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► Synthesis review of ILO evaluation reports on formalization interventions undertaken between 2018 and 2024 with insights on innovative approaches and lessons learned

January 2025



This review was prepared as an input into the International Labour Conference Discussion on innovative approaches to addressing informality and promoting the transition to formality for decent work. The synthesis review has undergone quality control by the ILO Evaluation Office.

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- ▶ **Synthesis review of ILO evaluation reports on formalization interventions undertaken between 2018 and 2024 with insights on innovative approaches and lessons learned**

January 2025

Preface

This report was prepared as the Evaluation Office (EVAL)'s contribution to the ILC's 2025 General Discussion on *Innovative approaches to addressing informality and promoting the transition to formality for decent work*.

The study was conducted by Dr. Magali Bonne-Moreau, independent international evaluation consultant and managed by Ja Eun Lee, Evaluation Officer at EVAL, in consultation with the AP/FORMALIZATION team. Guy Thijs, Director of EVAL, provided oversight to ensure the quality and independence of the study.

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List of Acronyms

ACI	Area of Critical Importance
ACTEMP	Bureau for Employers' Activities
ACTRAV	Bureau for Workers' Activities
CPO	Country Programme Outcome
CSO	Civil Society Organization
DWCP	Decent Work Country Programme
EVAL	ILO Evaluation Office
GCSPF	Global Coalition for Social Protection Floors
FORLAC	Formalization of the Informal Economy in Latin America and the Caribbean
FPRW	Fundamental Principles and Rights at Work
ILC	International Labour Conference
ILS	International Labour Standards
INWORK	ILO Inclusive Labour Markets, Labour Relations, and Working Conditions Branch
IOE	International Organization of Employers
IOM	International Organization for Migration
ITC/ILO	International Training Centre of the ILO
ITUC	International Trade Unions Congress
LEED	Local employment and economic development
MBO	Membership-based organization
MSME	Micro, Small and Medium Enterprises
MTPF	Multi-Partner Trust Fund
NGO	Non-governmental Organization
OSH	Occupational Safety and Health
P&B	ILO Programme and Budget
PPP	Public-Private Partnerships
PwD	Persons with Disabilities
R204	Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204)
SSE	Social and Solidarity Economy
SOCPRO	ILO Social Protection Department
TOR	Terms of Reference
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNHCR	United Nations High Commissioner for Refugees
UNSDCF	United Nations Sustainable Development Cooperation Framework
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
WORKQUALITY	ILO Conditions of Work and Equality Department

► Executive Summary

INTRODUCTION

The year 2025 marks the 10-year anniversary of Recommendation No. 204 concerning the Transition from the Informal to the Formal economy (2015), and the topic of formalization will be addressed in the General Discussion of the 113th Session of the ILC (2025). In this context, the ILO is to produce a background report on *“Innovative approaches to tackling informality and promoting transitions towards formality to promote decent work”*. The ILO Evaluation Office (EVAL) is contributing to this background report through a synthesis review of evaluation reports completed between 2018 and the first quarter of 2024, focusing on interventions that have contributed directly or indirectly to the promotion and implementation of R204. In particular, the review highlights innovative approaches, good practices and lessons identified in evaluation reports, including positive factors and challenges. The review will also contribute to the ILO follow-up Action Plan and is produced as a stand-alone report.

METHODOLOGY

This synthesis review consisted of a desk-based review of ILO project evaluations (internal and independent) focused on interventions supporting the transition to the formal economy. Using a qualitative thematic synthesis approach, the review systematically reviewed and synthesized findings from a sample of 31 evaluation reports¹ to identify key themes, patterns, and insights, to identify what is being done, what works, for whom, and why, aligning with the TOR research questions. To ensure validity, quality control, and mitigate bias, this review employed reflexivity, transparent documentation, triangulation, and peer review by EVAL and AP/Formalization, ensuring a robust and reproducible analysis process. The main constraint for the analysis was the lack of sufficient, high-quality evaluative evidence in the reports, which limited the depth at which all research questions could be answered. This limitation was addressed by slightly restructuring the report and grouping certain questions together when they addressed similar themes. Moreover, the nature of the synthesis review and the associated sampling approach may have resulted in the omission of potentially valuable insights from excluded reports. Recognizing this limitation, the findings should be viewed as reflective of the selected sample rather than an exhaustive representation of all ILO interventions during the period covered by the review.

