans. ACT/EMP also noted that the field specialists work with the country offices to develop country programme outcomes, considered to be suitable for the next programming cycle, and that their field staff make sure that DC projects mainstream and integrate capacity development needs of employers and workers.

The Office's **knowledge and learning services** also contribute to national constituent capacity. As stated in the 2022-2023 PIR, these services contributed to constituent capacity to address emerging challenges in the world of work, especially in the wake of the COVID-19 pandemic. The extent to which DC projects served the development of knowledge to support policy dialogue and key decisions received a high rating in the HLE's meta-analysis of final project evaluations, with three-quarters of cases performing successfully, including 21 per cent with *Highly Successful* performance.

The HLE interviews and case studies provide a nuanced picture of the state of capacity building efforts across HQ and the field. The HLE found many examples of satisfaction of the social partners and governments regarding capacity building efforts. In **Uganda** the social partner and the government representatives expressed strong satisfaction with the capacity building support of the ILO through development cooperation, citing the opportunity they had received to undertake training at ITC Turin on international labour standards, and on responding to the comments of the Committee of Experts regarding child labour. In **Bangladesh**, development cooperation activities have supported capacity building, including through the Better Work Programme, the RMG Sector Programme and support for a Trade Union Learning Resource Centre. In case study countries with smaller DC portfolios such as **Uzbekistan** and **Paraguay**, capacity building through DC is focused on a narrower range of policy areas, especially social protection.

29 ILO. [ILO-wide strategy for institutional capacity development](#) (GB.335/INS/9), 2019.

30 ILO. Internal Governance Manual.

While the ILO cannot directly support membership campaigns of the social partners, the Office aims to support their organizational capacity. Few DC projects directly support organizational capacity for social dialogue, except for some efforts supported by funding partners such as the US, EU and Japan, among others. However, regarding workers' organizational capacity, numerous DC projects and programmes during the period addressed the need for organizing workers in the informal sector, for example in agriculture under the Vision Zero Fund, in domestic work, as well as among platform workers.

At the same time, the relative lack of ILO support to building organizational strength of employers' and workers' organisations was an area of dissatisfaction highlighted in HLE interviews and the HLE constituent survey. For example, an ACTRAV HQ officer expressed that much of the DC work in Central Asia and Eastern Europe is irrelevant to the needs of the workers' organizations, given that their membership base was rocked by the COVID-19 crisis and by the war in Ukraine. Their view was that the trade unions are overstretched by their DC responsibilities in **Uzbekistan** and that the projects are not relevant to trade union organizational needs in the region, especially in these times of crisis.

The evidence from the HLE Constituents' Survey suggests that the constituents are mostly satisfied with the ILO's capacity building services, but not overwhelmingly so:

- ▶ 44% agree or strongly agree that the capacity development efforts of DC projects are driven by the constituents, but a substantial proportion (25%) only 'somewhat agree'.
- ▶ 50% agree or strongly agree that the DC projects respond to the institutional development needs of constituents, while approximately 50% disagree or only somewhat agree.
- ▶ For both the above statements, government representatives strongly agreed or agreed to a higher extent than workers' organizations and employers' organizations (see Figure 5 and Figure 6).

FIGURE 5: CONSTITUENT OWNERSHIP OF ILO DC PROJECTS – CONSTITUENT SURVEY

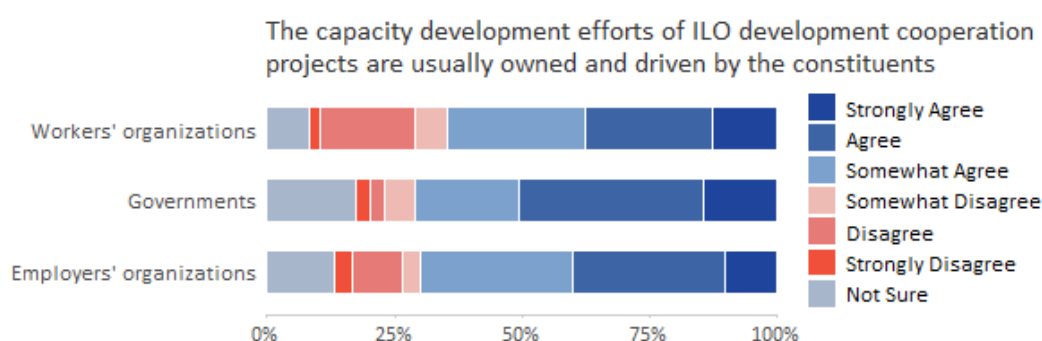
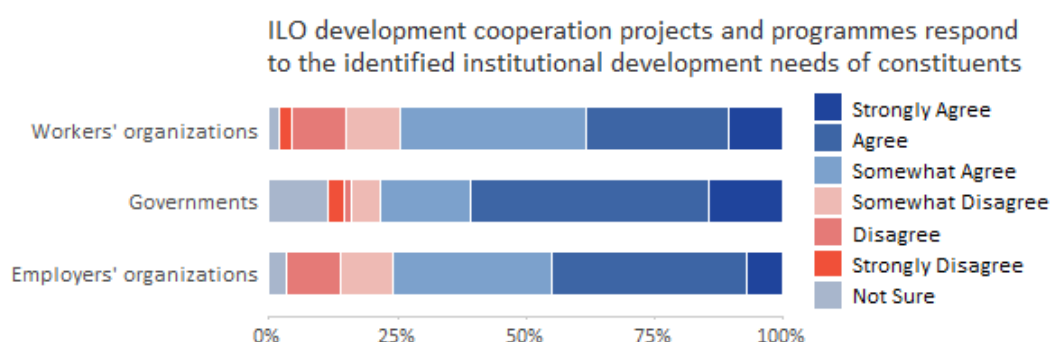


FIGURE 6: RESPONSIVENESS TO INSTITUTIONAL DEVELOPMENT NEEDS – CONSTITUENT SURVEY



Updated ILO evaluation methodologies

EVAL published a new **Guidance Note on Evaluation of Capacity Development** in ILO Programmes and Projects, to complement the ILO Policy Guidelines for Results-Based Evaluation. The ILO-wide strategy for institutional capacity development (2019) emphasizes that “capacity development is one of the core means of action to achieve decent work and further social justice.” EVAL’s guidance note aims to equip evaluators with knowledge and recommendations for evaluating capacity development in the ILO’s work. While primarily intended for evaluators, the guidance note is also beneficial for programmes and project designers, constituents and partners that are involved in capacity development. In parallel, a complementary companion to the guidance note is under development to support practical implementation of the evaluation of capacity development (to be completed in 2024).

ENGAGING CONSTITUENTS IN UN PROGRAMMING

Various support tools have been developed to integrate the Decent Work Agenda in UN processes. Resources and training include the **Trade Union Reference Manual** on UN Sustainable Development Cooperation and the Decent Work Agenda held in 2022; a trade union **e-learning course on the UNSCDF** and the Decent Work Agenda, in collaboration with the ITCILO; a **joint UN package on human rights training**, including international labour standards, and the ILO contribution to the **UN Inter-Agency Common Learning Package** on human rights based approach, gender equality and leaving no one behind.

ACTRAV reported various other tools and capacity building over the period included **technical support and capacity building activities on UNSCDFs** delivered to trade unions in 20 countries in the five ILO regions, development of a booklet on **lessons learned and emerging good practices of trade unions’** engagement in UNSCDFs, and **development and delivery of workers’ academies on SDGs in 2024**. One global academy and five (5) regional workers’ academies on SDGs are being implemented by ACTRAV ITCILO in 2024.

Evidence from the field studies on constituents’ engagement in UN processes is mixed. In **Uganda** for example, UN representative interviews suggest that ILO brings constituents’ perspectives to the table, though they do not participate in UNCT meetings directly. In **Bangladesh**, workers’ representatives indicated that there was “some, but not much” engagement with UN processes including briefings on SDGs, UN guidelines, as well as information on issues like due diligence requirements, climate change, and business and human rights. As one representative said:

 **“All these things are coming and are important, but in Bangladesh we’re still fighting for the basics like job security, OSH and social protection.”**

As reported in the MTR, regional ILO initiatives aimed to **increase the awareness of UN resident coordinators and UN country teams** regarding social partners’ engagement in Common Country Analysis and United Nations Sustainable Development Cooperation Framework (UNSCDF) processes. UN resident coordinators and UN country teams have a new **self-assessment tool** to improve the integration of human rights, including international labour standards and ILO supervisory body comments in Common Country Assessments (CCAs) and UNSCDFs. The ILO also supports the preparation of **normative stocktaking reports** setting out the relevance of standards and supervisory body comments for national development priorities. The focal point reporting adds examples from each of the regions in which Regional Offices have organised dialogues with

Country Office directors and RCs on ILO's normative work and tripartism. For example, in RO Europe, organized a dialogue with the help of NORMES, ACTRAV and ACT/EMP in 2021, while RO for the Americas is developing a "catalogue" to provide orientation to RCs on how to include decent work principles in their daily work.

In the May 2024 update, ROAP notes that ILO has used the DWCP as one of the tools to strengthen awareness of the UNRCO and peer agencies in the UNCT on the ILO's comparative advantage and DW agenda. ILO in the Americas notes that ILO has played an active role in a Peer Support Group, co-leading the route-map for the CCA in Paraguay and numerous other collaborations to promote the decent work agenda and tripartism among UN efforts.

The HLE country case studies suggest that Resident Coordinators and other UN partners are increasingly aware of the ILO's comparative advantage. In **Uganda**, the UNRCO commented on the ILO's strong efforts to involve constituents. In **Bangladesh**, a representative of the UNRCO highlighted the Office's "very good experience" working with the ILO, saying that "Decent Work is a cross-cutting concern" and that the ILO's expertise in labour rights, skills, formalisation, and migration issues are indispensable.

Regarding technical assistance in relevant policy areas, the focal point reporting highlights several examples of actions in Asia and the Pacific and in the LAC region. These include **briefings for Employers and Workers organizations** from 11 Pacific Island countries, to help them to contribute effectively during the UNSDCF development process. CO Hanoi has organized a series of consultations to **engage the constituents in the UN One Strategic Plan** implementation for 2022-2026, and promotion of social partners' engagement in the UN system reform and the UNSCDF.

The LAC region has been active in supporting events in 2023 and 2024 to **engage trade unions in the SDG Acceleration Decade**, including preparation for the 2024 ECLAC Forum on Sustainable Development.

SUPPORTING CONSTITUENTS TO ENGAGE IN SOUTH-SOUTH AND TRIANGULAR COOPERATION

ILO demonstrated its ongoing commitment to supporting constituents to engage in **South-South and South-South Triangular Cooperation** during the evaluation period, following the South-South and Triangular Cooperation Strategy 2012-2017 adopted by the Governing Body in March 2012. At the March 2018 meeting of the ILC, the Office presented the achievements of the 2012-2017 strategy and requested the Governing Body to accelerate SSTC in the new Development Cooperation strategy.

The DC Strategy for 2020-2025 elevates this commitment, stating that as a follow-up to the Second High-Level United Nations Conference on South-South Cooperation (BAPA+40)³¹ the ILO intended to step up normative and social dialogue as a foundation of SSC. The strategy implementation plan sets out tangible deliverables toward increasing South-South and Triangular Cooperation, all of which have been met according to the focal point reporting. The period under evaluation has seen an acceleration of ILO's support to South-South and South-South Triangular Cooperation, under the guidance of Emerging and Special Partnerships Unit (EPSU). In March 2019, ILO was an active contributor to the Buenos Aires Plan of Action+40 Conference.³²

31 United Nations General Assembly. Buenos Aires outcome document of the second high level United Nations Conference on South-South Cooperation (A/RES/73/291), 2019.

32 The Buenos Aires Plan of Action on South-South Cooperation was established at a conference of global south governments in 1979.

The ESPU provides guidance and tools to the Office on promoting SSC and SSTC, including the management of the South-South Meeting Point on SSC, and advocates ILO principles in collaboration with the UN Office of South-South Cooperation. The ILO's South-South Meeting Point dedicated to interaction and exchange on SSTC, launched in 2016 with the support of PARDEV and ILO Turin in the context of the first ILO academy on South-South and Triangular Cooperation, continues to be an active virtual space.³³

New ILO partnerships to promote the SSC BAPA+40 principles are cited in the strategy reporting. In 2022-2023 biennium, the ILO launched over **70 South-South and Triangular Cooperation projects covering over 80 countries** and additional global activities. These initiatives were mainly funded by the BRICS countries, especially Brazil and China, as well as Regular Budget support to development cooperation (RBTC) targeting constituents' capacity development. During the COVID-19 crisis the projects were adapted in format and content and included innovative virtual components. These included a project with All-China Federation of Trade Unions to enhance the institutional capacities of trade unions in Asia and The Pacific, with representatives from 25 countries in the context of challenges brought about by the COVID-19 pandemic. In addition, a renewed partnership with G7 was re-launched during the Global South-South Development Expo.

Through the HLE case studies and annual evaluation reports the HLE learned of several examples of south-south initiatives within XBDC funded projects. Among these, the US-funded "Strengthening Capacity of Governments to Address Child labour, Forced Labour and Violations of Acceptable Conditions of Work in Sub-Saharan Africa (CAPSA), which supports the East African Community Secretariat to address these issues through assistance towards a regional social protection policy. Also in the East African region, the ACCEL project has facilitated exchange visits between the constituents of Rwanda, Kenya and Uganda to study efforts to eliminate child labour in the coffee and tea supply chains.

Looking forward, **in the 2024-2025 biennium, 14 projects are being initiated** in ILO HQ and the regions. These cover the four Action Programmes and gender equity. In the Americas, CINTERFOR initiated work on the care economy and peer learning in 2024, and the Regional Initiative for the Americas is engaging in SSTC. In Asia and the Pacific, two initiatives are planned, including an interregional Technical Forum for Arab States and the Pacific for experience sharing and also improving labour market statistics to reflect climate change impact on labour market outcomes.

In Africa, preparation is underway for two new initiatives, including South-South cooperation between Rwanda, Cote d'Ivoire, Guinea Bissau and Cabo Verde, to facilitate transition from the informal to the formal economy through extension of social protection to informal economy workers, in coordination with the Action Programme on Formalisation. The second proposal covers SSTC between Madagascar, Kenya and France to promote decent work in the horticulture value chain. **ITCILO initiatives** address current global challenges impacting in the world of work including establishing the "Future of Work" South-South and Triangular University Network and South-South collaboration on climate change, Human Mobility and Just transitions.

Several **new approaches, methodologies and tools** for constituents and staff were developed for better results and sustainability of South-South Cooperation. These include a DC Learning Journey on SSTC for ILO staff made available. ILO/CINTERFOR developed a series of "Innovative Collaboration Projects" intended to engage vocational training institutions across the region, under a co-financing project, and advanced a Regional Observatory on Vocational Training. In 2024, the ESPU supported the Action Programmes to integrate SSCTC through new tools and helped launch the ILS Normative Approaches - Peer Learning Space.

³³ The "South-South Meeting Point" is an interactive virtual space where people from different countries can meet, engage, exchange and cooperate within the approach of South-South and Triangular Cooperation (SSTC) towards the advancement of the ILO agenda and the attainment of Sustainable Development Goals. In 2018, the ILO Governing Body paper on South-South and triangular cooperation and decent work (GB.332/POL/4) mentions the South-South Meeting Point as an implementation component of ILO SSTC strategy 2012-17 and defines it as a knowledge management tool which provides access to a wealth of knowledge and resources related to SSTC and decent work.

Reporting on the strategy suggests that the **Deliverable 1.4.3 target of 20 SSC capacity development initiatives with and for ILO constituents in cooperation with ILO-ITC** was exceeded.³⁴ Following the UN Office for South-South Cooperation inter-agency mechanism recommendations (2021) and the follow-up to the UN BAPA+40 UN Conference on SSC, a publication on global and regional good practices on SSTC was launched by the ILO in 2022.³⁵ This publication documents good practices in SSTC from all regions, that demonstrate results and sustainability.

During the period the ILO was active in contributing to integration of ILO tripartite partners' experience into the UN inter-agency mechanism for policy orientation (Deliverable 1.4.4). This included active involvement in developing the UN "South-South Galaxy",³⁶ support to preparation of guidelines on SSTC for national contexts, and supporting the SG Report on SSTC 2024, the Guidance on SSTC for resident coordinators as well as training sessions and methodologies.

RELEVANT FINDINGS FROM THE ILO EVAL DECENT WORK RESULTS META-STUDY OF EVALUATIONS

To provide an insight into the overall effectiveness of Pillar 1 of the Strategy, the HLE reviewed the findings of an annual EVAL meta-study of over 200 Decent Work performance appraisals of final independent project evaluations conducted between 2019 and 2023³⁷. Key findings were:

- ▶ Overall, there was **good alignment of project objectives with P&B Outcomes, Decent Work Country Programme (DWCP) priorities and CPOs**, with over three-quarters of reports addressing these criteria obtaining successful and very successful ratings.
- ▶ Results were **more variable with regards to constituent support**, with nearly 60 per cent of cases positively responding to national needs and successfully involving constituents in the planning, design and implementation of interventions. Nevertheless, partly successful performance was noted in 40 per cent of cases, revealing an area of relative weakness. Interventions with poor performance failed to involve different constituent groups in the project cycle, with certain groups being completely excluded from the process. There were instances where key governmental and decision-making bodies were uninterested or unwilling to make progress towards project objectives or to be involved in projects, even when project objectives were seen as relevant. In several cases, there was limited interest and demand overall for the project, with projects being pushed by donors, or countries requesting ILO assistance due to donor requirements.
- ▶ **Capacity-building** was an area of strong performance (83 % successful), revealing the ILO's ability to successfully centre services on organizational and institutional capacity development. Similarly, the **development of knowledge** to support policy dialogue and key decisions obtained good ratings, with three quarters of cases performing successfully, including 21 per cent with Highly Successful performance, reflecting ILO's effectiveness in providing data and evidence-based services and examples of what works. (Figure 7 below sets out the results linked to Pillar 1.)

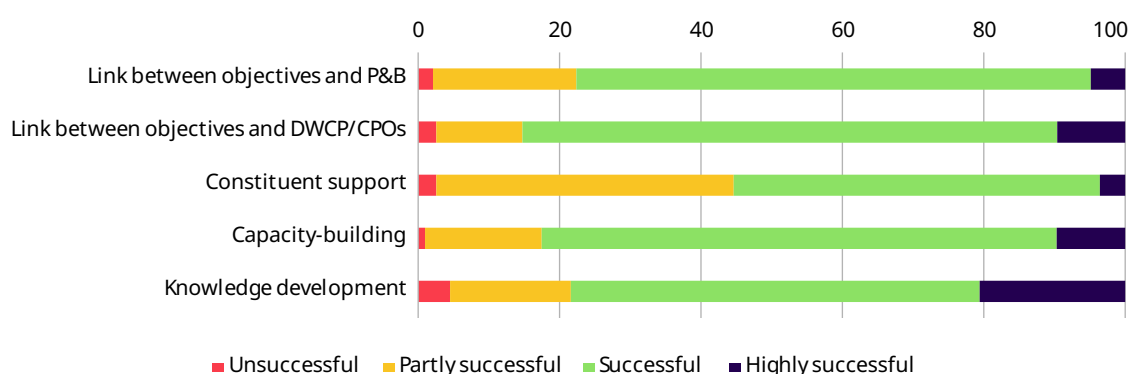
34 Note - The focal point reporting presents the same information under both deliverables 1.4.1 and 1.4.3.

35 ILO. Global and Regional Good Practices in SSTC: Promoting South-South and Triangular Cooperation, 2022.

36 The South-South Galaxy is a UN knowledge brokering and sharing platform.

37 Criteria used for the analysis of Pillar 1 were: Link between objectives and P&B; Link between objectives and DWCP/CPOs; Constituent Support; Capacity-building; and Knowledge development.

FIGURE 7: EVALUATION META-STUDY - PERFORMANCE AGAINST CRITERIA LINKED WITH PILLAR 1



► Overall effectiveness of actions taken under Pillar 1

- Pillar 1 of the strategy is built upon several existing ILO strategies and plans, including the ILO-Wide Strategy for Institutional Capacity Development, 2019; the ILO Plan of Action on Social Dialogue and Tripartism 2019-2023; and the South-South and Triangular Cooperation Strategy 2012-2017. In this sense the strategy has focused attention of the Office and action on these continuing areas of concern and priority.
- During the period ILO, both centrally and across the regions, launched many initiatives to improve services to its three constituent groups. Among the action areas, South-South and Triangular Cooperation emerged as a growing area of ILO support, highly relevant in the face of global social justice and climate change challenges. The evidence points to the increasing engagement of the constituents in ILO DC planning and implementation, and in their participation in UN planning processes.
- Overall, DC programming responded well to national constituents' agendas. Nevertheless, shortfalls continue in the extent to which it achieves an optimal balance between national constituents' priorities and funding partner interests.
- These gaps arise from the predominance of centralised programming, insufficient attention to social partners' organizational needs to engage in social dialogue, and uneven commitments to DWCPs and projects among workers, employers and governments.



EFFECTIVENESS OF ACTIONS UNDER PILLAR 2 – PARTNERSHIPS FOR POLICY COHERENCE:

In the period of the DC strategy, the ILO maintained its existing trajectory in promoting decent work through better coordination of policy action though evidence of the value added by the strategy's actions is not yet clear. The Global Accelerator on Jobs and Social Protection and for Just Transitions and the Global Coalition for Social Justice hold promise for improved coherence. While the Global Coalition for Social Justice is in its infancy, the Global Accelerator has already made progress in terms of establishing and consolidating its management, administrative and reporting structures, and partnership approaches. Preparations, such as “roadmaps,” have also commenced for the participation of volunteer “pathfinder” countries, while results at this level are anticipated at a later stage.

The objective of Pillar 2 is to promote decent work through coordinated policy actions, supported by sufficient capacities and financing. The Strategy points out that this involves both policy, programmatic, and budgetary coherence within the ILO and, externally, collaboration between the ILO and its constituents, the UN development system, International Financial Institutions (IFIs), enterprises, development partners, and other government ministries. The Strategy highlights the opportunities offered by SDG 8 to engage with various actors to advance decent work objectives through DC as well as the challenges in securing the necessary public, private, domestic and international financial flows to do this.

The Strategy sets out five areas under this pillar:

- ▶ Support National Priority-Setting on Decent Work
- ▶ Facilitate Policy Coherence Among Development Partners
- ▶ Leverage Financing Through Policy Coherence
- ▶ Multi-Stakeholder Partnerships for Policy Coherence
- ▶ Engaging with the Private Sector for Policy Coherence.

The Implementation Plan reframes these under four key actions and eight deliverables. The first two areas of the Strategy had no direct corresponding actions or deliverables in the Implementation Plan, though elements were included in the Pillar's key actions and under other Pillars. A summary of the links between the strategy, the Implementation Plan and the reported actions is included in **Annex D**.

LEVERAGING FINANCING THROUGH POLICY COHERENCE

Increasing collaboration with IFIs: The Mid-Term Review reported new collaboration with International Monetary Fund (IMF) on social protection, with the African Development Bank (AfDB) on including a “jobs marker” for investments, and agreements with the Asian Development Bank (ADB) on the promotion of social protection and Fundamental Principles and Rights at Work. There was also collaboration with Development Bank of Latin America on skills systems and an MOU with Islamic Development Bank to facilitate cooperation across a range of ILO programme areas.

Capacity development of constituents to engage in financing initiatives: Reported actions included research into new financing strategies that would include constituents' perspectives, expanded ITCILO training on financing for decent work, and recent additional training and webinars. The HLE was unable to determine the reach and results of these initiatives. Constituent survey results suggest that some progress has been made.

For **national governments**, the reports made available to the HLE provided no details of specific activities, though the work of the **Global Accelerator on Jobs and Social Protection for Just Transitions** is relevant. The Global Accelerator initiative is promising for advancing integrated policy solutions and the financing agenda in collaboration with constituents, the UN, the World Bank, other IFIs, and multi-bilateral partners. **Case Study 3** provides an overview of the features and progress of the Global Accelerator to date and progress in two of the HLE's case study countries is discussed in **Case Study 1 – Paraguay** and **Case Study 2 - Uzbekistan**.³⁸ The GA is widely presented as an important initiative, illustrating the ILO's leadership role on decent jobs and social protection within the UN system and beyond. It provides one of the main avenues to implementing the Jobs and Social Protection transition. Under the GA, the ILO has been able to enhance collaboration with other UN agencies, the World Bank and IFIs, which allows the ILO to further mainstream International Labour Standards beyond its current sphere of operations and influence. Funding commitments coming from global resource mobilization efforts are currently significantly below the necessary amounts set out in the GA's implementation strategy. Since the bulk of the financing needed to implement integrated approaches at country level is expected to be mobilized domestically, results are likely to be influenced by the varying financing capabilities among pathfinder countries³⁹. Funding commitments remain below the amounts mentioned during preparation for launching the initiative. Given these limitations, it is too early to conclude that the GA will contribute to major development results within the ILO's sphere of operations and influence.

The HLE was not given any reports on the third deliverable in this area, which related to developing an **"approach and tools" to support constituents to assess opportunities and risks** when considering innovative finance mechanisms.

MULTI-STAKEHOLDER PARTNERSHIPS FOR POLICY COHERENCE

Reported results included engagement by ILO and its constituents in various partnerships covering different policy areas and decent work themes as well as with ASEAN and the African Union. Many of these partnerships were established groups already focused on advancing policy in areas of interest to the ILO⁴⁰ and so can be considered as partnerships where policy coherence was already strong. These partnerships were reported to have created new tools and launched new initiatives in social protection, climate action, and child labour. From a regional perspective, initiatives were reported in the Americas promoting inter-agency cooperation and South-South & Triangular Cooperation (producing survey tools and e-learning materials) and in Africa supporting constituent capacity to integrate DWCPs into regional frameworks (through ICTILO training).

It might be expected that improved policy coherence would lead to an increase in the number of **joint or multiple implementation partnerships**. Some evidence in this area is provided by the number of new proposals passing through the ILO project appraisal system. Trends on this aspect have been reported in a PARTNERSHIPS analysis⁴¹ covering initiatives up to 2023.

³⁸ Case studies are available upon request.

³⁹ According to the first Progress Report of the GA, ILO is selected to be a lead agency in 13 out of the 15 proposals, which have been submitted for the 1st funding round, and 7 out of the 12 proposals which have been submitted through the M-GA track, which includes the participation of the World Bank.

⁴⁰ For example, the Global Partnership for Universal Social Protection to Achieve the Sustainable Development Goals (USP2030), the Social Protection Inter-Agency Cooperation Board, Alliance 8.7, and the Climate Action for Jobs Initiative

⁴¹ Appraisals in 2023. Figures, trends and findings on design and appraisal of ILO development cooperation project proposals. PARTNERSHIPS/Development Cooperation and Management Support Unit. February 2024.

The ILO continued to develop joint programmes with other UN agencies, maintaining stability in 2023 with 43 proposals, similar to the 44 in 2022. Over half of these proposals were approved, leading to 23 active programmes, distributed as follows:

- ▶ Asia and the Pacific: 6 programmes
- ▶ Americas and Global: 5 programmes each
- ▶ Africa: 4 programmes
- ▶ Europe and Central Asia: 2 programmes
- ▶ Arab States: 1 programme

Stability of UN Joint Programmes: Pending funding decisions affect the remaining half of the proposals. Notable partnerships include 20 proposals with the United Nations Development Programme, and others with the World Food Programme and the United Nations High Commissioner for Refugees, focusing on improving livelihoods and employment opportunities. Since the DC Strategy places considerable emphasis on UN partnerships, the lack of an increase in this area suggests low effectiveness. However, some ILO stakeholders with recent experience of UN Joint Programmes reported that the additional funding access and policy coherence they provide are often outweighed by their high transaction costs, leading to a reluctance to participate in new initiatives. This may have compromised the increase in this area intended by the Strategy.

Looking forward, a recent UN Joint Funding Round on Decent Jobs and Social Protection launched under the Global Accelerator has the potential to grow such partnerships⁴² and highlights the role the Global Accelerator can play in facilitating ILO involvement in joint programming.

Decrease in Multi-Partner Programming: There has been a trending decline in the number of proposals funded by multiple partners since 2021:

- ▶ 2021: 11 proposals
- ▶ 2022: 8 proposals
- ▶ 2023: 5 proposals.

 **Since multi-partner programmes are advocated in the DC Strategy, again in this specific area it appears to have been ineffective.**

While the DC Strategy advocates **joint and multi-partner programmes** as important to confirm and expand ILO's role in global development cooperation, some stakeholders who have participated in such endeavours reported negative experiences to the HLE team. In some cases of either modality, it appeared that the gain in coherence was outweighed by the sub-division of available funds, with ILO often receiving a share, which did not reflect the effort and resources its teams had contributed to the programming process. Multi-partner programmes have acquired a reputation as being challenging in terms of resolving incompatible procedures and reporting systems across partner agencies. The PROSPECTS case study⁴³, presents a more optimistic perspective about the potential of ILO's participation in multilateral partnerships in the humanitarian-development nexus, as presented in **Box 3** below.

⁴² The ILO has been assigned as lead agency in 13 of the 15 proposals submitted in the first round and 7 out of the 12 proposals through the "M-GA" between the UN and the World Bank.

⁴³ Full case study available upon request.

► Box 3: Lessons from PROSPECTS on Multilateral Partnerships

PROSPECTS (*Partnerships for Improving Prospects for Forcibly Displaced Persons and Host communities*), an initiative supported by the Netherlands government, provides a model of ILO collaboration with multilateral partners.⁴⁴ PROSPECTS partners are the ILO, UNICEF, UNHCR, the World Bank and the International Finance Corporation (IFC). The project works in Lebanon, Jordan, Iraq, Egypt, Sudan, Ethiopia, Kenya and Uganda. With a funding amount of approximately US\$270 million over an exploratory phase (2018-2019) and two phases of programme implementation (2019 – 2027), it is ILO's largest DC project.

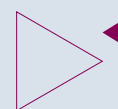
PROSPECTS embodies the shift from a predominantly short-term humanitarian response to the needs of FDPs and host communities, to a longer-term social and economic development responses. The initiative is intended to catalyze new approaches, demonstrating models that can be taken to scale, and bring the comparative strengths of humanitarian and development actors together in the spirit of the *New Way of Working*, promoted at the World Humanitarian Summit, of 2016.⁴⁵

The case study found that UN agency partnerships have been gaining strength. Examples of ILO and UNICEF collaborations include partnership to implement job clubs in Jordan, better employment pathways for young people in Iraq, linking life skills training and management opportunities in the Employment Intensive Investment Programme, and in Uganda, jointly developing the *Integrated Upshift Programme*, blending ILO's SIYB package with UNICEF's soft skills training for young entrepreneurs. Collaboration with UNHCR includes facilitation of ILO's access to Ugandan refugee settlements and to the UNHCR database to help inform the interventions: and ILO imparts decent work, skills and livelihoods expertise in the programmes for displaced people and host communities.

Partner agency representatives in Uganda highlighted the positive learning and adjustment process involved, as well as the different implementation modalities to be overcome, including the perception that ILO's projectized approach does not lend itself well to a long-term partnership approach.

The engagement of the WB and the IFC has not yet met expectations, stemming from the very different scales and levels at which they work. In a recent positive development, however, ILO and the WB have agreed to focus on opportunities to work together in Uganda, Kenya and Jordan. The management team observed that it is crucial to build collaboration with these institutions at both central and field level.

PROSPECTS is strengthening ILO's place among global actors in addressing the needs of Forcibly Displaced Persons, enabling its capacity to advocate for decent work and international labour standards among the key actors. The key lessons emerging are the value of ILO pursuing collaborative action in this sphere, and the length of time required to nurture such partnerships.



44 ILO's involvement in support of forcibly displaced persons and their host communities is grounded in ILO Recommendation No. 205, concerning Employment and Decent Work for Peace and Resilience, and ILO Guiding Principles on the access of refugees and other forcibly displaced persons to the labour market of 2016.

45 United Nations: <https://www.un.org/jsc/content/new-way-working>

The **Global Coalition for Social Justice** has potential to approach multi-stakeholder partnerships in a different way. Led by the DG and developed in consultation with ILO constituents, the Coalition was endorsed by the GB in November 2023. It aims to bring together governments, employers' and workers' organizations, international institutions, enterprises, non-governmental organizations, and academic institutions to generate political commitments, investments and concrete actions that support social justice. The Coalition is still in its infancy, only having its inaugural forum on 13 June 2024, and innovative partnership implementation arrangements may be needed to maximise the potential of the initiative and build on the good will it creates. As one senior ILO manager explained:

 **"The approach is about improving connections and not doing things separately. Once connected, it allows us to explore what else we can do together – including mobilizing resources together."**

ENGAGING WITH THE PRIVATE SECTOR FOR POLICY COHERENCE:

Whereas the Strategy specifically focused on the private sector, the Implementation Plan's actions and deliverables were broader and sought to increase collaboration with both the private sector and **"other non-State actors" (such as NGOs or universities)** in pursuit of the ILO's decent work objectives. Reported actions were however focused on the private sector. The HLE's field visits revealed many examples of involvement with NGOs (e.g., close collaboration with BRACS in Bangladesh) and their exclusion might reflect the limited reach of the Strategy's monitoring arrangements.

References were made in the reports to cooperation in the **textile and food supply chains** in Africa and Asia and growth in membership of the ILO Global Business & Disability Network. Europe reported work with the chocolate manufacturer, **Ferrero**, to address decent work deficits in hazelnut production. In Africa, work was done with **ENI** to address OSH issues in agribusinesses linked to biofuels, and in Latin America with **Nestlé** to advance youth employment and skills. These have the potential effect of advancing decent work objectives through these business-led initiatives.

The HLE learned from interviews that **Public Private Partnerships (PPPs) were continuing to present some challenges** to the ILO. Sometimes, concerns over past or present violations of labour standards lead to proposals being rejected, though as one representative of PARTNERSHIPS pointed out, this can sometimes create a dilemma: *"Do you block the company because of historical non-compliance, or do you use the partnership to engage with it to promote greater compliance?"* Others said that the ILO lacks expertise in engaging with the private sector and understanding its way of thinking: *"We need to acknowledge that we don't know everything"*. Workers' representatives expressed strong reservations about companies sometimes using such partnerships as a means of "social or green washing". They wanted to see a clearer framework in place to advance PPPs in the future, perhaps involving a commitment to the principles of the MNE Declaration or at least a dialogue, facilitated by the ILO, with the appropriate union.

There are also some historical concerns about the effectiveness of some PPPs. The 2018 HLE of PPPs found that *"While PPPs generally delivered intended outputs to a high standard, effectiveness is often measured in terms of results in such areas as immediate partner or beneficiary satisfaction, rather than broader impact at the national or sectoral level."* PARTNERSHIPS said that recommendations from this HLE had been advanced, but progress with PPPs remained frustratingly slow.

The HLE conducted interviews with two current ILO PPPs. **Box 4** highlights some key observations made about their experience in working with the ILO, including their perceptions of strengths and challenges as well as their views on what the ILO should consider in its future work with private sectors partners.

► **Box 4: Observations made by ILO Partners in PPPs**

Strengths of working with the ILO

Unique Role:	Ability to convene global players and provide neutral assessments.
Broad Reach:	Extensive connections with Government Ministries and stakeholders.
Neutrality:	A neutral entity that can bring together diverse players.
Policy Influencer:	Policy-level discussions and diagnostics of industry challenges.
Comprehensive Approach:	Inclusive and collaborative, leveraging ILO's policy and cooperation strengths. Works closely with multiple stakeholders.

Challenges of working with the ILO

Implementation Speed:	Can be slow to start but performs well once initiated.
Communication:	Needs to be more vocal about its supply chain efforts.
Sustainability:	Private partners aim for long-term sustainability, hoping to eventually step back.
Future Focus:	Private partners state they need better understanding of the real economic role and impact of child labour, to help ensure farmers make a living income.
Response to Change:	Slow to adapt to changing situations. Needs to be more agile.
Complexity:	Difficulty navigating ILO's vast structure.

Future considerations

Improve Speed:	Streamline contract processes and adapt more quickly to changing situations on the ground.
Enhance Communication:	Be more vocal about achievements and ongoing efforts, especially in supply chains, to attract more stakeholders.
Focus on Sustainability:	Develop models that allow for long-term sustainability, enabling corporate partners to eventually reduce direct involvement.
Leverage Unique Position:	Utilize ILO's extensive reach and neutrality to bring together diverse stakeholders for comprehensive solutions.
Adapt to Emerging Issues:	Address the growing impact of artificial intelligence and other technological advancements on the labour market.
Simplify Navigation:	Provide clear guidance for partners to navigate ILO's complex structure effectively.
Informal Collaboration:	Foster informal idea exchanges and pilot new initiatives alongside formal processes to encourage innovation with PPPs.

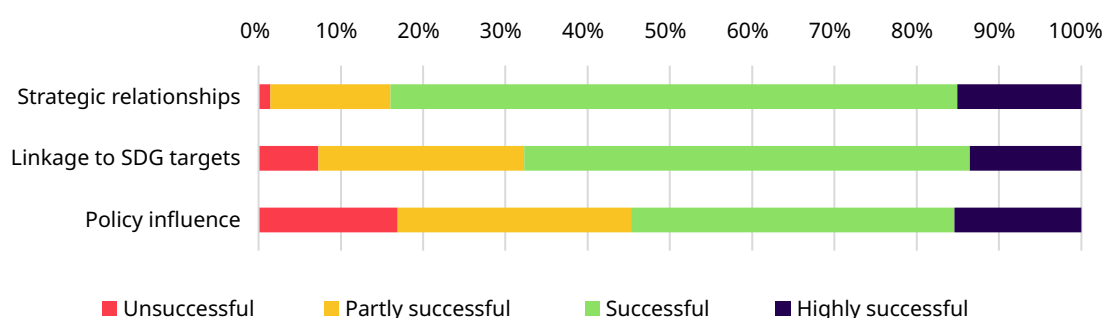


RELEVANT FINDINGS FROM THE DECENT WORK RESULTS META-STUDY OF EVALUATIONS

To provide an insight into the overall effectiveness of Pillar 2 of the Strategy, the HLE reviewed the findings of a meta-study of over 200 Decent Work performance appraisals of final independent project evaluations conducted between 2019 and 2023⁴⁶. Key findings were:

- ▶ ILO interventions effectively built and leveraged **key relationships** with constituent groups and organizations such as the UN, donors, and other relevant institutions or entities, with over 80 per cent of successful ratings. In 15 per cent of cases, these relationships were anchored in stable, long-term, mutually beneficial collaborations. In some cases, while partnerships and collaborations were implemented, some relations were precarious, leading to lower ratings.
- ▶ In two-thirds of cases, there was evidence of complementarities and **coordination between ILO projects and other initiatives linked under a common UN system of work**, and project objectives were linked to **SDG targets** at strategic and operational levels. Projects with partly successful performance often faced challenges in coordination with other agencies, or missed opportunities to create synergies, leading to duplication of efforts.
- ▶ Results were variable, but positive overall, regarding the extent to which ILO projects supported stakeholders to influence and engage in **policy work**, with over half of cases having performed well, including 15 per cent with highly successful ratings. Successful projects engaged with policymakers at all levels, combining advocacy-oriented activities and policy work with targeted capacity-building initiatives, using a multi-dimensional approach. Poor performance was due to various reasons, including lack of interest from policymakers, limited involvement of key stakeholders, political insecurity, weak institutional capacity, and inefficient labour markets; in some instances, there were elements in action plans that could have led to policy influence, yet these were not implemented/completed. (Figure 8 below sets out the results linked to Pillar 2.)

FIGURE 8: EVALUATION META-STUDY - PERFORMANCE AGAINST CRITERIA LINKED WITH PILLAR 2



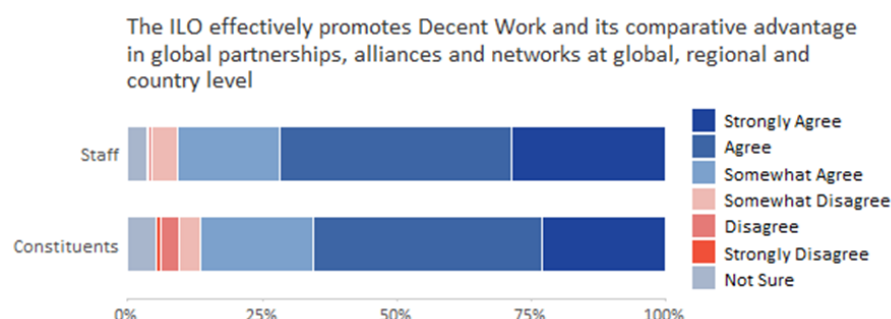
RELEVANT FINDINGS FROM THE STAFF AND CONSTITUENT SURVEYS

The HLE surveyed staff and constituents and asked them to indicate the extent of their agreement with a number of statements related to the ILO's efforts to promote policy coherence through partnerships. Key findings were:

- ▶ The survey results indicate that a majority of staff and constituents believe the ILO effectively leverages its participation in global, regional, and national partnerships and networks to advance the promotion of decent work and to capitalize on its comparative advantage. 72 per cent of staff and 65.5 per cent of constituents either agreed or strongly agreed with the statement "The ILO effectively promotes decent work and the ILO's comparative advantage in global partnerships and networks at global, regional and country level." Another 18.9 per cent of staff and 20.9 per cent of constituents somewhat agreed with this statement (see **Figure 9**).

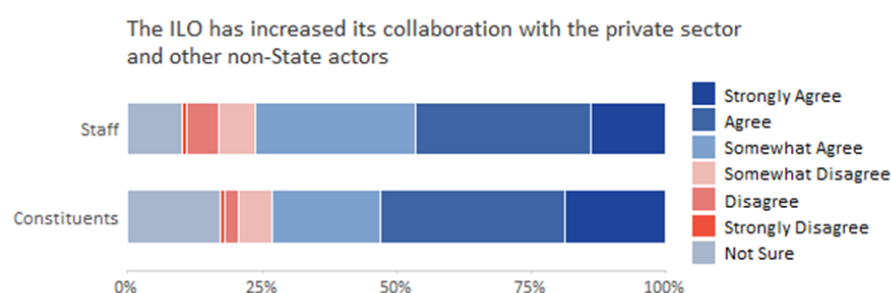
⁴⁶ Criteria used for the analysis of Pillar 2 were: Strategic relationships, linkages to SDG targets and cooperation with UN, Policy influence.

FIGURE 9: STAFF AND CONSTITUENTS SURVEY: PARTNERSHIPS FOR POLICY COHERENCE



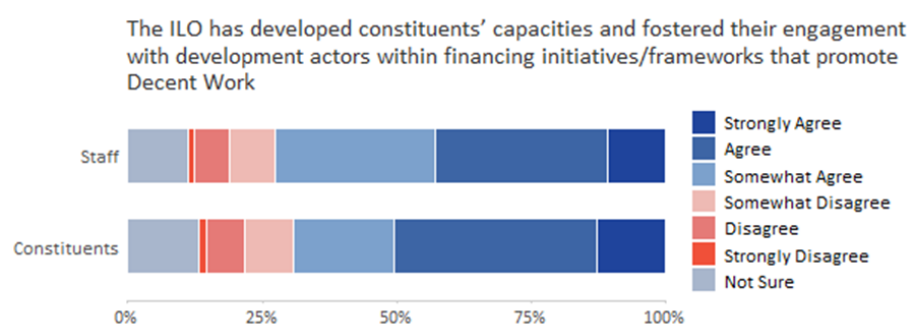
- To a lesser extent, staff and constituents also thought the ILO has Increased collaboration with private sector and other non-State actors. 46.5 per cent of staff and 53.1 per cent of constituents either agreed or strongly agreed with the statement “The ILO has increased its collaboration with the private sector and other non-State actors.” Another 30 per cent of staff and 20 per cent of constituents somewhat agreed (see **Figure 10**).

FIGURE 10: STAFF AND CONSTITUENTS SURVEY: PARTNERSHIPS FOR POLICY COHERENCE



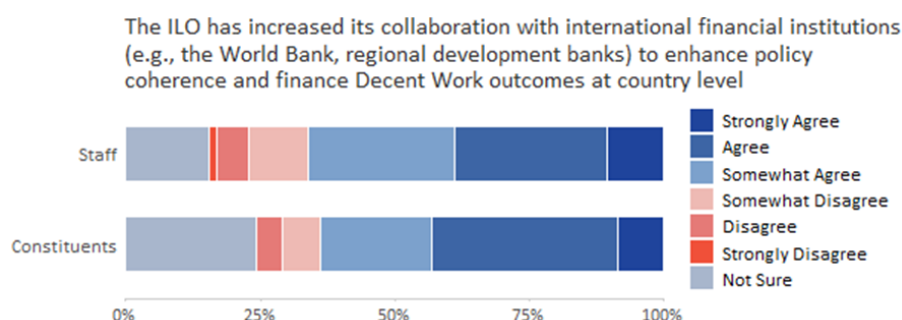
- Fewer staff and constituents believed that that the ILO had developed constituents' capacity to engaged in financial initiatives promoting decent work. 42.9 per cent of staff and 50.3 per cent of constituents either agreed or strongly agreed with the statement “The ILO has developed constituents' capacities and fostered their engagement with development actors within financing initiatives/frameworks that promote Decent Work.” Another 29.6 per cent of staff and 18.9 per cent of constituents somewhat agreed with this statement (see **Figure 11**).