KEY FINDINGS

ILO Portfolio and Strategy

The ILO's formalization portfolio was guided by Recommendation 204, emphasizing social dialogue, tripartism, and alignment with organizational frameworks such as the Decent Work Agenda and relevant Programme and Budget (P&B) Outcomes and Decent Work Country Programme priorities. Strategies included context-specific technical assistance, research, capacity-building and awareness-raising to support policy-level interventions, direct support of workers and enterprises, with evidence of social dialogue and the promotion of ILS to reduce decent work deficits. Projects addressed sector-specific challenges, such as agriculture, construction, domestic work, and aimed to promote productivity and decent working conditions for enterprises and workers, and to encourage their inclusion in formal work. Tailored initiatives provided vulnerable groups with the skills and confidence to engage with formal systems and to encourage their access to formal employment.

¹ While the initial sample size was planned to be 30 evaluation reports, an additional report was added during the drafting stage, at the request of AP/FORMALIZATION.

▶ ILO interventions employed evidence-based strategies rooted in past lessons, global frameworks, and diagnostic studies. Intervention models emphasized enabling environments, empowering informal workers, and reducing decent work deficits through legislative reforms, capacity-building, and direct beneficiary engagement, including through advocacy work. Many projects integrated multi-dimensional approaches to achieve this, and there was evidence of complementarities across projects and with partner UN agencies to ensure coherence and leverage synergies. The importance of quality evidence and the strategic dissemination of findings was a recurring positive element, strengthening policy influence and replication in different contexts.

The COVID-19 pandemic underscored the need for enhanced occupational safety and health (OSH) and social protection measures, particularly for informal workers, and influenced the design and implementation of formalization efforts, prompting adaptations such as the development and use of virtual tools, remote working modalities and targeted projects addressing employment deficits and economic recovery. There were numerous examples of interventions obtaining no-cost extensions to address the specific implementation and logistical challenges due to COVID-19 restrictions.

Common strategies used in ILO projects included adapting capacity-building tools to varied contexts, integrating multi-stakeholder approaches, and employing ILO-established methodologies. These strategies were repeated due to their alignment with tripartism principles, scalability, and effectiveness in addressing context-specific challenges. Adaptive design, informed by Recommendation 204, ensured relevance and sustainability across diverse socio-political and economic conditions. However, while some projects introduced novel elements or adapted strategies in unique ways, there were relatively few instances of fundamentally innovative approaches.

Cross-sectoral synergies and internal coordination

Formalization interventions demonstrated synergies with other ILO areas of work, leveraging collaboration to align objectives and optimize resources. These synergies often involved close coordination between ILO departments, including SOCPRO, WORKQUALITY/INWORK, LABADMIN/ OSH, ENTERPRISES, ACTRAV and ACTEMP, and external partners, ensuring comprehensive approaches to addressing decent work deficits. There was evidence of collaboration and coordination at the country and regional levels, as well as cross-sectoral collaboration.

Good practices included embedding projects within established programmes (e.g., Better Work, Vision Zero Fund) to ensure alignment and sustainability of formalization efforts with improvements in occupational safety and health and social protection systems. Defining roles and identifying complementarities among project partners fostered smooth implementation. Engaging grassroots-level third parties enhanced advocacy and ownership among target communities.

By aligning formalization efforts with broader ILO strategies, leveraging partnerships, and addressing operational gaps, synergies have proven vital in optimizing resources and enhancing project impact. ILO projects tended to use traditional models of collaboration, reflecting a possible need for more creative and adaptable approaches in fostering partnerships.

Key Stakeholders and Strategic Partnerships

Governments, workers' organizations, employers' organizations, business associations, and Civil Society Organizations (CSOs) led formalization efforts, often in partnership with UN agencies and donors. The ILO played a pivotal role as a convener and facilitator, ensuring cooperation among stakeholders through its tripartite structure and social dialogue mechanisms. Leadership responsibilities often varied, with governments driving policy-level reforms, workers' organizations advocating for workers, and employers engaging in business-related reforms. International brands

and the private sector also played a role, through engagement with ILO projects in networks, working groups and trainings, and through public-private partnerships.