FIGURE 11: STAFF AND CONSTITUENTS SURVEY: PARTNERSHIPS FOR POLICY COHERENCE



- Fewer staff and constituents also thought the ILO has Increased collaboration with IFIs. 39 per cent of staff and 43 per cent of constituents either agreed or strongly agreed with the statement "The ILO has increased its collaboration with international financial institutions (e.g., the World Bank, regional development banks) to enhance policy coherence and finance DW outcomes at country level". Another 27.2 per cent of staff and 20.8 per cent of constituents somewhat agreed with this statement (see Figure 12).

FIGURE 12: STAFF AND CONSTITUENTS SURVEY: PARTNERSHIPS FOR POLICY COHERENCE



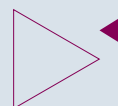
► Overall effectiveness of actions taken under Pillar 2

The partnership coherence issues addressed under Pillar 2 are not new either to international development or to the ILO. A broad range of partnership initiatives were already underway or completed before adoption of the DC Strategy and a fully elaborated Partnership and Coherence Strategy, developed in 2017, was in place and covering much the same ground in the early stages of the DC Strategy⁴⁷.

- The Global Accelerator is a high-profile example of strategic and funding coherence promoted by the DC Strategy. However, this has so far focussed on establishing the necessary institutional systems, partnerships and financing so that country-level implementation activities have been mainly at the level of planning and development of roadmaps in pathfinder countries. In terms of effectiveness, there is therefore nothing to report at this stage. The Global Coalition for Social Justice, which also holds promise for improved coherence and results, is still in its start-up phase.

Although the approvals volume increased during the course of the DC Strategy, the HLE has found little evidence that the DC Strategy has strongly contributed to the recent increase in approvals volume or type of DC funding much of which relates the effects of geo-political events. Factors contributing to this situation include:

- Efforts to strengthen UN and broader partnerships have already been underway for some years, with mixed effectiveness.
- The DC Strategy pillars on partnerships cover much the same ground as that of the 2017 Partnership and Policy Coherence Strategy



At country level, ILO teams are aware of the costs and benefits of partnerships within their specific operating context and assess the global approaches advocated in institutional strategies within this practical perspective.

⁴⁷ The 331st Session of the ILO Governing Body the Partnership and Policy Coherence Strategy was endorsed promoting decent work through partnerships and policy coherence, with a special focus on promoting inclusive growth and decent work at the country level with international and regional economic financial institutions.

EFFECTIVENESS OF ACTIONS UNDER PILLAR 3 – PARTNERSHIPS FOR FUNDING

the HLE found little evidence that the Strategy has strongly contributed to the recent increase in the volume or type of DC funding approvals, much of which relates to the effects of geo-political events. Funding partners emphasized the importance of ILO more strongly promoting its unique blend of normative mandate, technical expertise and country-level DC activities and how this can contribute to sustainable results. Many ILO internal stakeholders, constituents and funding and implementing partners emphasized that ILO currently “undersells” its achievements through an inadequate communication stream, which leaves it at a disadvantage compared with other implementers and agencies that are competing for limited funds.

The ILO's DC Strategy aligns with the broader UN Funding Compact, which underscores the importance of predictable and adequate funding to support neutral and independent action. The Funding Compact suggests indicators for voluntary funding, including unearmarked, predictable, multi-annual, and joint UN funding. This approach encourages the ILO to collaborate closely with other UN bodies in joint programs. The ILO also seeks to diversify its funding sources to achieve desired results across all outcomes.

Under the objective of Pillar 3 in the Strategy document states that *“The Office will seek to deepen, expand and diversify its funding partnerships and to secure longer-term, more predictable funding, including through lightly earmarked and unearmarked voluntary contributions”*⁴⁸. The document adds that: “The expected results of the programme and budget policy outcomes will be taken as a starting point to assess the needs for funding and partnerships”.

The Strategy sets out nine areas to be addressed under this pillar:

- ▶ Mobilize adequate resources for the ILO's programme of work.
- ▶ Align earmarked contributions to ILO outcomes.
- ▶ Encourage unearmarked contributions.
- ▶ Expand funding partners and sources.
- ▶ Strengthen domestic funding partnerships.
- ▶ Sustain existing bilateral partnerships and develop new ones.
- ▶ Increase private sector contributions.
- ▶ Build on relationships with IFIs and other development finance institutions.
- ▶ Strengthen participation in UN funding.

The Implementation Plan reframes these under three key actions, each of which has two deliverables. These deliverables can be approximately matched with the original nine areas to be addressed. A summary of the links between the strategy, the Implementation Plan and the reported actions is included in Annex D.

Two observations are relevant at this stage. Firstly, there is a significant overlap between Pillars 2 and 3, as partnerships for policy coherence often also focus on later funding. Secondly, Actions 2 and 3 of Pillar 3 overlap as well: one emphasizes funding modalities, while the other focuses on partnerships. Therefore, it is appropriate for the same evidence to be relevant to different actions.

48 ILO, Development Cooperation Strategy for 2020-2025, Para: 35.

MOBILIZING RESOURCES BASED ON ILO FUNDING NEEDS

Structured funding dialogues

As set out in the UN Funding Compact⁴⁹ endorsed in 2019 by the United Nations Economic and Social Council (ECOSOC), **structured funding dialogues (SFDs)** are conducted within the framework of UN system-wide funding and collaboration. They are “resource mobilization instruments intended to address the risks of vulnerability in the funding of UN development programmes” that “explore options on how to incentivize Member States and development partners to finance adequate and predictable core and non-core funding on a multi-year basis”⁵⁰. The concept is new to the ILO, and two pilot SFDs were conducted to support identified ILO policy outcomes/ decent work themes – Skills and Lifelong Learning (Outcome 5) and Social Protection (Outcome 8). PARTNERSHIPS (then PARDEV) conducted the SFDs in cooperation with SOCPRO, SKILLS and the now defunct Business Innovation Unit.

In a document prepared by PARTNERSHIPS⁵¹, SFDs were presented as a departure from the ILO's usual resource mobilization approach in several ways:

- ▶ ILO presents “an offer and an ask” based on a partnership and funding needs analysis considering results to be achieved based on ILO's capacity to deliver.
- ▶ ILO SFDs bring partners together at the same time, around the same table on the same theme, in addition to the ILO's regular practice of bilateral policy dialogues with development partners.
- ▶ SFDs clearly present a menu of funding options and partnership modalities that will enable a win-win for the funding partners as well as for the ILO.
- ▶ SFDs create opportunity for coherent approach from the ILO in its engagement with its partners, and from partners to engage with the ILO.

Held in early 2022, the pilots combined high-level sessions presenting the ILO business case and the funding gaps; knowledge sharing sessions; and smaller group roundtables. They involved senior ILO staff, funding partners including some who are currently supporting ILO DC projects and programmes, and representatives of ITUC and IOE. Sessions were well attended with about 150 online participants for each event. As the pilots were delivered during the COVID-19 pandemic, most events were online. PARTNERSHIPS learnt lessons from the pilots in terms of their strategic approach, management, and engagement and follow up of partners.

In terms of effectiveness, the HLE was presented with **evidence of some early SFD success in mobilizing additional resources or in changing existing funding modalities** (e.g., towards unearmarked or lightly earmarked funds). These included:

Under SFD SOCPRO, donors moved from earmarked to pooled and parallel funding as follows:

- ▶ Belgium joined a pooled funding arrangement and agreed to streamline the reporting requirements for an earmarked project.
- ▶ Luxembourg joined a pooled funding arrangement.
- ▶ Ireland was funding an earmarked project but moved to parallel funding for the 2023-25 phase of the project.
- ▶ GIZ had earlier planned to provide earmarked funding but agreed to a parallel funding arrangement.
- ▶ Under SFD SKILLS:

49 United Nations Sustainable Development Group, [Funding Compact for the UN's Support to the Sustainable Development Goals](#).

50 PARDEV, ILO Structured Funding Dialogues – Initial lessons from the pilot experiences, September 2022, p1

51 Ibid., p4.

- ▶ In the context of the preparation for the SFD, Flanders joined the pooled funding arrangement for Global programme on Skills and Lifelong Learning and made a statement of support during the event.
- ▶ After the SFD, two other partners, GIZ and ISDB contributed to GPSL3 programme through parallel funding.
- ▶ Norway will join the pooled funding with Flanders for the new phase of contribution starting 2025.

Thematic campaigns

The Mid Term Review did not provide specific details regarding achievements related to this deliverable. It only mentioned that: “The Office has implemented a forward-looking partnership and funding approach, taking the expected results for each policy outcome and the corresponding needs as a starting point”.

A recently commenced programme⁵², *“This Way to Social Justice: ILO’s global campaign to promote action against inequalities in the world of work”* can be seen as contributing towards this deliverable though no direct links with resource mobilization were identified. This communication campaign aims to accelerate efforts to reduce inequalities in the world of work and promote social justice on a global scale. It “spotlights crucial policy areas where coordinated efforts can pave the way towards fairer, safer, greener, and more sustainable societies for all”⁵³.

The ILO has also used the **ILO Voices platform**, “ILO in action” videos, and impact stories to run a sustained communication campaign. This campaign aims to raise awareness of its development cooperation programs, highlight current partnerships, and show potential partners the ILO’s credibility and value for money. These efforts have been aligned with major policy outcomes, themes, international days, events, and global news concerning work issues and are intended to continue as a contribution to resource mobilisation. Their effectiveness in this respect could not be evaluated.

The **#CoffeePeople campaign** can also be viewed as being in line with this deliverable. A DC intervention undertaken as part of the EU-funded Vision Zero Fund (VZF), this innovative campaign aimed to address occupational safety and health (OSH) challenges within the global coffee supply chain. It communicated at multiple levels – with coffee growers, workers, consumers and government – and was also reported to have led to resource mobilization from governments and new Public Private Partnerships. The initiative is described in more detail in **Case Study 6** on ITCILO.⁵⁴

EXPANDING UNEARMARKED AND LIGHTLY EARMARKED FUNDING

Voluntary contributions can be made as **unearmarked core support (RBSA)**, **lightly earmarked and often pooled funding** for thematic or P&B or geographic priorities, or **earmarked funding for specific projects**. Unearmarked contributions provide the Office with greater agility and flexibility to allocate resources for high-impact interventions. They have traditionally represented a small share of the ILO’s overall DC funding, and the strategy sought to promote and expand this funding modality.

In the period of the evaluation, RBSA contributions were made by 9 funding partners, with Belgium and the Netherlands contributing the most, followed by Denmark, Norway and Sweden. France started contributing to RBSA in 2020.

⁵² Reported on ILO website October 2023.

⁵³ These included decent job creation, universal social protection, education and lifelong learning, protection of workers’ rights, gender equality and non-discrimination, fair globalization, and just transition to greener economies.

⁵⁴ Case Study available upon request.

The actions taken specifically to promote unearmarked and lightly earmarked in the period were not well reported, though the Structured Funding Dialogues described above included sessions on the features and benefits of different funding modalities. The ILO's Flagship Programmes were said to be particularly supportive of the further promotion and see it as reducing overall transaction costs. Interviews with staff in PARTNERSHIPS revealed that one more country was on the verge of joining the RBSA group, the first from outside Europe. More recently, Spain has joined the RBSA group.

Over the period of the DC Strategy, the total value of unearmarked and lightly earmarked funding remained relatively constant (2020: USD 23.8 million; 2021: USD 18.2 million; 2022: USD 23.4 million) before declining in 2023 (USD 12.3 million). **Figure 13** sets out the results combining total "unearmarked and lightly earmarked" with total "earmarked and tightly earmarked", based on project start year.

Funding classified as unearmarked and lightly earmarked varied over the evaluation period in both in dollar amounts and as a proportion of total funding. In 2020, the highest contribution of USD 23.8 million constituted 6.5% of the total funding allocated to DC. By 2022, this figure decreased slightly to USD 23.4 million but represented a higher proportion (8.2%) of total DC funding for that year. In 2023, contributions in this category decreased to USD 12.3 million, or 3.3% of the total contributions. This was USD 4 million lower than the average contribution over the evaluation period.⁵⁵ Refer to **Table 4** and **Table 5** for more detailed information.

TABLE 4: CONTRIBUTIONS TO ILO CORE VOLUNTARY FUNDING (RBSA), BY FUNDING PARTNER (USD THOUSANDS)

FUNDING PARTNER	2018-19	2020-21	2022-23	TOTAL
Belgium	6,850	6,976	3,006	16,832
Denmark	2,840	7,880	3,504	14,224
France	-	588	249	837
Germany	1,722	1,161	1,052	3,935
Italy	455	478	426	1,359
Luxembourg	2,539	3,035	2,175	7,749
Netherlands	5,855	5,862	4,362	16,079
Norway	3,616	3,395	3,855	10,866
Sweden	3,473	5,032	1,585	10,090
Grand total	27,350	34,407	20,214	81,971

Source: ILO (2023) Core Voluntary Funding (RBSA) for ILO Development Cooperation⁵⁶

⁵⁵ The contributions are recorded as the total contribution by project start year.

⁵⁶ Data as at 15 June 2023.

**TABLE 5: DISTRIBUTION OF FUNDING PER AWARD EARMARKING BY PROJECT START YEAR
(USD THOUSANDS)**

AWARD EARMARKING	2018	2019	2020	2021	2022	2023	2024
1- Unearmarked	11,048	8,584	16,708	10,701	3,461	10,646	15,524
2 - Lightly Earmarked	665	366	7,052	7,551	19,936	1,654	100
3 - Earmarked	6,892	15,226	16,233	5,526	67,566	81,478	28,326
4 - Tightly Earmarked	307,757	389,978	323,554	275,078	193,888	274,780	50,791
Not specified		3,785					
Grand Total	326,362	417,939	363,547	298,857	284,851	368,557	94,741

Source: ILO DC Dashboard⁵⁷

Stakeholders described some of the challenges of securing more lightly earmarked or unearmarked funds. Some funding partners are subject to closer parliamentary scrutiny to justify contributions (e.g., Ireland, Germany, UK) and the more open-ended support of RBSA might not get through this. Pooling funds can face similar barriers. Some comments from the interviews included:

“It’s hard to ask for lightly earmarked funds when the ILO struggles to report the results of its work.”

“Unearmarked or lightly earmarked is a good idea but we can’t find donors interested. We can’t see much support from PARTNERSHIPS to expand this in the area of Social Protection. A lot of effort is needed to convince donors of the benefits.”

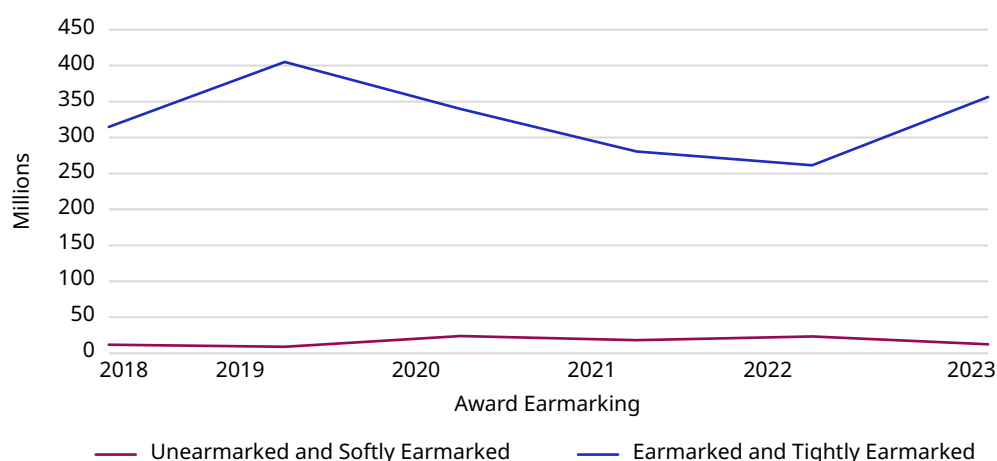
“We have so little lightly earmarked. Why? Other UN agencies get more.”

⁵⁷ Accessed 12 June 2024. Data was cleaned to exclude JPO contributions. Only projects starting in the period 2018 - 2024 are included. The table depicts the full contributions made recorded by project start year, and hence do not correspond to the yearly budgets/allocations, or the year of approval.

“We don’t seem to have the expertise to push these. We need to engage with donors to create a common vision.”

“Donors of RBSA want recognition, but they can’t say how to spend the funds and there is no formal reporting. Some had concerns last year when we used RBSA to support the Priority Action Programmes which funded ILO staff in HQ, not activities.”

FIGURE 13: “UNEARMARKED & SOFTLY EARMARKED” V “EARMARKED AND TIGHTLY EARMARKED” 2018-2023



In terms of the P&B outcomes focus of DC resources raised in the period of the DC Strategy, an analysis of budget and expenditure by funding type (RB, XBDC, and RBSA) shows no significant change. **Outcome 1** (Strong tripartite constituents and influential and inclusive social dialogue), **Outcome 2** (International labour standards and authoritative and effective supervision), and **Outcome 6** (Gender equality and equal treatment for all in the world of work) had a relatively small share of DC funding, with around 70 per cent of expenditure on these Outcomes coming from RB. In contrast, the other five Outcomes were much more reliant on DC funding. If resource mobilization efforts under the DC Strategy were intended to change the balance of DC funding to address a broader range of constituent needs, it has not been effective. **Table 6** provides more detail with Outcomes aligned more with normative role highlighted.

TABLE 6: BUDGET AND EXPENDITURE BY P&B POLICY OUTCOME AND FUNDING TYPE (RB, XBDC AND RBSA) - 2020-21 & 2022-23 (IN USD MILLIONS)

BUDGET AND EXPENDITURE BY P&B POLICY OUTCOME AND FUNDING TYPE - 2020-21 AND 2022-23 BIENNIA (IN USD MILLIONS)						
		2022-23	% OF TOTAL	2020-21	% OF TOTAL	% CHANGE
Outcome 1	Strong tripartite constituents and influential and inclusive social dialogue	TOTAL Expenditure	\$162.00	\$147.40		
		RB Expenditure	\$110.60	\$101.10	68.6%	-0.3%
		XBDC Expenditure	\$48.30	\$42.20	28.6%	1.2%
		RBSA Expenditure	\$3.10	\$4.10	2.8%	-0.9%
Outcome 2	International labour standards and authoritative and effective supervision	TOTAL Expenditure	\$83.40	\$72.50		
		RB Expenditure	\$62.30	\$50.70	69.9%	4.8%
		XBDC Expenditure	\$20.10	\$18.60	25.7%	-1.6%
		RBSA Expenditure	\$1.00	\$3.20	4.4%	-3.2%
Outcome 3	Economic, social and environmental transitions for full, productive and freely chosen employment and decent work for all	TOTAL Expenditure	\$238.80	\$225.10		
		RB Expenditure	\$75.80	\$60.80	27.0%	4.7%
		XBDC Expenditure	\$158.20	\$157.30	69.9%	-3.6%
		RBSA Expenditure	\$4.80	\$7.00	3.1%	-1.1%
Outcome 4	Sustainable enterprises as generators of employment and promoters of innovation and decent work	TOTAL Expenditure	\$152.60	\$115.60		
		RB Expenditure	\$45.40	\$44.10	38.1%	-8.4%
		XBDC Expenditure	\$104.10	\$67.30	58.2%	10.0%
		RBSA Expenditure	\$3.10	\$4.20	3.6%	-1.6%
Outcome 5	Skills and lifelong learning to facilitate access to and transitions in the labour market	TOTAL Expenditure	\$126.80	\$116.80		
		RB Expenditure	\$39.10	\$38.00	32.5%	-1.7%
		XBDC Expenditure	\$86.70	\$76.70	65.7%	2.7%
		RBSA Expenditure	\$1.00	\$2.10	1.8%	-1.0%
Outcome 6	Gender equality and equal opportunities and treatment for all in the world of work	TOTAL Expenditure	\$62.20	\$57.20		
		RB Expenditure	\$41.50	\$40.10	70.1%	-3.4%
		XBDC Expenditure	\$17.90	\$16.60	29.0%	-0.2%
		RBSA Expenditure	\$2.80	\$0.50	0.9%	3.6%
Outcome 7	Adequate and effective protection at work for all	TOTAL Expenditure	\$360.50	\$280.60		
		RB Expenditure	\$102.60	\$84.80	30.2%	-1.8%
		XBDC Expenditure	\$255.70	\$191.40	68.2%	2.7%
		RBSA Expenditure	\$2.20	\$4.40	1.6%	-1.0%
Outcome 8	Comprehensive and sustainable social protection for all	TOTAL Expenditure	\$107.70	\$89.50		
		RB Expenditure	\$43.90	\$38.70	43.2%	-2.5%
		XBDC Expenditure	\$61.80	\$49.20	55.0%	2.4%
		RBSA Expenditure	\$2.00	\$1.60	1.8%	0.1%

Source: ILO Programme Implementation Reports, 2020-21 and 2022-23

DEVELOPING LARGE AND INTEGRATED PROGRAMMES TO ATTRACT FUNDING FROM MULTIPLE PARTNERS

Global Coalition for Social Justice: The Director-General's proposal for this coalition was discussed during the ILO's 346th and 347th sessions and was a key theme at the 2023 World of Work Summit, which emphasized "Social Justice for All."

In November 2023, the ILO's Governing Body officially endorsed the establishment of the Global Coalition, agreeing on its purpose, structure, priorities, governance, and operation. The Coalition will include a diverse range of stakeholders such as UN agencies, international financial institutions, civil society, development partners, multinationals, private foundations, and academia. Additionally, the Governing Body formed a "Working Party on the New Social Contract for Our Common Agenda" to provide tripartite inputs for the 2025 World Social Summit, ensuring engagement at all levels.

Global Accelerator: The UN Secretary-General's initiative received strong political support during the UN General Assembly in September 2022, in G7 and G20 employment and development ministers' communiqués and leaders' communiqués, the final communiqué of Finance in Common Summits, and the Forum on Financing for Development outcome document, as well as the Council of the European Union's conclusions on a triple transition. It was selected as one of the 12 High Impact Initiatives to achieve the SDGs. It is a prime example of multilateral UN-system action to address social justice deficits at the country level that is geared towards generating innovative solutions and increase policy coherence. It was recognized by ILO Governing Body in November 2023 as one of the main initiatives under the ILO Global Coalition for Social Justice.

The UNSDG has identified "jobs and social protection" as one of the six transformative entry points - or key transitions - for action and investment to drive progress across the SDGs. In keeping with this approach, the recently launched **Funding Round on Decent Jobs and Universal Social Protection** (which is part of the Joint SDG Fund), aims to support the Global Accelerator on Jobs and Social Protection for Just Transitions. The first funding round launched with an amount of USD 17.8 million, with continuous annual fundraising planned to support future rounds and additional funding needs. GA pathfinder countries are eligible to develop Joint Programme proposals. Early-stage pathfinder countries can apply for seed funding to develop their national GA roadmaps, and advanced-stage pathfinder countries can apply for catalytic funding to implement parts of their already developed national GA roadmaps. Funding availability will ultimately depend on the total funds raised and the quality of the proposals received.

Multi-donor Programmes: Recognising the challenges of the DC Strategy's emphasis on the need to pursue a broad range of partnerships, a specific guidance document⁵⁸ was produced and circulated. This covers such complex areas as:

- ▶ Pooled funds – fully earmarked (e.g., RMG Bangladesh, LEED Sri Lanka). Lightly earmarked (e.g., Better Work pooled funds)
- ▶ Parallel funds – e.g., Flagship Programme for Social Protection.
- ▶ Multi donor programmes – design, appraisal, governance, internal management.

One example of these principles being implemented is the "**Advancing Decent Work in Bangladesh**" project, a new USD 24.7 million initiative under the "**Team Europe**" approach supported by the EU, Denmark, the Netherlands and Sweden and launched in June 2024. The project aims to support the implementation of the government's labour sector reform commitments. These reforms promote good governance, the safeguarding of fundamental principles and rights at work, and the development of sustainable and competitive enterprises. These elements support Bangladesh's transition from Least Developed Country (LDC) status in

⁵⁸ ILO, Multi-donor Programmes: Guidance note for ILO staff. Multilateral Partnerships and Development Cooperation - 09 March 2023.

2026. Canada plans to join forces with the project through a complementary project. The project is administered through a single ILO project code to which donors make contributions.

Another example is **The 8.7 Accelerator Lab**: SDG 8.7 aims to end modern slavery, trafficking and child labour. Through a multi-donor programme/multi partner fund The 8.7 Accelerator Lab is an inclusive global partnership for which ILO provides the Secretariat. It seeks to intensify efforts against child labour and forced labour using a pooled funding mechanism. Running from January 2021 to December 2030, it is supported by the Norwegian Agency for Development Cooperation (Norad), Global Affairs Canada, Government of Netherlands and the Federal Ministry for Economic Cooperation and Development (BMZ) of Germany, with a total budget of USD 13,000,000. The programme operates in the Democratic Republic of Congo, Ghana, Indonesia, and South Africa.

EXPANDING AND DIVERSIFYING VOLUNTARY FUNDING SOURCES AND PARTNERSHIPS

Total contributions to ILO development cooperation

During the HLE period, **1,482 DC projects commenced** with a total value of USD 2.15 billion⁵⁹. Contributions were highest in 2019, followed by a progressive decline in 2020, 2021, and 2022, before increasing again in 2023. Current data on project commencements for 2024 are incomplete, but based on project approvals, 2024 is likely to be a record year. **Table 7** summarises total contributions (RBSA and XBDC) by year of project commencements.

TABLE 7: CONTRIBUTIONS (RBSA AND XBDC) PER PROJECT START YEAR (USD THOUSANDS)

START YEAR	TOTAL CONTRIBUTION
2018	326,362
2019	417,939
2020	363,547
2021	298,857
2022	284,851
2023	368,557
2024	94,741
Grand Total	2,154,854

Source: ILO Development Cooperation Dashboard. 2024 data are incomplete.

Notably, the approvals data during the time period differs from the project commencement data. Approvals data indicates an increase in approvals, corresponding to 20 per cent in 2022 and 54 per cent in 2023, as depicted in **Table 8**.

TABLE 8: APPROVALS BY YEAR (USD THOUSANDS)

YEAR	APPROVALS
2020	357,982
2021	319,024
2022	381,383
2023	552,099
Grand Total	1,610,488

Source: ILO, Voluntary Contributions for Development Cooperation Annual Report, 2023

⁵⁹ ILO Development Cooperation Dashboard. Accessed 12 June 2024. Data was cleaned to exclude JPO contributions. Only projects starting in the period 2018 - 2024 are included. The table depicts the full contributions made recorded by project start year, and hence do not correspond to the yearly budgets/allocations, or the year of approval.

Funding sources

Four main sources—Netherlands, European Union, Germany, and the USA—accounted for 50% of the ILO's DC funding for projects starting in the period 2018 - 2024. An additional 23% of the funding was provided by the next six sources: Multi-donor, MPTF/UNDP, Sweden, RBSA, Colombia, and Japan. See **Table** for detailed data.

Data from PARTNERSHIPS on average funding approvals for the period 2020 to 2023 indicate that the European Commission contributed an average of USD 60.4 million per annum. This was followed by the USA with an average contribution of USD 51.7 million, the Netherlands with USD 50.4 million, and Germany with USD 40 million.⁶⁰

TABLE 9: TOP 10 PARTNER CLASSIFICATIONS FOR PROJECTS STARTING 2018 - 2024 (RBSA AND XBDC) (USD THOUSANDS)

2018-2024		
PARTNER CLASSIFICATION	AMOUNT CONTRIBUTED	% OF TOTAL (RBSA AND XBDC)
Netherlands	317,318	14.7%
European Union	276,359	12.8%
Germany	248,696	11.5%
United States	227,710	10.6%
Multi Donor	120,646	5.6%
MPTF/UNDP	94,285	4.4%
Sweden	76,726	3.6%
Core voluntary funds (RBSA)	76,568	3.6%
Colombia	64,186	3.0%
Japan	56,407	2.6%
Total from Top 10	1,558,901	72.3%
Total from all partners	2,154,854	

Source: ILO Development Cooperation Dashboard⁶¹

Of the total funds, 64.3% were sourced from Multi-Bilateral Donors, while an additional 13.1% came from the European Commission and other Inter-Governmental Organizations). **Table 10** sets out total contributions (RBSA and XBDC) in the period 2018-2024 by funding source.

UN Funding: Funding from this source peaked in 2018 at USD 47.8 million with a similar result attained in 2020 of USD 43.7 million. By 2023 UN funding decreased to USD 17.6 million, the lowest in the period.

In terms of the actions taken under the DC Strategy, as with many other deliverables, reporting on this area in the Mid-Term Review was vague and largely aspirational, referring to continuing efforts to mobilize funds for the implementation of UNSDCFs, including funds directed towards the SDGs, migration, disability inclusion, the Global Accelerator and South-South cooperation⁶². Subsequent reports were similarly vague, though some progress in UN funding was achieved through the Global Accelerator.

⁶⁰ ILO, Voluntary Contributions for Development Cooperation Annual Report, 2023.

⁶¹ Accessed 12 June 2024. Data was cleaned to exclude JPO contributions. Only projects starting in the period 2018 - 2024 are included. The table depicts the full contributions made recorded by project start year, and hence do not correspond to the yearly budgets/allocations, or the year of approval.

⁶² ILO, *Mid-term review of the ILO Development Cooperation Strategy (2020-25)*, 2023, Para 28.

Domestic Funding: The proportion of domestically funded DC projects (shown under the **Direct Trust Funds** category) significantly increased, rising from USD 8.1 million in 2018 to USD 73 million in 2023. This is mainly attributable to increased domestic development funding by the **Government of Colombia**. Some middle- and even high-income countries (e.g., Brazil, Qatar and Saudi Arabia) also contributed more under this funding category. This has created new possibilities for ILO to use DC to advance its normative agenda in these countries where the adoption and application of decent work principles and standards still face challenges.

Stakeholders raised some issues regarding this element of the ILO's DC work:

- ▶ There is a need to strategically approach domestic funds to **avoid over-concentration of scarce ILO expertise and resources** on a limited number of relatively rich countries, with the potential to reduce ILO's broader sustainable impacts in poorer countries.
- ▶ In Colombia, where Government has made a major financial commitment, there is a perceived danger that ILO might **slip into the role of consultant-implementer** to the Government, rather than continuing to act as a Specialized Agency of the UN, ensuring internationally agreed standards and practices.
- ▶ In some countries, there might be a **misalignment of values and perspectives** that need to be considered carefully. Similar concerns exist with countries that have a history of **labour rights violations**.
- ▶ Transitioning from donor funding to national development funding could be more actively promoted through DC.

TABLE 10: CONTRIBUTIONS (RBSA AND XBDC) PER FUNDING SOURCE BY PROJECT START YEAR (USD THOUSANDS)

FUNDING SOURCE	2018	2019	2020	2021	2022	2023	2024
Multi-Bilateral Partners	207,527	298,372	175,128	180,744	225,285	239,951	57,572
EC & Other Inter-Governmental Organizations	35,755	68,351	92,667	46,279	2,975	23,230	13,059
United Nations	47,802	26,888	43,728	20,503	31,543	17,624	6,973
Direct Trust Funds	8,133	6,494	10,789	23,112	15,255	42,081	1,098
Private / Non-State Actors	13,403	7,909	21,522	9,308	2,285	27,968	515
Core voluntary funds (RBSA)	11,048	8,584	16,708	10,701	3,356	10,646	15,524
International Financial Institutions	2,694	1,341	3,005	8,210	4,152	7,056	-
Grand Total	326,362	417,939	363,547	298,857	284,851	368,557	94,741

Source: ILO Development Cooperation Dashboard⁶³

Funding partnerships with Private and Non-State Actors: Funding contributed by **Private/ Non-State Actors** varied over the period of the HLE, reaching its highest point for project commencements in 2023 at USD 28 million. This figure includes revenue from the Decent Work Flagship Programme. In this area, the ILO is focusing on opportunities for partnering with private and non-State actors in supply chains, investment, and trade and on follow-up on HLE recommendations for streamlining partnerships and due diligence processes. In terms of private sector engagement, it appears that the revised approach has not yet been effective in expanding and diversifying this DC funding source.

⁶³ Accessed 12 June 2024. Data was cleaned to exclude JPO contributions. Only projects starting in the period 2018 - 2024 are included. The table depicts the full contributions made recorded by project start year, and hence do not correspond to the yearly budgets/allocations, or the year of approval.

For new ILO projects starting between 2018 – 2024, 4 contributions were classified as Public Private Partnerships in the ILO's Development Cooperation Dashboard: 2 in 2018, 1 in 2019 and 1 in 2020. However, 94 projects starting in the period 2018-2024 received funding from Private/ Non-state actors.⁶⁴ Many established PPPs have continued throughout the DC Strategy period and some Flagship Programmes, notably Better Work, can also be viewed as ILO-private sector partnerships.⁶⁵

There has been much discussion of Public Private Partnerships within ILO, particularly in the context of the HLE released in 2019⁶⁶. Management accepted some of the evaluation's recommendations and some progress has been reported and reviewed by EVAL. Management recently noted that:

 **“A strategic approach has been followed, prioritising engagements with companies on issues directly related to operations, and engagements that prioritise capacity development and exchange of knowledge. Engagements that are exclusively philanthropic have been de-prioritised. Most PPPs are with companies, deal with work-related issues and are closely linked to the P&B and strategic priorities”.⁶⁷**

Stakeholder perspectives on PPPs highlighted some continuing issues, notably:

- ▶ PPPs have been a source of frustration, with historical evaluations (including the HLE on PPPs) consistently highlighting challenges. Despite efforts to address these, many remain. There is an underlying dilemma as to whether to engage with some proposed private sector entities to encourage them towards greater compliance with international standards or to block such partnerships due to their historical non-compliance.
- ▶ Workers' organisations sometimes have strong reservations about PPPs, especially where there have been labour rights violations. There are concerns about “social or green washing,” and a call for stronger commitments to Decent Work from private sector partners.

Funding partnerships with International Financial Institutions (IFIs): Funding for DC projects from IFIs also fluctuated over the period of the evaluation but exhibited an overall upward trend during the period covered by the current DC Strategy. However, they still represent a small proportion of total DC funding. For projects starting in 2023, multi-Bilateral donors contributed more than 30 times as much to ILO's DC work than IFIs.

Action taken under the Strategy to increase IFI funding was not clearly reported. The Mid-Term Review just reported that ILO was “building on experiences with IFIs” such as the AfDB and Islamic Development Bank in the areas of technical assistance and funding and was exploring growth areas for partnerships related to social safeguards and fundamental principles and rights at work.

⁶⁴ ILO Development Cooperation Dashboard, accessed 12 June 2024.

⁶⁵ ILO's IGDS 81 defines public-private partnership as “a voluntary and collaborative relationship between the ILO and one or more partners, including private and non-state actors, for the purpose of carrying out cooperative activities of mutual interest.” This includes contributions from Foundations; Private Sector; NGOs; Social Partners; Academic, Training and Research Institutions; and Other non-state actors. Currently, ILO has 62 projects funded by the private sector and non-state partners: <https://www.ilo.org/partnerships/private-sector-and-non-state-partners>, accessed 18 July.

⁶⁶ ILO, *Independent Evaluation of ILO's Public-Private Partnerships 2008–18*, 2019

⁶⁷ Management follow-up to the independent high-level evaluation key recommendations. Independent Evaluation of ILO's Public-Private Partnerships 2008–18. May 2024.

No results or progress towards results were reported through the Strategy's monitoring systems – what was reported was vague and aspirational (e.g., “the strategy on how to engage with the BRICS bank is continued”).

DEVELOPING FUNDING STRATEGIES AT COUNTRY LEVEL FOR DWCP & PRIORITIES IN UN COOPERATION FRAMEWORKS

Reporting on this area lacked specificity and evidence of results, referring in broad terms to “focusing on expected results for each policy outcome”, “continued efforts for joint resource mobilization”, and focusing on programmes related to “SDGs, migration, disability inclusion and other global issues”.

Although stakeholders emphasized in discussions with the HLE team that ILO has made increased efforts to participate in country level resource mobilization as part of UNSDCF processes, the financial figures do not suggest any consistent progress in terms of actual funding received. As mentioned above, UN contributions show fluctuation rather than any coherent trend and the amount received by ILO in 2023 from such sources was only a little over a third of the corresponding figure in 2018.

Stakeholders, both within and outside the ILO, at HQ and country levels, raised the issue of continuing competition among UN Agencies as a major stumbling block to progress towards more coherent and focussed resource mobilization at country level. In this area, ILO standard setting, normative and supervisory mechanisms are seen as its major comparative advantage, providing legitimacy and a technical basis for its work. Its reputation for its comprehensive knowledge base is another key advantage.

However, there is fierce competition for resources with other UN agencies, which have stronger and more visible field presence, more proven implementation capacity for major development initiatives, more accessible accounting systems and lower apparent Programme Support Income (PSI) costs. All these factors strongly influence donor decisions and may make UN Resident Coordinator Offices cautious about promoting the role of ILO in planned development cooperation activities beyond the level of small pilots. Even where ILO implements successful pilot level interventions, it can be seen by national, UN and bilateral decision makers as lacking the necessary in-country presence and resources to continue to deliver on a larger scale.

FUNDING PARTNERS VIEWS OF THE ILO AS A DC PARTNER

The HLE conducted interviews with two current ILO PPPs. **Box 5** highlights some key observations made about their experience in working with the ILO, including their perceptions of strengths and challenges as well as their views on what the ILO should consider in its future work with private sectors partners.

► **Box 5: Observations made by ILO Funding Partners****Strengths of working with the ILO**

Data:	Provides robust global data, including on child labour, forced labour indicators, informing effective project design and evaluation.
Normative role and tripartism:	Unique strengths in setting international labour standards and fostering social dialogue.
International influence:	Has significantly shaped global efforts against child and forced labour, establishing essential rules, standards, and guidance.
Policy influence:	Normative and standard-setting areas of ILO work directly or indirectly with bilateral and multilateral partners and to reach global consensus and shape policy.

Challenges of working with the ILO

Operational issues:	Slow project startups, recruitment issues, and poor communication about delays.
Consensus-seeking approach:	Can also slow startup and delivery.
Variability between countries:	Inconsistent performance affects partnership potential.
Joint programmes:	Face higher costs and implementation issues.
Decentralized funds:	Aligning country activities with global priorities while facing implementation challenges.

Future considerations

Focus on strengths:	Concentrate on research, capacity building, and normative roles while leveraging partnerships for stronger service delivery and minimizing direct competition. Avoid broad activity ranges and concentrate on areas where ILO has unique strengths and piloting new approaches.
Communicate results:	Highlight tangible outcomes and impacts and effectively communicate successes to better align with donor expectations and justify their support. Tell a performance story.
Country presence:	Strengthen local engagement and ensure clear communication with stakeholders.
Accelerate tripartite approach:	While effective once established, it can be slow, impacting responsiveness. How can this be speeded up?
Clarify ILO priorities:	Clearly outline ILO priorities, goals, and strategies to gain more support from donors.
Expedite funding:	Send brief project ideas to counterparts to facilitate future funding.
Leverage partnerships:	Collaborate more with other UN agencies and partners to enhance field capacity and service delivery.
Informal collaboration:	Foster informal idea exchanges and pilot new initiatives alongside formal processes to encourage innovation with PPPs.



ILO STAFF AND CONSTITUENT VIEWS ON RESOURCE MOBILIZATION

The HLE surveyed staff and constituents and asked them to indicate the extent of their agreement with a number of statements related to how the ILO mobilizes DC resourced. Key findings include:

- ▶ 46.2 per cent of staff and 50 per cent of constituents either strongly agreed or agreed with the statement: "The ILO mobilizes resources **based on defined funding needs** related to policy outcomes, major themes, or country/regional needs." Another 28 per cent of staff and 25 per cent of constituents somewhat agreed.
- ▶ 52.2 per cent of staff 52.1 per cent of constituents either strongly agreed or agreed with the statement: "The ILO mobilizes resources by **persuading funding partners to support its decent work priorities** and plans." Another 28.2 per cent of staff and 19 per cent of constituents somewhat agreed.
- ▶ 75.4 per cent of staff and 54.5 per cent of constituents either strongly agreed or agreed with the statement: "The ILO mobilizes resources **based on the available funding** opportunities offered by funding partners." Another 14.7 per cent of staff and 20.3 per cent of constituents somewhat agreed.

These statements can, of course, be simultaneously true in the eyes of those responding, but the results suggest that the opportunities offered by partners strongly influence the ILO's resource mobilization efforts. When asked to rank the factors the design of DC projects, the highest ranking was given to "funding partner's design requirements and priorities". Compared with ILO staff's responses, constituents thought the ILO was less opportunistic in its resource mobilization.

Finding enough common ground is the key – an issue that the DC appraisal process needs to carefully weigh. DC projects need to get this balance right – if they stray too far from ILO priorities then criticisms of DC "being a distraction" have more validity.

Comments made by staff and constituents in the surveys included:

-
- ▶ **"Most of the fund mobilization is donor driven - not to support ILO priorities."**
 - ▶ **"I strongly disagree that the ILO changes its focus or mandate just for it to mobilise resources."**
 - ▶ **"Funding has become more and more earmarked. donors have their agenda and if ILO wants money, it has to respond to that too and do its best to meet the needs of its policy outcomes."**
 - ▶ **"We are opportunistic [and] grab what is available."**
 - ▶ **"There is very little connection between HQ's strategy to mobilise resources with the field."**
 - ▶ **"In practice resource mobilization is done a lot by CTAs who have other tasks and not necessarily a broad understanding of the overall strategy / opportunities etc."**
-

“The ILO should further focus resource mobilization based on defined funding need related to policy outcomes, major themes or national/regional themes.” (Constituent comment)

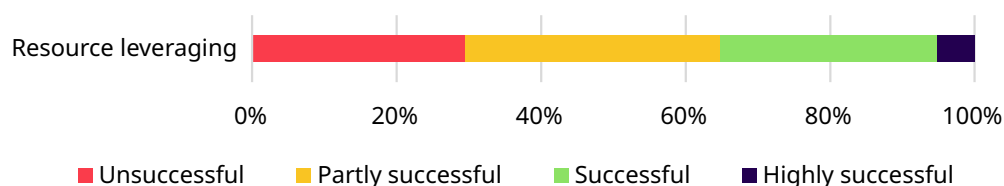
Many ILO stakeholders interviewed by the HLE team, wherever located in the organization, had reservations about the current DC Strategy. Some also offered recommendations, which they would like to be understood by senior ILO management. While not necessarily endorsed by the HLE, these included:

- ▶ **Enhancing coordination and strategic planning:** Strengthen the process to align resource mobilization on more clearly defined strategic priorities.
 - ▶ **Strengthen Engagement with Private Sector:** Build capacity within the ILO to engage effectively with the private sector, understanding their language and operational frameworks. Establish clearer criteria for PPPs that include commitments to Decent Work and labour rights, potentially facilitated by the ILO.
 - ▶ **Improve Reporting, Marketing and Communication:** Enhance the ability to report on the results and impact of ILO's work to attract lightly earmarked funds. Develop compelling narratives and success stories that highlight the ILO's achievements and comparative advantages to donors.
 - ▶ **Leverage Comparative Advantages:** More forcefully position the ILO as a leader in areas where it has uncontested expertise, ensuring that these strengths are well communicated to donors.
 - ▶ **Explore and Expand Funding Models:** Explore multi-donor funds and cost-sharing models to diversify the funding base and reduce dependency on a few major donors. Strategically approach national funds and emerging donors, ensuring alignment with ILO values and leveraging opportunities for sustainable impact.
-

RELEVANT FINDINGS FROM THE DECENT WORK RESULTS META-STUDY OF EVALUATIONS

The HLE's review of findings of a meta-study of over 200 Decent Work performance appraisals of final independent project evaluations conducted between 2019 and 2023 offered only limited insight into DC performance under Pillar 3. Only one criterion linked to Pillar 3 was relevant - Resource **Leveraging** - which assesses the size of the amount of government and donor resources (financial, or in-kind) leveraged from outside the ILO to boost individual project results. This element was covered to some extent in nearly three-quarter of evaluation reports but was not often quantified. In many cases, resource leveraging was not a component of results frameworks or one of the project objectives, so this rating should be interpreted with caution. Evidence from evaluation reports shows that just over one-third of interventions were able to raise additional external funds, the same proportion was able to leverage a small number of external resources, while just under one-third of interventions did not leverage external resources. **Figure 14** sets out the results.

FIGURE 14: EVALUATION META-STUDY - PERFORMANCE AGAINST CRITERIA LINKED WITH PILLAR 3



► Overall effectiveness of actions taken under Pillar 3

- The HLE found little evidence that the Strategy had directly led to changes in the type and volume of DC funding. Prior to the Strategy, ILO funding had already been shifting towards DC activities, resulting in a roughly even balance between Regular Budget and Development Cooperation funding. Despite the DC Strategy's focus on increasing funding in this area, it lacks a clear direction to guide the organization on overall funding priorities and the ideal balance between regular and development budgets.
- Given that ILO is a Specialized Agency and has a strong cadre of technical staff with a strong attachment to its normative work, the possibility of DC activities becoming the “core business” of the organization by virtue of a major funding increase in this area could signal a fundamental change, which many within or outside ILO would not welcome. It is for this reason that stakeholders have emphasized the need for a DC Strategy to be devised transparently and to provide a clear sense of direction for DC, one which strengthens the interconnectedness of DC with the ILO's mandate. Neither of these necessities are widely seen as characteristic of the current Strategy.
- Overall, Pillar 3 has been very modestly effective. It has usefully placed emphasis on the importance of development cooperation as the “practical arm” of normative work. As those engaged in DC like to emphasize, there is no point in signed Conventions and Agreements, if they do not generate positive actions at country level. On the other hand, development cooperation partners (including major donors) would not be drawn to ILO if not for its technical expertise and normative work. This dichotomy supports a continuing tension within ILO between those staff emphasising normative work and those promoting the “field-level” benefits of development cooperation.
- Outside of these two camps, many stakeholders see the critical issue for ILO as choosing the ideal balance between normative and development work and defining funding approaches to reach this. Similarly, external stakeholders, from donors to country partners emphasize that to them, ILO is a valued partner because of its combination of approaches. If the ILO approach is driven too much by a focus on DC growth for its own sake, it would become “just another implementing body” with low comparative advantage. It would be of much less interest as a partner, since there are many other bodies within and outside the UN system, which have proved themselves to have higher implementing capacity. To add to this, the ILO is already grappling with the issue of “organizational overstretch” (see EFFICIENCY) and risks serious reputational damage if the quality of its DC implementation deteriorates as a result.
- Overall, the DC Strategy is assessed to have limited effectiveness because it has not offered a bold strategic vision on where ILO should be going and what role DC will play in this. As part of this limitation, the Strategy's approach to funding partnerships and modalities lacks purpose and direction and can make only a limited contribution towards ILO's long-term objectives.

► Overall effectiveness of actions taken under Pillar 3 (Cont'd.)

- A critical question concerning the Strategy, which is a concern within and outside ILO, is the absence of any identification of the limits of ILO's development cooperation ambitions. Two of the four strategy pillars are about partnerships. The distinction between partnerships for coherence and those for financing appears somewhat artificial – ideally coherence would be a pre-requisite for funding partnerships. If this were not the case, funding could easily become too “donor driven.” Stakeholders, including donors, sharing their experiences with the HLE team, consistently stated that ILO's normative and standard setting role is the essential foundation for partnerships. This is supported by the unparalleled quality and range of ILO's technical outputs. However, donors are also aware that, particularly in its many non-resident countries, ILO cannot claim the same level of implementation capacity as other bodies, whether UN agencies, international NGOs or country-based institutions. For this reason, funders often select other implementers to scale up or replicate innovations introduced and piloted by ILO. Some stakeholders see this as an acceptable role for ILO at country level, while others feel that other agencies “steal” ILO's expert approaches and obtain larger scale funding to implement them and enhance their own portfolios and reputation in country.
- As a result of initiatives implemented before the DC Strategy 2020 – 2025, the proportion of the ILO's overall budget that is committed to development cooperation is now around half. This DC strategy seems to be pushing strongly for more. But how much more? Would the nature of the ILO change if 75 per cent of its funding were for DC? This could be a long-term result of the Strategy's strong emphasis on growth of funding partnerships. Undoubtedly, many engaged in ILO's normative, standards and technical work would see this as diminishing the uniqueness of its mandate. Bilateral donors contacted would also see this as a major transition, which might bring short to medium-term funding gains, but would reduce the attraction of ILO as a long-term partner, since this is based on its unique specialist expertise and mandate.
- Moving forward, any new DC Strategy needs to define the direction and scope of ILO's ambitions as a development cooperation implementer. Will it pursue a heightened role in this direction as an unlimited objective driven largely by the availability of donor funds? Or will it seek to define and facilitate a carefully designed and balanced approach to the Organization's work,
- Moving forward, any new DC Strategy needs to define the direction and scope of ILO's ambitions as a development cooperation implementer. Will it pursue a heightened role in this direction as an unlimited objective driven largely by the availability of donor funds? Or will it seek to define and facilitate a carefully designed and balanced approach to the Organization's work, building on its unique mandate and status as a “specialized agency” rather than as a broad-spectrum implementer?



EFFECTIVENESS OF ACTIONS UNDER PILLAR 4 – EFFICIENCY, DECENT WORK RESULTS AND TRANSPARENCY

The ILO has delivered most of the tools, guidelines, training initiatives, communication products that it set out in the Strategy's Implementation Plan and has made good progress in improving the transparency of its DC work and has taken steps towards improving social and environmental safeguards. Progress was less evident in introducing systems to support continuous improvement in the way the ILO delivers DC and provides administrative support.

Pillar 4 of the strategy aims to improve the quality of DC in terms of its **results focus, efficiency, visibility and transparency**. If the ILO is to maximise its influence on policy and win the trust and support of funding partners, it needs to demonstrate its decent work results and the longer-term impact of its work. To do this, it also needs to demonstrate it is efficient and offers value for money for funding partners, including by enhancing the transparency of its resource use in achieving results.

The strategy sets out five areas intended to enhance development impact, efficiency and transparency. The implementation plan reframes these under four "Actions" and eight "Deliverables". Some important elements of the strategy document were de-emphasised or omitted in the implementation plan – most notably, "enhancing the quality of the design" of programmes and projects. This was highlighted in the interviews as requiring attention through enhancements to the appraisal system and the more systematic involvement of constituents. Efficiency was also lightly treated under Pillar 4 – **an issue that this HLE explores separately in the next section, EFFICIENCY**. A summary of the links between the strategy, the Implementation Plan and the reported actions is included in **Annex D**.

RESULTS FOCUS – IMPROVING THE QUALITY OF DC

While the strategy grouped together elements directly related to improving the quality and results focus of DC – results-based management of DC; quality of design, implementation and evaluation; longer-term large-scale and integrated programmes; continuous monitoring and agility; and better use of data and impact evaluations – this focus was somewhat dispersed in the implementation plan. It bundled these together with elements of the strategy related to improving transparency and communications. Results were mainly reported against these latter elements (see **Improved Transparency** below). Issues related to the need for continuous monitoring are discussed later in this report's **EFFICIENCY** section.

Efforts to improve results-based management of DC projects and programmes focused on building staff capacity rather than enhancing systems and processes. These included new learning opportunities for DC staff that covered **results-based management of projects, integrating International Labour Standards, project scoping and strategy, and developing Theories of Change**. These were part of the "DC Learning Journeys" that are discussed later and in the case study of ITCILO.⁶⁸

A second action, the publication in 2021 of a new **DC Internal Governance Manual**⁶⁹, also aimed to improve the knowledge and capacities of staff involved in DC (both in HQ and in the field, Regular Budget and DC staff). It provided background and guidance on the DC Strategy as well as an overview of policies, rules and procedures. It updated and replaced an earlier version of the manual that had been in place since 2010. Much has changed in the ILO's DC working environment since then and so this was a much-needed resource. As a core document that staff involved in delivery would be expected to routinely consult, this was another important and effective initiative.

Both initiatives fell under a deliverable in the implementation plan that was about "updated approaches, guides and tools on results-based management". While welcome, more ambitious

⁶⁸ Case study is available upon request.

⁶⁹ ILO. Development Cooperation Internal Governance Manual (2021).

improvements that were intimated in the strategy, if not explicitly described, were not pursued. These include efforts to continuously monitor and improve DC through project appraisal and to monitor implementation across the DC portfolio. Some aspects of this are explored in more detail in the next section, **EFFICIENCY**, but they are central to understanding and improving the quality of the ILO's DC work more broadly.

Project Appraisals

Perspectives vary on how fit-for-purpose the current appraisal system is. Views from the field suggest a satisfaction with the current arrangements which are seen as being a relatively quick process, using a SharePoint system to upload proposals and to gather feedback from the field and HQ⁷⁰. Speed is an important factor for the field staff involved in DC project development – the HLE learned that they are often working with tight timeframes imposed by funding partners and risk missing opportunities if appraisal slows things down. Proposals are often presented with a great sense of urgency and, as one stakeholder bluntly put it: *“If you stand between a colleague and a donor, you’re going to get run over.”*

However, the perspective from some staff in HQ, including senior managers, was quite different. A broad consensus emerged from the interviews that the process needs “more teeth” to improve the quality of proposals in terms of:

- ▶ their alignment with higher level ILO strategies and goals
- ▶ their likelihood of success in achieving their objectives in the time allocated
- ▶ how any changes brought about by the project can be sustained after it ends
- ▶ whether the ILO has the capacity, knowledge or experience to implement them; and
- ▶ if they have incorporated lessons learned from evaluations of similar past projects.

This perception is supported by the findings of many evaluation reports including meta-studies⁷¹. HQ colleagues expressed frustration that the comments they made on proposals on these and other matters during the appraisal process seem often to be ignored and projects approved regardless. One staff member responsible for an important enabling function in the organization said they had stopped providing input because the advice was so often ignored.

Of course, there are many high-quality project proposals that address all these things well and are rightly approved. The problem is that the mechanism to say “no” to more questionable projects is perceived to be weak. This is not a straightforward process, especially given the ILO's decentralised resource mobilization framework. Maintaining flexibility is important too – as one senior manager said, *“Even if there are flaws in some projects, we need to be flexible. Trade-offs are necessary at times.”* Others suggested that a certain amount of hyperbole in framing project goals was necessary to attract funding. Over-systematising the process and setting rigid rules need also to be avoided as this can discourage innovation and, sometimes, prevent the ILO from getting a foothold in a country where it can do good work over the longer term. Whether to work or not in some fragile situations can be an especially difficult decision in this respect.

But other senior managers and staff were clearly of the view that the appraisal process was *too* flexible. Specific needs and circumstances need to be factored into decisions but, as one senior manager put it:

 **“The process should never end with a project approved that we feel guilty about.”**

⁷⁰ Evans-Klock and Tegmo-Reddy, *Project Implementation at the Frontline – a rapid assessment*, December 2021.

⁷¹ For example, Decent work results and effectiveness of ILO operations: An ex-post meta-analysis of development cooperation evaluations, 2022: “Validity of design was the weakest area... Recurring issues included over-ambitious scope, weak strategies to achieve project objectives, and limited endorsement by stakeholders” (p.20).

A “sales mentality” is clearly an asset when mobilizing funds and judging by the ILO’s strong recent record in “sales” achieved in the evaluation period, this mindset has contributed to this success. But given the nature of the ILO’s work there was consensus among senior managers that the “sales mentality” needs to be tempered and that ILO needs to unashamedly say “no” when necessary. One senior manager said, *“We sell values, principles and institutional development – not bicycles”; another, that “You can say ‘no’ when you are clear on why you can say ‘yes’.”*

Sometimes there are efficiency issues to consider too. While some small projects can have a big impact or can plant the seed for something bigger, when there are concerns across the ILO of organisational overstretch, the transaction costs of some small projects may simply not justify the effort required to run them. As one staff member said: *“Having these small ‘cute’ projects addressing niche or marginal issues may be good signalling of ILO values, but little comes from them.”* There have been numerous reports and recommendations urging the ILO to focus more on larger scale interventions and programmes, including the 2015 HLE of Technical Cooperation. The DC strategy itself mentions “longer-term, large-scale and integrated programmes” (though that is all it does – there is no clear action described).

Similarly, some projects lead the ILO into uncharted territory where it lacks the technical knowledge to properly support delivery. One example was given of a project which established a tomato paste factory – an area completely outside the ILO’s technical expertise and administrative experience. The project was approved but (according to one informant) proved to be a disastrous mistake. Similar problems have been experienced in projects with cutting edge information technology components. Innovation is desirable in projects, but only if you know what you are doing.

The appraisal process may also put PARTNERSHIPS in a difficult position as it acts both as a facilitator in developing DC proposals (including through its highly valued project design helpdesk) and as their judge. The issue was not raised by PARTNERSHIPS itself as problem and there is a separation of responsibilities within the department, but it is not hard to imagine that, if a project is initiated in the field and PARTNERSHIPS is also advising on its design, there may be occasions where it becomes harder to say “no”.

In summary, the actions taken so far under the DC Strategy are helpful in that they aim to develop the capacity of DC staff to develop quality proposals. But ultimately the appraisal system needs to be strengthened to ensure that all projects are of the highest quality, are within the ILO’s technical and administrative capabilities, and optimally support and cohere with its broader strategic approach. One department gave the example of how the ILO’s global policy framework in a key operational area was ignored by a project but was still approved: *“The donor approached the ILO in the field and wheels were set in motion which we couldn’t stop. Not even the policy specialists in the field had been consulted.”*

Improved transparency

Actions taken to improve transparency of the ILO’s development cooperation work, and to better communicate the results of this work and its comparative advantage aligned with three deliverables in the Implementation Plan. The first of these related to having processes and systems in place that complied with OECD-DAC, IATI and UN standards. Steps were taken to ensure that ILO DC data were accessible on these organizations’ data platforms. As a measure of effectiveness, the ILO score against **IATI publishing statistics index** has increased from 28 to 74 (out of 100) and is on a continuing improvement trajectory⁷². ILO is now ranked 9th among UN agencies and 48th overall (out of 1,573 organisations).

⁷² International Aid Transparency Initiative, <https://iatistandard.org/en/> Accessed 13 June 2024.

Second, there was a deliverable to develop and disseminate a “business case for investment in decent work”. This was completed in early March 2024 with the publication of a webpage and document/prospectus, **“Investing in decent work for social justice: Making the case for funding partnerships with the ILO”**⁷³. The result of a collaboration between PARTNERSHIPS and DCOMM, this resource presents a case for investment in the ILO’s work, its links to the SDGs, its role in guiding labour market transformations, its unique tripartite structure and promotion of standards, and its network of partners. The evaluation team reviewed the resource and found it to be well-presented and thorough and captures well the unique offer the ILO makes to prospective partners. Given its recency, its effectiveness as a means of attracting new investment is not yet clear.

Thirdly, the strategy sought to increase transparency in the costing of ILO services. Whereas the Mid-Term Review reported in 2023 that “development of the **methodology for the costing of ILO services is on target**”, the HLE was not presented with any updates on this deliverable.

This last aspect of DC transparency is one about which several concerns were expressed to the HLE team, especially as it related to the way the ILO incorporates **Programme Support Income (PSI)** in its budgets and the way it is allocated. From an external perspective, this was seen to be an issue in a competitive sense, as other UN agencies seemingly present a lower PSI rate than the ILO’s 13%. Though they may present such overheads differently (e.g., embedding costs as budget line items) appearances matter and funding partners sometimes take such apparent differences at face value. The transparency activity on costing set out in the plan could go some way towards resolving this issue.

From an internal perspective, the interviews suggested that improved transparency on the use of PSI income across the house was also an issue. In some interviews, DC staff were sometimes puzzled by or resentful of the PSI management and allocation process:

 **“Where does it go? Does the backstopping department get the money to provide technical support? If so, why do they ask us for more from project funds to do this?”**

“The field generates 80% of PSI but 60% seems to go to HQ. There needs to be a fairer distribution or at least an outline of how projects will be supported.”

“Under the NICRA⁷⁴ agreement [with the USA] we need to confront local representatives of the donor and say we have to take money from project delivery. It might be justifiable from a financial management perspective, but it’s the projects and the technical departments who have to confront local donors.”

⁷³ ILO, Investing in decent work for social justice: Making the case for funding partnerships with the ILO, <https://webapps.ilo.org/business-case/> Accessed 13 June 2024.

⁷⁴ Negotiated Indirect Cost Agreement (NICRA) between the USA and the ILO effectively doubled the PSI rate to 26%.

LEARNING FROM EXPERIENCE AND IMPROVING SERVICE PROVISION AT COUNTRY LEVEL

The strategy also set out areas of work that related to evaluation and “improving service provision at the country level”. The **evaluation** element promoted the consistent implementation of recommendations from evaluations and external reviews to improve results and performance reporting; monitoring and evaluation systems; project implementation; the coherence of partnerships; and the mainstreaming of gender and environmental sustainability. The service provision element related to the introduction of “**integrated and agile delivery models**” involving HQ, the field, and ITCILO. The Implementation Plan’s deliverables in these areas included one on “concrete measures” being implemented from evaluation recommendations, one on enhancing staff capacity, and one on piloting new models.

The strategic use of the ILO’s evaluation results to support decision making at various levels of the organization is an important element of continuous improvement and in fostering a learning culture. At a governance level, EVAL prepares as part of its Annual Evaluation Report to the GB, evidence of how strategic documents have used the results and lessons from evaluations⁷⁵ as well as initiatives led by regions and departments that have resulted from evaluations. Through its *i-eval* Discovery website, EVAL provides access to all planned and completed evaluation reports, their related recommendations, lessons learned, good practices, summaries and management responses.

A strong evaluation knowledge base therefore exists for continuous improvement of the ILO’s DC work, but as discussed earlier, the project design and **appraisal system does not always ensure that optimal use is made of this knowledge**. EVAL staff reported that they use the appraisal system’s SharePoint facility to flag potential problems or enhancements based on their experience with past projects, but they are often ignored. The MOPAN review made the same observation, pointing out that the ILO can identify lessons through evaluations, but does not always apply these lessons. The tools are all there but “the organisation could use these tools more systematically during intervention design”.

One weakness in DC delivery systems that has consistently been highlighted in evaluation reports and which was reinforced in the HLE’s interviews is monitoring - both at the project level and portfolio-wide. At the project level, EVAL’s meta-analyses of DC evaluations consistently rate this as a weakness – for example, the 2022 report found that less than a third of the 56 projects it covered had good systems in place that could adequately assess progress related to achievement of activities and goals. At a systemic level, the MOPAN assessment described the ILO’s **ability to identify and address poorly performing projects as weak** and that it lacked systems to act upon the performance data it collected: “responsibility for change is delegated to project managers, who have little incentive to initiate such change”.

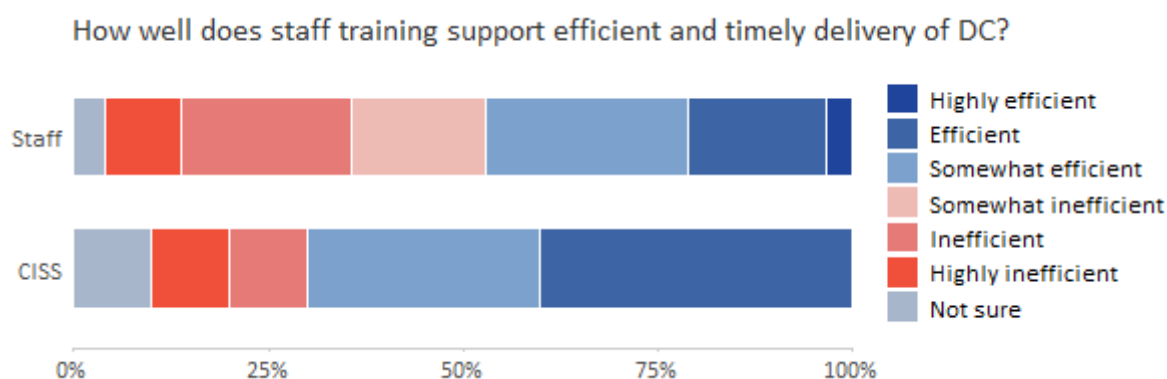
While the HLE found that no evidence of these DC systems issues being addressed, the actions taken to improve staff capacity showed more progress. In 2021, PARTNERSHIPS, HRD, and ITCILO collaborated to introduce a new training approach for DC staff through a series of “**DC Learning Journeys**”, short sequences of online training including videos, podcasts and other learning materials. DC staff access to training has been a problem in the past, with training generally being restricted to Regular Budget staff. The scaling up of online delivery, especially since the pandemic, created the opportunity for cost effective innovations in developing capacity of DC staff.

⁷⁵ For example, the [2022-23 Annual Evaluation Report](#) indicated that 79 per cent of recommendations from independent evaluations were completed or partly completed by line managers, but the broader reach of these recommendations as a means of initiating continuous improvement in DC design, monitoring and implementation is not known.

This is clearly a worthwhile initiative that flowed directly from the DC Strategy and can now be expanded to address a wide range of DC staff developmental needs. HRD has centrally managed funds that it can use to support DC governance in this way. So far, measuring the effectiveness of these Learning Journeys is hampered by a lack of detail in the available participation and satisfaction data. ITCILO keeps quite comprehensive data on these things, but there is currently no standard report that differentiates between DC funded staff and Regular Budget staff. The latter can also access the DC Learning Journeys and apparently often do. The role ITCILO has played in supporting the DC Strategy is described in more detail in Case Study 6⁷⁶.

Despite this welcome innovation, the HLE's surveys showed that staff training support for DC was still perceived to be a significant weakness that affected the effectiveness and efficiency of projects. In the broader staff survey, 48.9 per cent of respondents ranked staff training support to be inefficient including 10 per cent rating in "highly inefficient", 21.7 per cent "inefficient", and 17.2 per cent "somewhat inefficient". Among the CISS, 20 % ranked staff training support as inefficient, including 10 per cent rating for "highly inefficient" and "inefficient" respectively. See Figure 15.

FIGURE 15: STAFF SURVEY QUESTION - "HOW WELL DOES STAFF TRAINING SUPPORT EFFICIENT AND TIMELY DELIVERY OF DC?"



There was clearly an appetite for more staff training including in administrative functions which were seen to be adversely affecting the efficiency of projects. The HLE learned of some local training initiatives – such as one in Africa for CTAs, finance and administrative staff which received financial support from the PROSPECTS project – but such opportunities are not common. As the following comment from one staff survey respondent said:

“There is no support provided for the recruitment of DC staff, no training offered apart from the self-guided ones (insufficient) which explains the lack of knowledge about financial and procurement procedures. Huge problem with access to information (even if the info is available on the intranet, it’s almost impossible to find it).”

Action in line with the Implementation Plan’s deliverable on piloting new or enhancing existing delivery models was not well reported. There was no mention of anything in the Mid-Term Review and although one would expect that there have been many such initiatives over the period of the evaluation, the HLE found there were few reported – at least through the mechanism established to monitor the strategy’s implementation.

⁷⁶ Case Study 6 – ITCILO is available upon request.

The Regional Office for Arab States has created a framework to pool resources and staff that had previously been working under 8 discrete DC projects into a single team of administrative and finance assistants and other support staff, but this is perhaps an example more of enhanced efficiency than service delivery. Bangladesh has an effective model in place to manage its large portfolio of projects, but this pre-dates the DC Strategy. The Regional Office for Latin America and the Caribbean reported innovations in DC project monitoring via the use of PowerBI software, and in investigating CRM software to enhance partnership monitoring and other innovative delivery models. These initiatives were perceived to offer improvements in effectiveness and efficiency in supporting DC. If they prove to be effective, perhaps these and other innovations will be shared and used elsewhere in DC delivery but the mechanisms in place to do this do not seem to be in place.

MEET ACCOUNTABILITY STANDARDS

In this area, the strategy aimed to reinforce due diligence in risk management, sexual exploitation, abuse and harassment, and social and environmental safeguards. A deliverable in the Implementation Plan focused on developing and apply tools to support an ILO Environmental and Social Sustainability Framework (ESSF).

The Mid-Term Review reported that the ILO Environmental Sustainability Committee had developed and pilot-tested an environmental and social risk screening checklist⁷⁷ and a guidance note for staff on addressing these issues in project design. Materials for DC Learning Journeys were also created as well as guidelines covering these issues in DC projects that included employment-intensive investment elements. These were regarded as the first steps towards a broader ILO-wide ESSF, incorporating measure to address environmental and social sustainability, sexual exploitation, abuse and harassment in all aspects of ILO work including DC.

RELEVANT FINDINGS FROM THE DECENT WORK RESULTS META-STUDY OF EVALUATIONS

To provide an insight into the overall effectiveness of Pillar 4 of the Strategy, the HLE reviewed the findings of a meta-study of over 200 Decent Work performance appraisals of final independent project evaluations conducted between 2019 and 2023⁷⁸. Key findings were:

- ▶ **Validity of project design was an important area of weakness overall**, with the majority of reports having mixed results. Only one-third of interventions had a sound technical approach and objectives endorsed by a majority of stakeholders, with well-defined strategies and services that linked to project objectives. Intervention designs were overambitious in terms of scope relative to the time and resources available for implementation. Moreover, limited involvement of different stakeholder groups in the planning stages often led to inadequate contextualisation of feasibility and weak risk assessments, leading to challenges in implementation.
- ▶ The most successful designs aimed to involve all relevant partners at all stages of the project cycle in a participatory approach, had a solid theory of change, coherent and realistic intervention logic and all element in the project framework linked to an overall strategic objective. Some intervention designs were based on functional reviews, previous ILO research and/or lessons learned and good practices from similar projects or previous phases. Limitations were found when there were inconsistencies in design, over-ambitious scopes, and timelines – especially when resources were spread thin, erroneous assumptions, lack of contextual analysis and baseline mapping, little flexibility adaptation to changing contexts, and poor or non-existent risk assessments. There was evidence of project designs having disparate activities which did not fit into a comprehensive strategy, and some stakeholder groups had competing priorities, leading to design constraints. Lack of logical frameworks and theories of change also negatively affected validity of design.

⁷⁷ ILO Environmental and Social Risk Screening Checklist, Accessed 15 June 2024.

⁷⁸ Criteria used for the analysis of Pillar 4 were: Validity of design/approach, RBM approach and goal orientation, Monitoring and reporting, Visibility and accessibility of knowledge and information.

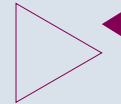
- ▶ 20 per cent of ILO interventions had a complete results framework that allowed for regular monitoring of performance, with quantified, realistic targets linked to the project strategy, and a logical fit between indicators and outcomes. Often, while components of a results framework were established, there were discrepancies in the structure, limiting its use. Moreover, in 20 per cent of cases, there was no evidence that a results framework existed, or, if they had been developed, they were unreliable or irrelevant.
- ▶ Related to this, there were important challenges in monitoring and reporting frameworks, although there was a higher proportion of successful cases compared to the previous RBM criterion, with one-third of projects having established monitoring and reporting mechanisms that were used to measure progress. The presence of dedicated Monitoring and Evaluation (M&E) officers was found to be very useful, as was the participation of trained partners on the ground, with both qualitative and quantitative data collected and analysed to assess progress and achievements of ILO interventions. In a majority of cases, while components were established, they were not well implemented; information for monitoring and reporting on performance was missing or not identified; or findings were not always valid or reliable, due to inadequate tools and methods to monitor and measure progress. Many projects focused on monitoring activities, rather than results at the output or outcome levels, and lack of baseline data and outcome-level targets led to challenges in measuring progress. In some cases, while monitoring tools existed, the amount of time it took to develop and start implementing interventions led to monitoring plans not being implemented as planned; lack of monitoring plans or budgets sometimes led to dependence on partners to collect data. There was evidence of improvement of systems over time, based on recommendations from mid-term evaluations or during the course of implementation. The quality and level at which reporting took place sometimes depended on donor requirements and types of intervention funding (e.g., RBSA-funding, or “lightly earmarked” Sida funding). In 20 per cent of cases, there were no functioning mechanisms for monitoring or reporting of project achievements.
- ▶ Over half of cases had approaches or strategies in place to document and disseminate project knowledge internally and externally, with evidence of good efforts to do so. Successful interventions had developed communication and visibility strategies, had dedicated budgets and hired communications officers to implement them, while others worked with partner organisations. In some cases, knowledge and experience-sharing was done through systematic documentation and sharing of good practices identified during implementation, and some interventions aimed to empower their partners to document and disseminate lessons learned, through participation in action research processes, and reflections on why certain outcomes occurred while others did not.

Challenges were noted when that project documents and studies were not shared with stakeholders and project partners, and that knowledge-sharing or restitution workshops did not take place or were ineffective.

► Overall effectiveness of Pillar 4

- Pillar 4 was designed and implemented as a disparate set of activities which emphasised the development of tools and resources to add value to existing DC delivery. Notable achievements included the development of an online training platform and modules targeting DC staff (the DC Learning Journeys), greatly enhanced transparency of the ILO's DC work to improve its compliance with OECD-DAC, IATI and UN standards, and some positive steps towards developing an Environmental and Social Sustainability Framework for the ILO, including for its DC projects and programmes. Progress in developing a methodology for costing ILO services or new service delivery models were not well reported through the Strategy's monitoring and reporting framework. No efforts were made under Pillar 4 of the Strategy to improve DC efficiency.
- More ambitious and potentially more effective actions under this Pillar were not pursued. First, there is a need to improve the monitoring of ILO DC at both the project level and portfolio wide. This has been consistently identified by audits, MOPAN assessments, and evaluation reports as a major weakness of the ILO's approach to DC, but no direct action was taken under the strategy to address these concerns. There is a need to improve monitoring systems so that they can address underperforming of DC projects, identify and correct system inefficiencies, and improve the impact of interventions. Instead, the focus of the Strategy was on developing products and staff training which in themselves may be valuable, but their effectiveness may not be evaluable because of these same deficiencies in the ILO's monitoring of DC.

Similarly, the project appraisal system can be strengthened in important respects to improve the quality, sustainability and impact of DC projects and to ensure that the lessons of past projects are considered, that the focus of the ILO's DC work is clear, and that its strengths not its weaknesses are exposed.



EFFICIENCY

Despite continuing concerns about the overall efficiency of the ILO's delivery of DC projects, the Strategy gave little attention to this issue. Various internal and external reviews have highlighted problems with the speed and complexity of systems and procedures and these concerns were reinforced in HLE's interviews, desk review and staff survey.

As noted earlier, negative perceptions of the ILO's efficiency in supporting DC and calls for systemic review have a long history. Over time, the growth, decentralisation, and situational diversity of the ILO's development cooperation work have strained existing organisational systems, some of which may have been developed assuming a more predictable and centralised operation. The contemporary ILO – an organisation that depends on DC delivery to respond to far more dynamic circumstances in the field to achieve its goals – needs continuous and systematic scrutiny of its processes and procedures to ensure they optimally support this delivery. While processes and procedures are rightly and rigorously monitored from a compliance perspective (via internal and external audits), and evaluations assess past performance and highlight lessons learned, DC projects and the systems that support delivery need active and continuous improvement.

In terms of a high-level strategic focus on efficiency, both strategic plans in place in the period of the evaluation (2018-21 and 2022-25) made only broad references to improving organizational efficiency and did not single out any specific efficiency issues faced by those delivering DC. P&B deliverables over the period are similarly high level. Sometimes, the door seems open to meaningful engagement on systems - for example, Output C.4 of the 2022-23 P&B talked about the need for “an organizational culture that supports creative thinking and is open to exploring new approaches” and “staff engagement... to diagnose challenges, develop solutions, and implement improvements applicable in diverse situations”. This is clearly needed by staff delivering DC, but the Programme Implementation Report gave no hints that such engagement and problem solving had been focused on DC delivery efficiency issues⁷⁹.

A mechanism within the current ILO structure to enable such engagement and problem solving seems absent. The DC strategy does not address these issues and PARTNERSHIPS does not currently play a prominent role in amplifying the voice of DC practitioners in the field to instigate change. As one senior ILO manager put it:

 **“There is no process for continuous improvement... There is no centralised unit that looks at these processes and the extent to which front line staff are consulted is variable.”**

Observations on efficiency

MOPAN assessments: Areas for improvement in the efficiency of ILO's DC implementation were highlighted in both the 2015 and 2020 assessment reports of the Multilateral Organisation Performance Assessment Network (MOPAN). The 2015 report found that “*slow recruitment processes and administrative procedures hamper the effectiveness and efficiency of DC project implementation*” and that “*donors expressed concern about the ILO's ability to deploy staff resources in a timely manner.*” The 2020 report rated the ILO's performance under “KPI 11 – Results are delivered efficiently” as unsatisfactory, with the poor result for timeliness of DC work being the main reason for this rating - the other component of this indicator, cost-effectiveness, being rated as satisfactory. These reviews did not delve deeply into the processes that may have been contributing to these results but singled out recruitment and procurement delays as areas of concern. While some improvements

⁷⁹ The 2022-23 Programme Implementation Report instead focused on higher level innovation and knowledge management initiatives when reporting on this issue (p.94).

were noted since the 2015 MOPAN assessment, including the development of supporting tools and templates, it concluded that results were still unsatisfactory and that more work was needed.

Project evaluations: The HLE's analysis of evaluation meta-study of over 200 projects in the period gave a more positive overall assessment of the efficiency of DC project delivery. Some caution is needed in interpreting these results - for example, the criterion "ILO support to project" included both the efficiency of "administrative and financial support" and of "technical and programmatic support" and this may have skewed the overall findings to some extent. A deeper analysis of the results revealed some problem areas that echoed issues raised in the MOPAN report and in HLEs interviews with staff:

- ▶ Challenges were noted in several reports with regards to administrative and financial procedures, which led to delays in accessing funds and limited the timely delivery of products.
- ▶ Cost-effectiveness of certain projects was questionable due to cost per beneficiary and low return on investment, as results only benefited a few beneficiaries.
- ▶ Weak results were noted when financial resources were not allocated strategically, with budgets that were not results-based, and the quality and quantity of outputs were inadequate in relation to the financial resources used.
- ▶ A recurrent limitation was the lack of adequate staffing and high staff turnover, with periods of limited progress due to the unavailability of key staff. This was compounded with time lost due to the logistics of hiring new project staff, and the need to build their capacity.
- ▶ there were instances of **project staff being hired by other ILO projects before the end of their contracts** with ongoing projects, with no handover of activities undertaken.

Challenges were also found when long internal timeframes for administrative and financial procedures delayed implementation, especially when compounded with partner organizations that had weak financial capacities and when these procedures were decentralized. This sometimes led to partners and beneficiaries working without financial resources and having to spend their own funds to participate in activities while waiting to be reimbursed.

External audits: Strengthening the monitoring of the efficiency of DC projects has also been recommended by external audits. For example, noting the 2021 audit referred to the role that could be played by Outcome Coordination Teams "in monitoring of projects funded by voluntary contribution", and specifically "encouraging the OCTs to strengthen the *mechanism in identifying bottlenecks and capacity or resource gaps thus, proposing corrective measures through the OCTs aggregated view* of the programmatic and financial progress of RBTC and XBDC projects" (p.85). Noting that this had also been raised in previous audits, the ILO's response was that it had already been implemented and that the terms of reference for OCTs had been updated⁸⁰ and that efforts to identify and correct bottlenecks were "under way and will continue in the future" (p.114). The HLE requested data on the specific measures taken through OCTs and their results, but none were provided.

Strong views from staff on inefficiency of systems supporting DC

Many of the staff interviewed for the HLE – including DC staff in the case study countries, HQ-based staff involved in the coordination of major DC projects and programmes, technical specialists, regional programming staff, and senior managers – stressed the vital importance of re-visiting the issue of a systemic response to improving processes and procedures that support the efficiency and effectiveness of DC delivery. Interviews highlighted longstanding operational bottlenecks and procedural inefficiencies that they believed were negatively affecting the delivery of DC projects, the capacity of the ILO to work optimally with partners, and the overall reputation of the ILO. Their frustration about the lack of a systemic response was sometimes palpable. Examples are included in **Box 6**:

⁸⁰ Specifically, OCTs would be responsible for "identifying bottlenecks and capacity or resource gaps in delivery and proposing measures to address them to relevant managers in regions and at HQ."

► **Box 6: Comments on ILO DC efficiency from the HLE's interviews**

"I have been involved in ILO DC for **thirty years and things are no more efficient and no quicker.**"
Unit Head, JSP Cluster

"Rules seem to have been **designed by and for people who have meetings in Geneva** - not for people in the field who often have to run through brick walls to fix things and get things done."
Director, AP

"There's **always someone who can click 'no'** and the process goes back to the start. Many of the problems may not be with processes or systems, but with people. Systems and IGDS don't change behaviours and it is behaviour that we need to change." CTA, JSP Cluster

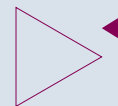
"We need to identify the bottlenecks, but this is part of our identity issue. As long as **half the organisation questions the place of DC**, the ILO can't move forward." Senior Manager, ECR Cluster

"There is **no mechanism in the ILO for managing change** and continuously improving systems. The Business Process Review was a good concept but made little headway." Technical Specialist, JSP Cluster

"In the ILO, HR talks to HR and Finance talks to Finance. We need a mechanism that allows people to share ideas from the field and across the organisation and to **initiate change**. The problem is that, in a hierarchical culture, people will only share with their supervisor the process that they know has been done before." Programming Specialist, Regional Office

"There's **no place in the ILO for courageous conversations.**" Programming Specialist, Regional Office

"We desperately **need a systemic response.**" Branch Chief, JSP Cluster



The **HLE's surveys** strongly reinforced these concerns. Recruitment, procurement and financial management procedures receiving a high number of ratings on the negative side of a six-point scale of efficiency (i.e., responses of "highly inefficient", "inefficient" or "somewhat inefficient") with recruitment efficiency being the biggest concern (46 per cent negative) followed by financial management procedures (36.7 per cent negative) and procurement (32.7 per cent negative). More details are provided below, but comments made by respondents to these questions were **universally negative**. Examples are included in **Box 7**:

► **Box 7: Comments on ILO DC efficiency from the HLE's staff survey**

"The time, energy and number of emails that it takes to advance things is **unbelievable**."

"The recruitment processes of the ILO are **highly inefficient** and typically delay project start... In general, the ILO as an organization is **not well fit for project delivery**."

"Recruitment is particularly slow and inefficient."

"They all take quite a long time, leaving the project team with even more limited time to complete activities. In the current situation without a project team established, which takes around six months, **almost nothing starts**."

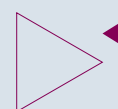
"Ainsi la lourdeur des procédures d'achat et financières ne permet d'accélérer l'atteinte des objectifs" *As a result, cumbersome purchasing and financial procedures do not speed up the achievement of objectives*⁸¹."

"Recruitment processes/delays have caused some **serious problems**, especially on short timed projects, causing requests for time extensions which are not looked on favourably by donors".

"In small offices, where the number of RB staff is little, it is **overwhelming** for them to be part of the process".

"The ILO regulations for HR, procurement and financial management are **cumbersome and bureaucratic**, unlike some competing agencies which procedures are simpler and more agile."

"There is no change process in the ILO, so any Director is able to create **additional loops** to protect herself against accusation of fraud - so we end up with a maze of various processes and practices that are country or region specific and go beyond what is required to limit the risks."



Such was the desire to raise awareness of these administrative efficiency issues and the need for a systemic response, that a group of departments/units in HQ⁸² commissioned a "rapid assessment" of project implementation in the field, the so called "Frontline report" (Evans-Klock and Tegmo-Reddy, **Project Implementation at the Frontline – a rapid assessment**, December 2021). This was conducted by former senior ILO managers with extensive experience in HQ and the field and in the broader UN system. Collectively, the departments and units that commissioned the report had at that time, a DC portfolio with a budget of almost USD 900 million, ran 346 projects, employed 856 staff, and led four of the ILO Flagship Programmes. DC was very much their business.

The consultancy was an investigative exercise which directed its findings to the commissioning units themselves, gathering information from DC staff at the frontline on their experiences, good practices, bottlenecks, and possible solutions. It never set out to verify its findings or explore the feasibility of its recommendations with field offices or administrative departments. The idea was to equip the commissioning units with information and ideas that could **help them to work with colleagues "to find constructive, practical solutions to new and perennial challenges."**

Despite these apparently good intentions, the initiative has failed to build any new momentum for systemic change. Stakeholders said that there was some initial engagement between senior policy and administrative staff, but this did not advance. Some internal "push back" on the report was also mentioned with some stakeholders questioning what they saw as "largely anecdotal" nature of its findings, while others said that no opportunities were afforded to them to respond to its findings and to provide alternative points of view. These ignored the purpose of the report – to give voice to DC staff in the field and to initiate a dialogue. It was not an evaluation in the conventional sense, and neither a blueprint for change nor a manifesto for reform.

81 Translated by EVAL.

82 Better Work Branch, Fundamental Principles and Rights at Work Branch (in the then Governance Department); Development and Investment Branch, Skills for Employability Branch (in the then Employment Department); and the Inclusive Markets and Entrepreneurship team in the Small and Medium Enterprise Unit (in the Enterprise Department).

The Final report of the Transition Team to the ILO Director-General referred to the report and, under “efficiency, flexibility and agility”, proposed that its recommendations be analysed (Para 102.d) as part of “a series of measures to build on the ILO Development Cooperation Strategy 2020-25”⁸³. More than two years after its release and wide circulation, any momentum it might have created has now been lost.

SYSTEMS IMPROVEMENT DOES NOT MEAN ABANDONING THE RULES

Ensuring accountability and efficient delivery: Counterbalancing the need to improve the responsiveness and speed of the ILO's systems to improve DC efficiency and effectiveness is the equally important need to ensure that these systems continue to meet accountability and risk management requirements. Nobody disputes the need for processes to be governed by rules – they are there to protect both individual ILO staff and the organisation. Rather, operational procedures are intended to guide what needs to be done to deliver projects while simultaneously stipulating *how* things should be done to avoid fraud and waste. But they are not immutable or fixed in stone – as a senior manager working in the compliance area said:

 **“There’s always scope to review systems, to re-balance control systems and to re-consider risks – but not to bypass control systems altogether. When things go wrong, they go spectacularly wrong.”**

This re-balancing theme was at the heart of the *Frontline* review, which lauded the ILO's reputation for integrity and transparency but said that it had not yet worked out how to maintain this reputation while also building a reputation for delivery efficiency. It made the reasonable point that managing the risk of poor delivery and impact was as important as managing fraud and waste – quoting staff who believed instead that “*the ILO manages for audits not delivery.*”

Whatever process can be put in place for this “re-balancing”, it needs to create a framework both to increase value (from a DC delivery side) and to ensure that accountability standards are maintained. A dialogue is needed between HQ administrative units that are responsible for systems and compliance and DC practitioners to ensure that they are accountable to each other. Without a continuous improvement mechanism that enables this dialogue, the ILO is stuck, as one informant told us, where:

“DC staff working in the field continuously complain that the processes don’t fit their needs and HQ staff complain that the field is full of cowboys.”

Such re-balancing also requires a better **understanding of risk**. Many of the people consulted by the HLE suggested that avoiding risk seemed to be the ILO's priority. Senior staff with a deeper knowledge of the issue explained that it was really about “managing uncertainty” and control frameworks were needed to reach the right balance:

 **“The ILO is not risk averse. It is risk naïve. We see evidence of both excessive risk taking and excessive risk aversion. Because we don’t have a proper understanding of risk we end often end up with poorly designed processes.”**

⁸³ ILO Transition Team, For a new global social contract – Final report of the Transition Team to the ILO Director General, October 2022.

Not understanding what is possible in existing systems: Some stakeholders also pointed out that it was not always the systems themselves that led to inefficiencies in implementation but also how they were understood and used. Sometimes the people using the systems just do not have the knowledge they need to work within the systems. In an organization as large and as decentralized as the ILO, there are also local variations in systems, policy changes are sometimes not known, understood or implemented, or there are no available local staff who can advise on what is possible. Steps are being taken to improve problem areas, but they do not always filter down to operators as quickly as they could. As an HR staff member said:

 **“The problem we face is that we are overwhelmed. Even if you communicate you don’t guarantee take up - if you write, it’s not read. So, people remain in ignorance and retain outdated views when a lot has been done to resolve these issues. Managers have responsibility for their CTAs and individuals have a responsibility to self-inform. It’s not all HRD’s responsibility.”**

Planning and good project management: Better planning by DC staff was often mentioned as a factor that needed more attention.

 **“DC projects need to consult early with HRD and Finance. They need to form alliances with people who can help them consider the important planning issues. Some say the rules are preventing agility and speed, but they have often protected the ILO from fraud and other problems.”**
Director

Efficiency improvements were reported at different points within systems, but DC staff remain frustrated by the ILO’s lack of responsiveness to their needs. Existing monitoring arrangements do not provide management with enough data to ensure that whole systems are working efficiently and can be continuously improved.

One of the difficulties identified by the HLE and through evaluations, audits and external reviews is a lack of data to help identify performance issues and analyse root causes of apparent efficiency problems, delays, and financial underspend. Monitoring of DC projects is weak overall, and problems can therefore go unnoticed until they escalate.

For example, one frequently cited potential indicator of inefficiency in the ILO’s delivery of DC projects was the frequency of “no cost extensions”. These extensions are often granted by funding partners following requests from the ILO to extend the project end-date within the existing approved budgets. Data on these extensions are not systematically collected, but they are apparently a very common, even routine practice. Unspent funds returned to funding partners

might also be a related indicator. The HLE learned that USD 44.7 million was returned to funding partners in the period 2018 to 2024 from over 700 projects. Taken at face value, this is a somewhat startling figure, but the per project returns were generally smaller with only around 100 projects returning more than USD 100,000. The highest returned amount was USD 1.5 million for a regional project in the LAC region. So, do such measures reflect inefficiency or something else?

On the one hand, staff from PARTNERSHIPS rightly pointed out that, while common, these extensions do not in themselves necessarily reflect inherent inefficiencies in the ILO's delivery of DC. There are many reasons why projects are extended in this way, and some are outside the ILO's control. Some are related to the internal practices of funding partners - for example, working within their own financial planning cycles and constraints, some funding partners were said to set timeframes that they know in advance would need to be extended. Sometimes there are delays imposed or created by governments. Crises, political upheavals, and natural disasters also have a profound effect - as was the case during the period of this evaluation, with the COVID-19 pandemic which required many projects to adapt their activities and often to seek extensions. No cost extensions can even be a positive in terms of efficiency - for example, when cost-efficient delivery creates savings that enable extensions for value added activities beyond what was originally planned. PARTNERSHIPS also told the evaluation that, from their perspective, funding partners themselves were not generally concerned about these extensions⁸⁴.

On the other hand, some delays **are** more within the ILO's control and understanding how these might be contributing to the timeliness and general efficiency of project delivery is important. These might relate to any number of issues where real improvements can and should be made including:

- ▶ over-ambitious design (frequently identified as a weakness in project evaluation reports)
- ▶ the approval of projects that stretch or are beyond the ILO's existing capability
- ▶ delays in recruitment and procurement
- ▶ inadequate planning and project management
- ▶ line management bottlenecks or
- ▶ deficiencies in DC staff capability and knowledge

In short, these reflect many of the same "pain points" identified in DC delivery that have been raised in reviews, evaluations and audits over the years and which continue to frustrate many DC practitioners in the field.

The key point to make here is that mechanisms to monitor these efficiency issues across the DC portfolio are weak, fragmented or non-existent. This hinders the ILO's capacity to make improvements. Evaluations capture information on these issues, but the lessons they identify are not applied well in subsequent project design or in broader improvements of ILO systems. Financial delivery rates are monitored and there is an annual "rephasing" of DC budgets, but these data do not offer any real insights into inefficiency or its root causes. As one senior financial manager said:

 **"Can we say, if there is a no-cost extension, that this is because there's more to do? Or is it just because we are slow? Expenditure is the worst form of performance measurement but it's the only one we seem to have."**

⁸⁴ Other views were expressed about this. Some DC staff pointed out that funding partners often had an imperative to move money quickly and delays were a real concern to them. One funding partner in a case study country thought it was an indicator that the "project implementation was not an ILO strength".

Another senior manager said that “IT systems supporting DC project management are from the Stone Age – we should be embarrassed”, suggesting that an IT platform is needed to support monitoring, one that “asks difficult questions to support continuous improvement” and which explores and measures these efficiency (and effectiveness) issues and concerns. “People’s behaviours will be driven by what you’re measuring – if all we’re measuring is delivery rate, this leads to distortions.”

Weak monitoring of DC has been highlighted in the MOPAN reports, evaluation meta-studies and, more recently in the 2023 Annual Report and Plan of the ILO’s Senior Risk Officer:

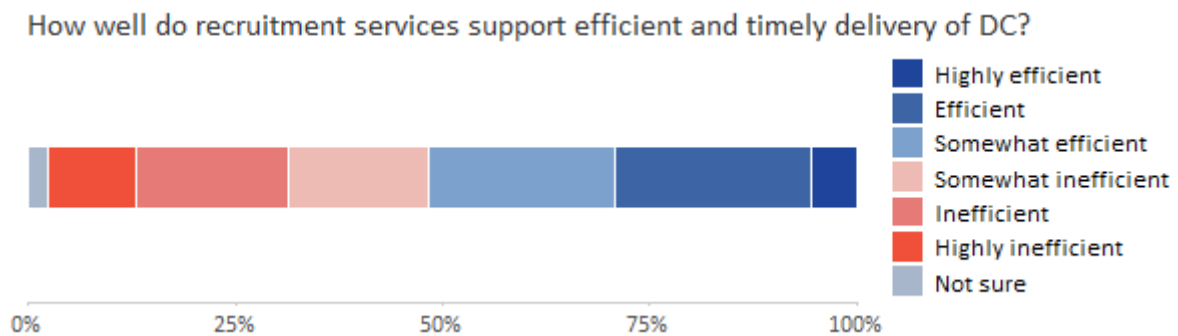
■ ■ *“The performance of key management processes is not consistently or comprehensively measured. For example, data are collected on the achievement of outcome and output targets for individual DC projects, but they are not consolidated to identify performance in **spend against budget, timely completion, or percentage of outputs or outcomes achieved, whether globally, or comparatively between offices, regions, departments and clusters.**” p5*

Steps have been taken to address identified efficiency problems affecting DC project implementation, but these do not generally go beyond individual “pain points” within the system and fail to look at interdependencies along the whole value chain of the process. The examples of DC recruitment and procurement provide an insight into this issue.

IMPROVING THE EFFICIENCY OF DC RECRUITMENT

Delays in getting key staff in place has been a perennial concern for the ILO. Historically, the average recruitment time for CTAs was mentioned in several reports and in the HLE’s interviews as being around six months from advertising the job to commencement. Some DC staff shared examples where this had been much longer – 11 months or more. Without these key DC staff in place, nothing much can happen. Inception periods are sometimes built into project contracts, and this allows some administrative breathing space, but, regardless, constituents and other targeted beneficiaries of the projects still must wait to receive the support these projects are offering.

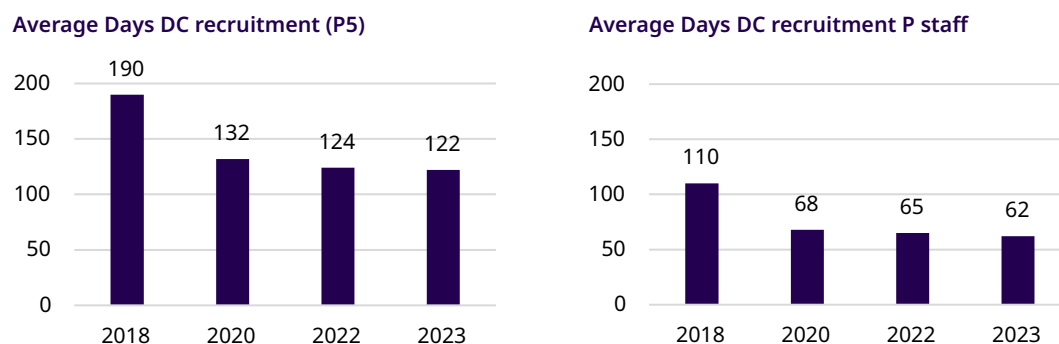
The HLE’s surveys confirmed that recruitment is overwhelmingly perceived by staff as being inefficient. 46 per cent of respondents ranked recruitment to be inefficient including 10.6 per cent rating in “highly inefficient”, 18.5 per cent “inefficient”, and 17 per cent “somewhat inefficient”. Fewer than a third of staff respondents rated recruitment as being efficient. See **Figure 16**. Constituents’ perceptions were more favourable (52 per cent of respondents rating as “somewhat efficient”, “efficient” or “highly efficient”).

FIGURE 16: STAFF SURVEY QUESTION - "HOW WELL DO RECRUITMENT SERVICES SUPPORT EFFICIENT AND TIMELY DELIVERY OF DC?"

HRD reported that, during the period of the evaluation, its measures of recruitment efficiency showed improvements - the average number of calendar days between the posting of vacancies for key project positions (P5 level) and the selected candidate's start date has decreased by more than a third. The corresponding result for all development cooperation positions (P level, excluding NO/GS positions) was better still, with a decrease of 44 per cent – See **Figure 17**.

The exact reasons for this improvement are not clear. Failure to start recruitment early enough was frequently mentioned as a major source of delays and maybe this message has started to get through to hiring managers - despite some lingering beliefs that nothing can start until funding has been received⁸⁵. Other good practices may also have been identified and shared and, as practices vary in the ILO's decentralized structure, some Regional Offices and Country Offices may have improved more than others.

HRD is seeking to further improve recruitment times. In December 2023, to tackle perceived knowledge gaps and to communicate good practice, HRD published an online **Development Cooperation Recruitment and Selection Toolkit**⁸⁶. This resource reinforces the need to reduce delays through its guiding principles of "advanced planning", "prepare job descriptions and advertise early", and "hiring manager commitment", especially to "respecting the timeframes provided in the toolkit". It includes a step-by-step guide to the DC recruitment and selection procedure, including recommended timeframes for each step. The envisaged timeframe from advertising to completion (not commencement in the position) is 42 to 63 days⁸⁷. **These timeframes need to be actively promoted as performance benchmarks and continuously improved.**

FIGURE 17: RECRUITMENT TIME FOR DC STAFF

Source: HRD

⁸⁵ Evans-Klock and Tegmo-Reddy found that: "In the majority of cases that we heard, nothing in recruitment started before the project document was signed and money transferred. And in these cases, there was nothing to be shown on delivery for 4 to 6 months."

⁸⁶ ILO, [Development Cooperation Recruitment and Selection Toolkit](#), Accessed 8 June 2024.

⁸⁷ Two to four weeks to advertise and four to five weeks to complete the selection process.

While working on identified weaknesses in procedural efficiency are welcome and can make a difference, to optimise efficiency, **broader procedural reviews are needed** that take a fuller view of systems and their interconnections. Such was the intention of the ILO's Business Process Review (BPR), initiated in 2016 and carried out in collaboration with McKinsey & Company. This large-scale review of the ILO's business processes was broad though its focus was more on HQ-linked transactions than on processes in the field. McKinsey trained ILO staff in the BPR team in its review methodology. Improving the responsiveness of administrative services was part of the BPR's terms of reference, and this included an assessment of the expectations and satisfaction of users of these services and identified actions for improvement.

The BPR team transformed into the **Business Innovation Unit (BIU)** which operated until June 2022 as:

 ***“An internal thought partner, providing expertise **supporting staff and managers to continuously improve the way we work** through a focus on innovation and change management, strategic problem solving and team development... We use our in-depth knowledge of the ILO and take a people-centred approach to **identifying and shaping change in processes, strategies and team dynamics.**”***

The BIU had a broad scope⁸⁸ and acted as a type of internal consultancy service to units and offices across the organization. The full extent of its work in supporting DC efficiency was unclear, but one good example was a project commissioned by the Country Offices for Algiers and Addis Ababa to review “pain points” related to DC recruitment and procurement. From December 2020 to June 2021, the BIU engaged with staff and management in the Country Offices as well as relevant stakeholders in Regional Office and HQ.

The work was detailed, closely examining processes, identifying their root causes, and setting goals and timelines for improvement. It illustrates the kind of participatory approach that is needed to address DC efficiency concerns more broadly and systemically - bringing DC practitioners together with systems designers and custodians, collecting and using evidence to analyse scope for continuous improvements to support delivery while complying with standards. **Figure 18** below summarises the findings of a “Recruitment Diagnostic: Post-mortem case study on lead time” based on data collected by HR assistants in the two countries from a sample of P and G staff recruitment exercises. It highlighted and quantified the “pain points” in the process – where the delays had blown out – providing the basis for further dialogue, analysis, and the identification of root causes. It then set out a plan for change, defining the “current state”, including existing working methods, tools, guidelines and templates, and the desired “future state”.

The BIU is now gone but their exercise in Algiers and Addis Ababa offers four valuable lessons. First, is that “you cannot improve what you do not measure”. None of the data used in this exercise were routinely collected to inform improvements in processes. Second, efficiency improvements in complex systems often need coordinated action across multiple units. The action plan this exercise produced required action and inputs not just from the HR Department, but from Regional Office units, PROGRAM, FINANCE, and Country Office Directors. Practices and rules vary from place to place, and different units and stakeholders need to be engaged to solve their unique efficiency

⁸⁸ See for example: ILO/BIU, [Featured Projects](#), Accessed 6 June 2024.

problems⁸⁹. Third, you need someone to monitor where the problems are, to initiate the review, and to facilitate it. Last, while practices and circumstances vary across the organisation, you need a way to share procedural innovations that can be emulated elsewhere.

Driving such efficiency improvements across the organization will require an approach that incorporates all these lessons. A first step, as the 2019 external audit recommended (Rec 4), is a much more rigorous approach to measuring recruitment efficiency and to improving accountability of the process owners:

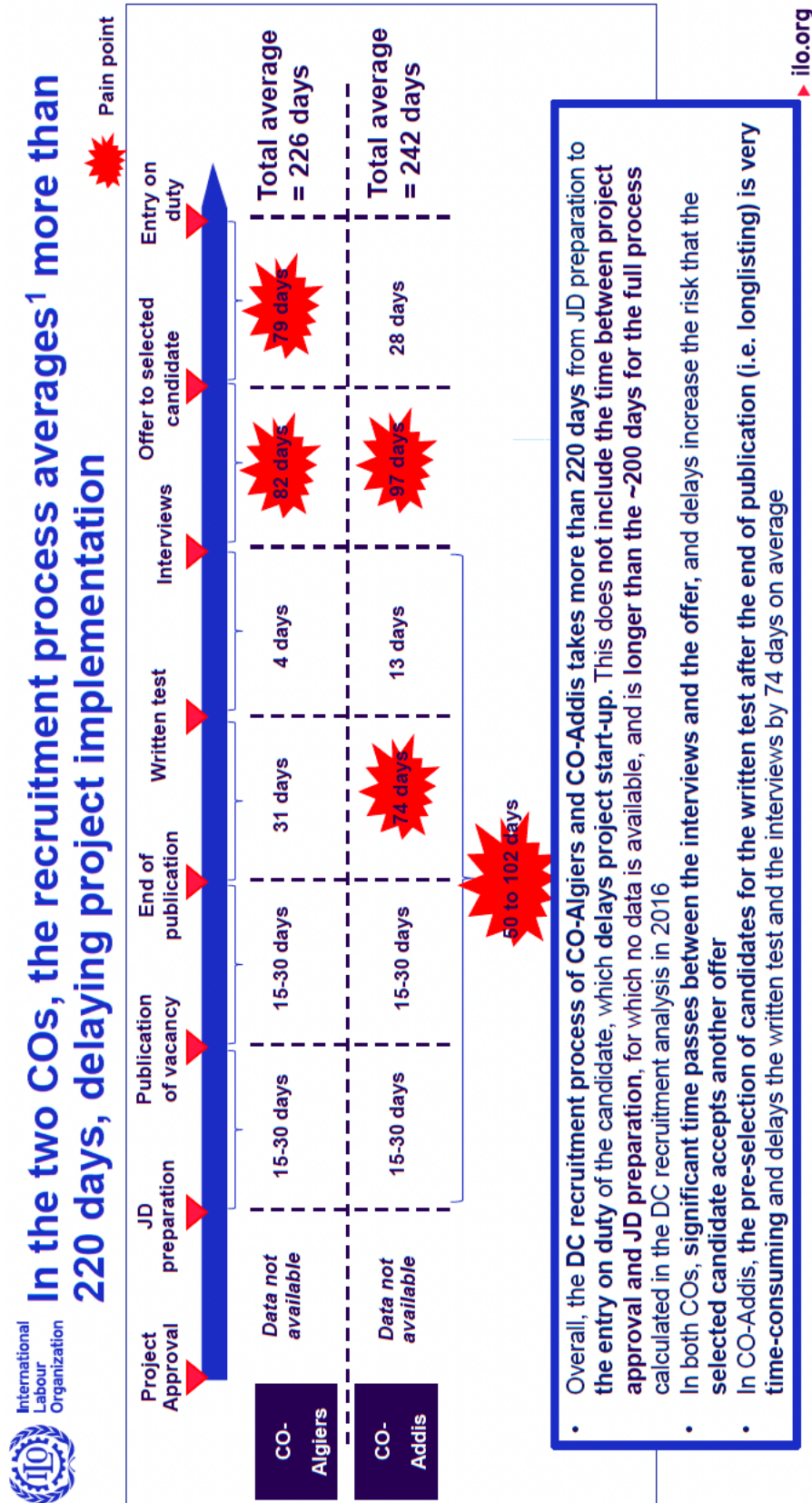


“The ILO should set clear parameters to measure efficiency, effectiveness and timeliness of the various stages of the recruitment process which include among others, setting a maximum length for each process stream, and exacting accountability on the process owners to enhance better performance monitoring of the whole recruitment and selection process”.

While HRD measures now recruitment times, “accountability on the process owners” does not seem to have been advanced, probably because it is not HRD’s job to do this. The problem is that there may not be a unit within the ILO that does have this role.

⁸⁹ The example was given where, in one location, no HR related planning meetings could be held without a representative of HR being present. In another, there was of a rule that only HR staff were allowed to write up the selection reports.

FIGURE 18: EXAMPLE OF BIU RECRUITMENT PROCESS ANALYSIS IN TWO AFRICAN COUNTRIES, 2021

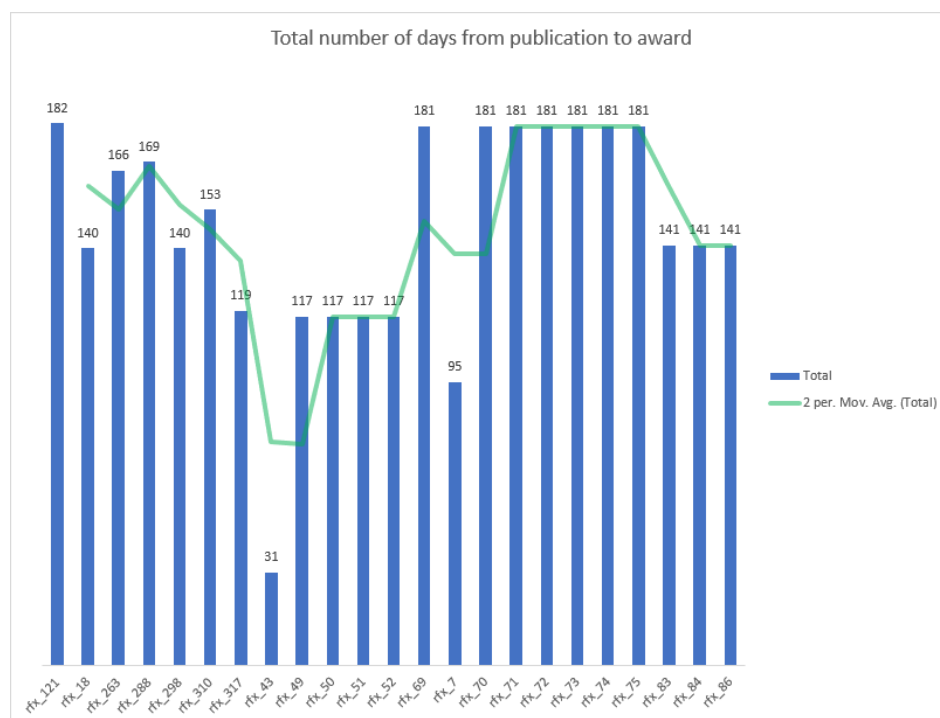


IMPROVING THE EFFICIENCY OF DC PROCUREMENT

Significant progress has been made in recent years in introducing new procurement systems and processes, and the ILO is moving towards a full digitalization. Innovations include the “Jaggaer” platform introduced to manage procurement from solicitation of proposals to awarding of contracts (for purchases over USD 50,000), and the “OPP” online submission and approval system for procurement planning. The Procurement Department has also invested time and resources into staff capacity development (through online modules, training in Jaggaer, webinars, and Communities of Practice) and outposted specialists in some locations with a direct reporting line to HQ (e.g., in Addis Ababa and Colombia). Use of Long-Term Agreements (LTAs) has improved efficiency by accelerating recurring purchases of good and services. The ILO's procurement strategy is looking to do more to streamline and benchmark services against best practice, further develop capacity in HQ and the field and continue to digitize operations, such as for contract management.

Measuring the extent to which these innovations have so far improved procurement efficiency is hampered by a lack of data. This is because Jaggaer is still being rolled out and staff are still being trained. PROCUREMENT did supply the HLE with a sample of data extracted from Jaggaer of 23 projects covering two countries (Papua New Guinea and Lebanon) running between 2022 and 2024 (see **Figure 19**). This represents a proxy available for DC project procurement and reflects the timeline from date of tender to the award date. On average, the cycle was completed in approximately **146 days or 4.9 months**⁹⁰. Some took much longer, closer to six months, while others were closer to three.

FIGURE 19: TIME TO COMPLETE PROCUREMENT – SAMPLE OF 23 PROJECTS IN PNG AND LEBANON

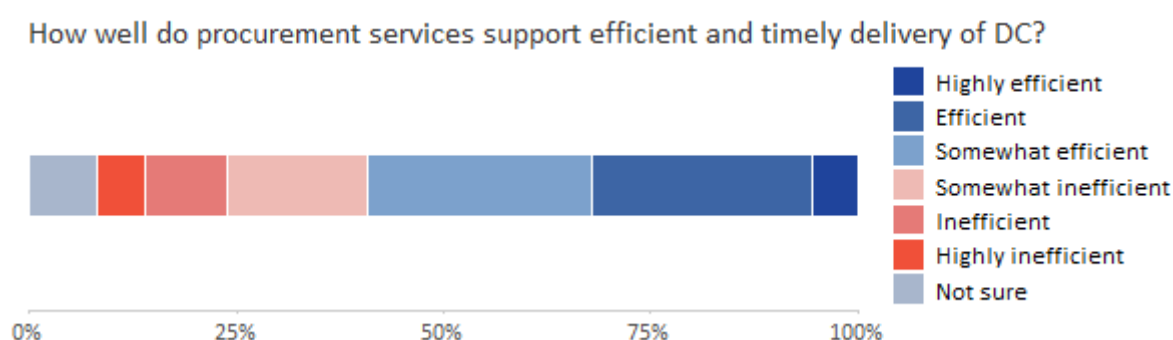


⁹⁰ These data need some context – Jaggaer was only launched in late 2021 and capacity building for both ILO staff and suppliers was still be rolled out. PROCUREMENT advised that many of the projects that took longer to complete their procurements were from early 2022 in the period when staff were still learning how to use the system. Also, both the sample countries were in difficult or fragile settings which can affect the timeline negatively.

To compare performance against a baseline, the evaluation also requested information on procurement times prior to the introduction of Jaggaer, but data was not readily available for this purpose. Previously, a paper-based system was used. PROCUREMENT advised that, based on a small sample of projects, the average timeline was **5.2 months** from date of tender to award date. This suggests that Jaggaer has at least begun to make a difference and once fully operational this trend seems likely to continue.

The HLE's surveys reinforced the view that procurement efficiency needs further improvement. 32.7 per cent of respondents rated procurement to be inefficient including 5.8 per cent rating in "highly inefficient", 10 per cent "inefficient", and 17 per cent "somewhat inefficient". Another 27.3 per cent rated it as "somewhat efficient" and 31.8 per cent as either "efficient" (26.4) or "highly efficient" (5.45). Fewer than a third of staff respondents rated recruitment as being efficient, see **Figure 20**. Constituents' perceptions were more favourable (53.1 per cent of respondents rating as "somewhat efficient", "efficient" or "highly efficient").

FIGURE 20: STAFF SURVEY QUESTION - "HOW WELL DO PROCUREMENT SERVICES SUPPORT EFFICIENT AND TIMELY DELIVERY OF DC?"



More generally, including with exercises beneath the USD 50,000 threshold, improvements in procurement are still to flow through to DC delivery in some locations. With some notable exceptions – such as countries with a large DC portfolio and more specialist procurement staff – capacity is stretched in the field. Sometimes there are project-specific procurement issues where the ILO lacks expertise. This is particularly the case with more “exotic” procurements built into projects.

The HLE found that responsiveness to the needs of DC projects working in **fragile and crisis situations** was a specific procurement pain point. From the HQ side, there was a view that ILO is simply not structured to procure goods and services in the same way as humanitarian agencies, which often need to quickly meet the survival needs of beneficiaries. Working in partnership with these agencies can make the ILO look slow and can place enormous pressure on the organisation. The ILO does have emergency provisions for waivers, but these do not seem to always solve the problems faced in the field.

In processing smaller procurement exercises, those between USD 20,000 and 50,000, the role of procurement oversight committees was highlighted as a “pain point” in some locations. In Africa, these **Local Oversight Review Committees (LORCs)** are tasked with reviewing tender documentation. Committee members have their own full-time jobs and sometimes meet only infrequently. The HLE learnt from the interviews that this had had a negative effect on the speed of procurement which adversely affected DC project performance. A review of the LORCs effectiveness is underway in Africa.

Larger programmes have been able to circumvent some of these problems. For example, global Flagship Programmes like Better Work have their own systems. PROSPECTS activities are subject to a country-level LORC process in the participating African countries, but a waiver has recently been introduced for Uganda and Kenya by appointing a project-dedicated Finance Certifying Officer. In Bangladesh, its high level of DC project funding means that it has its own resident “Local Procurement Review Committee”. This gives it greater control and was reported to work efficiently in meeting the many procurement needs of its diverse DC portfolio.⁹¹

Some interviews suggested that procurement thresholds needed to be reviewed, but others thought that, in most cases, the current rules were appropriate and could be used efficiently: *“For procurement up to USD 50,000 you need three quotes – this is not a complicated process. Maybe people are not planning well and are leaving things to the last minute.”*

Moving forward, stakeholder identified several ways DC-related procurement efficiency could be enhanced:

- ▶ Improved training for CTAs on procurement
- ▶ Analysis of procurement processes on the ground (including through data on Jaggaer), reviewing who is doing what and where skills gaps are evident.
- ▶ Closer scrutiny of projects in the appraisal stage including planned procurement to avoid known problem areas and to commence procurement planning earlier.
- ▶ Publishing performance standards for processing procurement so that DC staff can build that time into their plans.
- ▶ Using procurement to reinforce the positioning of the ILO as a leader in inclusion (gender, disability) and building this into procurement processes.
- ▶ Similarly, aligning procurement with the ILO's goals in promoting environmental sustainability, and pursuing socially responsible procurement.
- ▶ Investigating options to replace the current procurement review committee approach with a more agile virtual alternative, using panels of people who could be brought together more regularly and reliably to improve the speed and efficiency of the process.

There is potential to improve the efficiency of DC delivery through changes to staff mobility and contracting arrangements and by giving more attention to DC talent management and retention.

Lack of staff mobility across the ILO hinders the efficiency and quality of the ILO's DC work and the development and prospects of its staff. There have been many past recommendations on how improving staff mobility across the ILO would enhance and enrich its work, but stakeholders reported that not enough progress has been made.

Ten years ago, the 2014 Field Operations & Structure and Technical Cooperation Review identified facilitating staff mobility as a “crucial enabling recommendation” for the reforms its set in motion, saying that even then that this was “long overdue” and a “pre-requisite for any field reform to work” (p.10). The ILO has a clear policy in place for staff mobility⁹² and offers incentives, but senior managers consulted during the HLE believe that the potential benefits of a more mobile and agile workforce have not been realised, especially as they relate to DC. As one senior manager said:

⁹¹ As set out in IGDS 216: “When a single purchase of goods and/or services is likely to exceed the T1 ceiling but remains below the T2 threshold, informal competitive bidding to demonstrate value for money should be undertaken. This should normally involve seeking comparative prices from three or more suppliers.” (10)

⁹² ILO, [Mobility](#). Viewed 10 June 2024.

“You have two types of staff who can’t be moved around and there seems to be no capacity to adjust these rules. Why then can other UN agencies be more rapid and flexible? Other agencies face delays with hiring but can more easily move people to fill gaps, even in the short term as a transition until the long-term appointment is in place.”

The HLE’s scope did not allow the evaluation team to explore in depth the reasons why improved staff mobility remains such an elusive goal in the ILO, but we learnt that barriers include rules forbidding any mixing of DC and RB funding, contractual differences, managerial reluctance to release staff, RB staff fears that they would lose the position they “own” in HQ, and perceptions that even a temporary move from an RB role to a DC role was a retrograde step in terms of status⁹³ – a possible “career killer” if you made the wrong choice. The HLE offers no “magic wand” to address these seemingly entrenched issues but believes the issue should be revisited.

Another form of staff mobility relates to **mobility of DC staff themselves** and this also has an efficiency dimension. DC staff are fixed-term appointments (up until recently on one-year contracts, but this has been extended to two-year contracts) and while some complete their assignment and their connection with the ILO then ends, the HLE interviewed some DC staff who had been working in the ILO for as long as 20 years “on and off” with each gap (often between phases of the same project) requiring interviews, examinations, and selection interviews before they could resume – essentially as a new starter in the ILO. While ILO rightly champions good practice in hiring practices to ensure fairness and transparency, it also needs to be sensitive to the decent work deficits of precarious employment, something its own DC staff know all too well.

This also links to the broader efficiency issue of **talent management and retention**. Given the inordinate amount of time that the ILO seems to take to find talented DC staff, it seems strange that it is not more strategic in its approach to keeping them. In past DC project evaluations conducted by the HLE team, we have engaged with extremely talented CTAs with skills and experience that would add value to the ILO wherever they might work but, as their contracts near completion, they started applying for jobs elsewhere. A process to give priority consideration to identified DC staff for relevant positions elsewhere across the organizations is not beyond reach or in conflict with the principles of fairness and equal opportunity. DC talent pools and rosters - **lists of pre-assessed and endorsed candidates** that can be hired for similar positions without a new competitive process – could be a solution. As the ILO’s Human Resource Strategy 2022-2025 promotes:

“The Office seeks to ensure that it has the right people in the right place at the right time, but this is becoming an increasingly complex equation. There is a need to rethink talent management strategies in order to address these changing needs, to innovate ILO processes and refresh the skillsets in ILO teams.” (p.7)

⁹³ In some important respects, this perception of lower status is understandable given the huge gap in employment conditions between RB and DC staff and the effect this has on morale. See for example the findings of the ILO staff union’s 2022 Global survey of ILO staff.

The issue of using DC staff rosters or eligibility lists to meet DC project staffing needs in a more efficient is not new. Along with recommendations to facilitate the drafting of job descriptions and to better measure the efficiency of the entire recruitment process, the 2019 external audit included the following:

 Recommendation 6: We recommended that the ILO should develop a system of rosters/pools of pre-assessed candidates to facilitate in the attainment of a sound, timely and effective selection process.

Although the ILO responded that it would act on the other recommendations of the audit, it indicated that without modification of the ILO's current rules and regulations on recruitment and selection, it was not "in a position to implement this recommendation for all ILO vacancies". Since we are not concerned here with "all ILO vacancies", is there scope to **loosen these rules and regulations for DC recruitment**? It would make an enormous difference to the organisation and to the many ILO staff employed under precarious conditions.

Another idea that has been floated periodically as a mechanism to help fill gaps in DC staff employment – as well as to greatly accelerating the speed of project start up and possibly to facilitate staff mobility arrangements as well – is the establishment of a "DC capital fund" which could be used to get DC staff in place *before* funds were received from funding partners. This was a recommendation of the Business Process Review and while the HLE was not privy to the details of this proposal and the circumstances where it was envisaged to apply, it could in principle be a major boost to DC efficiency and timeliness. Presumably, funds could be drawn down and later reimbursed when project funds were received (provided, of course, the funding partner was amenable to such an arrangement). The Frontline review mentioned a similar idea for a pooled funding mechanism which "could provide bridging funds to give project staff some security and to reduce projects' risk of losing experienced staff" as well as enabling an accelerated project start-up.

There may be good reasons why this idea has not been implemented, but the HLE considers it to be worth re-examining to assess its technical feasibility as well as its potential risks and potential rewards. The HLE learned that, under certain circumstance, PSI can also be used pre-finance DC activities⁹⁴ though its practice is discouraged as it is deemed administratively difficult. Other creative options to fill short-term funding gaps were also mentioned (including by people responsible for compliance-related functions) including use of RBTC and RBSA. But, as one informant said, "there is a risk aversion – but you could equally ask 'how often has a funding partner signed an agreement with the ILO and not paid us?'"

IMPROVING THE EFFICIENCY OF DC FINANCIAL MANAGEMENT

An in-depth analysis of the efficiency of DC financial management was outside the HLE's Terms of Reference. Two issues were raised in the consultations that may warrant further attention.

The first is closely related to the issue discussed earlier of "no cost extensions". In line with the evaluation's finding on the need for closer monitoring of projects so that performance can be continuously improved, there is a need too for more transparency in DC project budget management. Improved information on how well budgets are developed, the extent they need to be modified, and the reasons for these modifications would provide important insights for future project design, identify DC staff training needs, and contribute to better performance monitoring.

94 See internal document: *Questions and answers on the use of PSI (Programme Support Income)*, Applying IGDS 16, June 2021.

For example, the HLE sought details of the extent that project budgets had been “re-phased” – that is, the degree that budgets had been re-allocated from one year to subsequent years due to underspending. No data was readily available to the HLE on this. Re-phasing is not a problem in itself, but it may be an indicator of other efficiency issues, such as over-ambitious project design, or any number of other issues inside or outside the ILO’s control. A 2020 external audit calculated that had it not been for re-phasing in that year, DC delivery would be calculated at only 48 per cent. This was the first year of the COVID-19 pandemic, and was therefore unusual, but the HLE was told by senior managers that “delivery rates” of 60 per cent or less are standard⁹⁵. Flexibility is important, but without stronger monitoring and accountability, there is little incentive to improve financial efficiency in DC delivery – or to get to the root causes of problems, which may relate to broader ILO administrative support systems. There may even be disincentives to be efficient – slow delivery rates and no-cost project extensions mean that staff contracts can be extended.

Some stakeholders interviewed by the HLE team were quite concerned about the issue, but others were quite relaxed, seemingly accepting it as a natural and unavoidable part of DC delivery. The ILO’s Results-based Budgeting Guide identifies the risks inherent in this:

 **“Failure to deliver means that the ILO is vulnerable to reputational risk when a project cannot complete its designed outcomes on time and within budget, making the mobilization of resources from the same and other donors more difficult.”⁹⁶**

Second, there is the issue of how **Programme Support Income** (PSI) is levied and applied. PSI is generated by charging programme support costs to extra-budgetary financial contributions in line with agreements with donors. It is allocated by the DG to support the effective delivery of DC projects and programmes.

The HLE did not examine PSI processes and allocations in any depth, but there were strong views expressed by staff involved in DC concerning these issues. Among these was the issue of how much support from HQ specialist projects were entitled to by virtue of their PSI contribution to HQ operations. Large DC projects like PROSPECTS generate a significant amount of PSI but reported that they are often asked to draw additional funds from their budgets to pay for support. With Regular Budgets under pressure, access to the ILO’s technical expertise is not guaranteed. Instead, a sort of bartering takes place where, as one informant said, “back-stopping work months have become a currency in the ILO”.

There is clearly a disconnect between the PSI that comes out of project budgets and the level of technical support that is delivered to these projects as a result. Too much is left to what deals can be negotiated by CTAs and programme managers. Access to technical support for DC is what sets the ILO apart from its competitors and a clearer policy and institutional response is needed. As one programme manager said:

 **“You can’t do something so critical in an ad hoc manner. But that is what we are doing, and it is a big risk to the ILO.”**

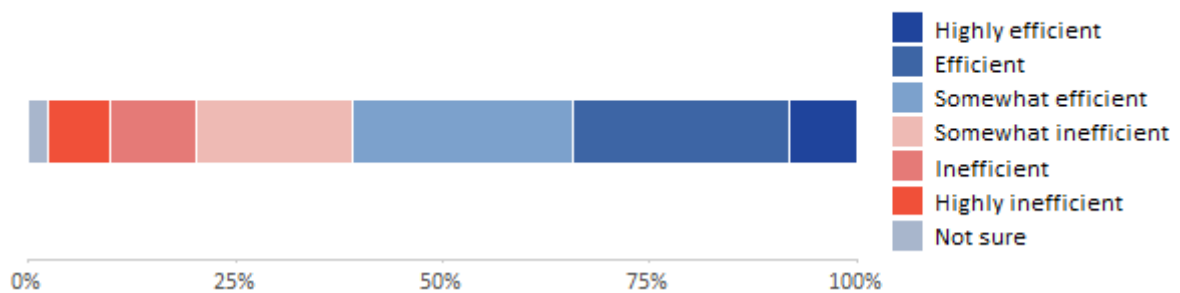
⁹⁵ A 2006 paper to the ILC (ILC 2006, Report VI) illustrates that this has been the norm for a long time: “*Constituents and donors have always seen the delivery rate... as an important indicator of the efficiency with which the Office manages its programmes... The delivery rate averages between 60 and 70 per cent each year.*”

⁹⁶ ILO. Results-based Budgeting: A guide to prepare and entering results-based budget in IRIS (ILO internal document).

More broadly, the HLE's surveys reinforced the view that financial management procedures were adversely affecting the efficient and timely delivery of DC. 36.75 per cent of respondents rated financial management procedures to be inefficient including 7.5 per cent rating in "highly inefficient", 10.2 per cent "inefficient", and 19 per cent "somewhat inefficient". Another 26.8 per cent rated it as "somewhat efficient" and 34 per cent as either "efficient" (25.9) or "highly efficient" (8.13). See **Figure 21**. Constituents' perceptions were more favourable - 62.3 per cent of respondents rating it as "somewhat efficient", "efficient" or "highly efficient".

FIGURE 21: STAFF SURVEY QUESTION - "HOW WELL DO FINANCIAL MANAGEMENT PROCEDURES

How well do financial management procedures support efficient and timely delivery of DC?



IMPACT AND SUSTAINABILITY

The Strategy mainly reaffirms existing practices rather than providing innovative guidance for future priorities and approaches. Its development lacked transparency and stakeholder engagement, leading to low staff ownership. To ensure impact and sustainability, future efforts should emphasize “what success looks like”.

The DC Strategy has contributed to several changes in the ILO's development cooperation approach. These include improvements at various scales in such areas as services to constituents, partnerships for policy coherence, partnerships for finance, and enhancements in efficiency, decent work results, and transparency. These changes have taken some time to become established and their sustainability and impact cannot be confirmed. Furthermore, many of the changes promoted by the Strategy under its four pillars were already well under way in ILO approaches before the Strategy was approved by the Governing Body. From this perspective, many ILO stakeholders expressed the view that the Strategy has made a more useful contribution as a confirmation of what ILO was already doing at various levels than as an innovative guide to future priorities, directions and approaches. Since many stakeholders across ILO feel that the current Strategy lacks a clear sense of direction and prioritisation, they often expressed disappointment with its content, effects and contribution towards eventual impact.

The ILO's DC Strategy has led to notable improvements in its operations and effects. However, to sustain and enhance these gains, the Strategy must focus on promoting innovations, ensuring transparent development processes, and establishing clear exit strategies for interventions. Future efforts should also emphasize inter-connectivity of the four pillars and address substantial deficiencies in data necessary to track long-term progress towards impacts effectively.

A THEORY OF CHANGE BASED ASSESSMENT OF PROGRESS TOWARDS LONG-TERM IMPACT UNDER THE DC STRATEGY

As discussed under **RELEVANCE**, the ILO's DC Strategy does not include a Theory of Change and the HLE has retrospectively created one to help assess the intended and actual results promoted by the Strategy (see **Figure 22**). A Theory of Change provides a foundation for assessment of performance against a set of pre-determined criteria – in this case, against the OECD-DAC Evaluation Criteria of relevance, coherence, efficiency, effectiveness, sustainability and impact (or often, progress towards impact).

These criteria distinguish between different stages of results, most particularly between outputs (which the implementer largely controls) and outcomes, which require external stakeholders to build on the outputs to deliver the next level of results. However, implementation designers are less stringent in maintaining such distinctions, often leading to an over-estimate of outcome achievements, many of which are actually outputs. The DC Strategy and its Implementation Plan and associated “deliverables” show such a tendency, which therefore needs “correction” in describing levels of achievement, which are expected to be attained.

Where an intervention has not been based on a comprehensive Theory of Change, as is the case with the DC Strategy, significant gaps are likely in the availability of performance data capable of addressing some of the DAC criteria. A prevalent weakness across development cooperation evaluation stems from the preference of implementing institutions to focus their “Results Based Management” on elements, which lie within their own control, rather than on the contribution that these results are making to broader processes at country, regional and even global level. Characteristically, detailed results attention is focussed on activities, inputs and outputs, which are all internal to the institution. Progress from outputs towards outcomes is often weakly reported, while assessment of actual or potential movement from outcomes towards impacts is rarely realistically undertaken.

An assessment of ILO RBM systems based on findings from over 200 Decent Work performance appraisals of final independent project evaluations conducted between 2019 and 2023 highlights

substantial weaknesses in results reporting.⁹⁷ It summarises that “20 per cent of ILO interventions had a complete **results framework** that allowed for regular monitoring of performance, with quantified, realistic targets linked to the project strategy, and a logical fit between indicators and outcomes. Often, while components of a results framework were established, there were discrepancies in the structure, limiting its use. Moreover, *in 20 per cent of cases, there was no evidence that a results framework existed*, or, if they had been developed, they were unreliable or irrelevant.

Related to this, there were important challenges in **monitoring and reporting frameworks**, although there was a higher proportion of successful cases compared to the previous RBM criterion, with one-third of projects having established monitoring and reporting mechanisms that were used to measure progress. The presence of dedicated Monitoring and Evaluation (M&E) officers was found to be very useful, as was the participation of trained partners on the ground, with both qualitative and quantitative data collected and analysed to assess progress and achievements of ILO interventions. In most cases, while components were established, they were not well implemented; information for monitoring and reporting on performance was missing or not identified; or findings were not always valid or reliable, due to inadequate tools and methods to monitor and measure progress. Many projects focused on monitoring activities, rather than results at the output or outcome levels, and lack of baseline data and outcome-level targets led to challenges in measuring progress. In some cases, while monitoring tools existed, the amount of time it took to develop and start implementing interventions led to monitoring plans not being implemented as planned; lack of monitoring plans or budgets sometimes led to dependence on partners to collect data. There was some evidence of improvement of intervention results monitoring systems over time, based on recommendations from mid-term evaluations or during implementation. The quality and level at which reporting took place sometimes depended on donor requirements and types of intervention funding (e.g., RBSA-funding, or “lightly earmarked” Sida funding). In 20 per cent of cases, there were no functioning mechanisms for monitoring or reporting of project achievements”.

The **Programme and Budget** provides the main system for results reporting in ILO. The HLE has not found the P&B to be very useful as a tool for evaluating the results chains to which the DC Strategy is contributing. Its main emphasis is on inputs, outputs and to a lesser extent outcomes, placed within the context of the distribution of ILO funds between functional areas and work programmes. It is not well-suited to help define and coordinate priorities within a DC Strategy or to assemble and assess data necessary to assess performance against them.

The HLE's understanding of the intentions of the DC Strategy is presented in the ToC. As the DC Strategy moves towards its final year, the HLE assessment of progress can be presented, building on its findings in the areas of efficiency and effectiveness.

LEVEL ONE – OUTPUTS

The four boxes shown as “Outputs” on **Figure 22** show the intended outputs from each Pillar of the Strategy. These must be aggregated from reporting on specific activities and DWCPs. Based on available data, Outputs for Pillars 1 and 2 appear to have produced broadly positive results, while the Outputs for Pillar 3 do not show substantial improvement and the Outputs for Pillar 4, notably in the area of results reporting and management, as well as HR and procurement, have made little progress.

LEVEL TWO – OUTCOMES

Similarly, the four boxes shown as “Outcomes” for each Pillar cover the outcomes towards which the outputs are intended to contribute. As reported above, RBM and reporting systems are weak and often focus on inputs and outputs, with less robust reporting on outcomes. These require constituents, partners and (where appropriate) beneficiaries to build upon the support by ILO and its partners to generate additional and longer-term results. While some level of outcome results

⁹⁷ ILO/EVAL. Inputs from DW performance appraisals of final independent project evaluations to the HLE on DC Strategy, 2024, p.4.

can be assessed for the Outcomes related to Pillars 1 and 2, the areas of financing partnerships and visible and sustainable results show relatively little progress.

LEVEL THREE – INTERMEDIATE STATES

This is the level at which stakeholders outside of ILO take increasing responsibility for generating results on a larger and longer-term basis. The HLE has found no convincing evidence that there has been progress at this level.

OVERVIEW OF PROGRESS TOWARDS IMPACTS OF THE DC STRATEGY

In the first place, it is essential to note that the intended overall impact could not be expected in the short period of the Strategy's implementation. However stronger progress towards intermediate states could reasonably be expected. At this point, it is important to note that the Technical Cooperation High Level Evaluation (2015)⁹⁸ reported: "The evaluation, therefore, concludes that there are currently **insufficient data to enable the impact of ILO TC to be evaluated**". Given the continuing weaknesses in ILO reporting beyond outputs, this reservation still stands.

However, it is still possible to make some assessments of progress and achievements of aspects of the DC Strategy, based on evidence from evaluation documents and many stakeholder interviews. These are the following:

- ▶ To make progress towards impacts, all four pillars need effective delivery, and they need to be well inter-connected with each other. To date, Pillar 3, partnerships for finance, which had increased substantially in the years before the Strategy, have somewhat reduced based on commencement data from the ILO's Development Cooperation Dashboard.⁹⁹ The extent to which this limit overall progress depends on how much additional finance (particularly unearmarked or loosely earmarked) ILO would like to raise and for what priorities. These aspects are not clearly defined in the Strategy, reducing the likelihood of strong progress towards impacts.
- ▶ Furthermore, Pillar 4, Efficiency, Decent Work results, and transparency aims to address a set of institutional issues, which have been discussed and assessed by numerous internal and external bodies and studies for years, or even decades. These include procurement, human resources, and the status and position of DC personnel. Many staff reported that these issues have been known and unresolved for so long that their current inclusion in the Strategy is unlikely to bring meaningful change. Given the high level of dissatisfaction on these dimensions and the prevailing opinion that they will not change, this Pillar is seen as posing a serious limitation on what the Strategy can deliver in the long run.
- ▶ An underlying defect in the Strategy concerns the manner in which it was developed and approved. The prevailing opinion among ILO internal stakeholders is that the Strategy was not developed in a transparent manner and that there was minimal communication and participation in the process. This being so, "buy in" is low, resulting in an uneven level of commitment and activity among staff. This is exacerbated by the apparent lack of involvement of staff or work units as Focal Points for the Strategy in effectively monitoring and reporting the Strategy's implementation. A few even expressed surprise to the HLE team that they had such a role, and it is reported that scheduled meetings of these key ambassadors either did not take place at all or were poorly attended. This uneven and often low level of commitment among staff suggest that long term progress will be slow and erratic.
- ▶ A final inhibiting factor on progress towards impacts is the widely distributed opinion among staff that "the ILO needs a DC Strategy, but not this one". It is felt that the Strategy does not give clear guidance on priorities and is not related in a clear way to financial requirements and allocations, still less to human resources, particularly at the country level.

⁹⁸ ILO/EVAL, Independent high-level evaluation of ILO's technical cooperation strategy, 2010–2015.

⁹⁹ **Note:** this assessment is based on the commencement data included on the DC dashboard, for projects starting 2018 – 2024. The approvals volume has increased, as stated previously in the report.