Formalization interventions frequently used inclusive, participatory governance structures, such as Steering Committees, multi-stakeholder task forces, and tripartite working groups, to promote collaboration and streamline implementation. These mechanisms aligned efforts across ministries, social partners, and other stakeholders, facilitating knowledge-sharing and joint decision-making. For example, technical working groups enhanced sector-specific collaboration, while partnerships with UN agencies and other multilateral organizations expanded project reach.

Stakeholder engagement at all stages of project cycles, from planning to implementation, ensured tailored interventions that reflected local needs. Good practices included involving local administrations with established community connections, embedding research systems in ministries, and organizing multi-stakeholder consultations to foster consensus and promote evidence-based policymaking. The use of “tripartite-plus” platforms further extended representation to actors unable to participate directly, enhancing inclusivity and advocacy.

Innovative approaches such as the use of digital tools, participatory methodologies, and creative advocacy have strengthened the organization and representation of informal workers and economic units. Workers’ membership-based organizations (MBOs), supported through training and capacity-building, played a pivotal role in fostering collective bargaining, legal support, and advocacy, particularly for marginalized groups like women, youth, and migrant workers. Examples include mobile theatre performances in Central Asia to increase union membership and the creation of cooperatives in Türkiye that provided women with decent work opportunities.

Employers’ and workers’ organizations expanded their reach through partnerships with CSOs, participatory frameworks, and sector-specific initiatives. Training programmes for leaders of MBOs enhanced advocacy capacities, while projects such as those in Central America strengthened relationships between informal workers and formal institutions by promoting collective bargaining and legal rights. Outreach and legal support in areas with high informality increased union visibility and membership, while cooperatives and alternative organizations provided critical services to workers outside formal structures.

A good practice noted in several evaluation reports was the use of ICT for capacity-building, advocacy and knowledge dissemination to wide audiences, as well as for expanding services to beneficiaries. Digital platforms supported financial inclusion and enhanced the visibility of informal workers, as seen in South Asia, where home-based workers were unionized, enrolled in health schemes, and included in labour statistics for the first time. These tools also facilitated outreach during the COVID-19 pandemic, enabling virtual associations and trade shows such as in the Pacific Islands.

Impact on Decent Work Deficits

There were numerous examples of potential impact towards reducing decent work deficits, enhancing productivity and realizing Fundamental Principles and Rights at Work in the reports reviewed. Projects integrating participatory, tripartite social dialogue approaches with awareness-raising components were particularly effective, as they improved relationships between key stakeholders, including governments, employers and workers’ organizations, as well as CSOs and targeted beneficiaries. These interventions also supported broader policy development and created an enabling environment for formalization. Evaluation reports frequently highlighted the effectiveness of capacity-building initiatives, advocacy campaigns and the use of evidence-based research in reducing decent work deficits. The effectiveness of ILO training programmes and advocacy in changing workplace practices and advancing labour protections was often highlighted.

Multi-faceted interventions were particularly effective: these combined policy support, knowledge development, capacity-building, with context or sector-specific strategies. There were several key impact areas identified in reports: social protection; labour inspection, OSH and FPRW; and Productivity, enterprise development and entrepreneurship.

- ▶ Linking formalization efforts to social protection systems was reported to be a successful mechanism for ensuring the long-term sustainability of formalization. Social protection systems played a critical role in enabling formalization and reducing decent work deficits, with several interventions promoting portable benefits or strengthening social safety nets. Extending social security benefits helped reduce vulnerabilities and provided concrete benefits to workers, making formalization more attractive. Vulnerable workers, such as migrant workers, home-based workers and workers in the garment sectors were able to have safer working conditions and fair wages.
- ▶ Projects addressed key areas related to decent work deficits, aiming to promote equal opportunities and treatment in employment, elimination of forced labour, including child labour, freedom of association and collective bargaining, and the promotion of equality and non-discrimination. Interventions focused on different elements, such as lack of social protection, unsafe working conditions, unfair wages, and non-discrimination, among others.
- ▶ Fostering productivity by supporting enterprise growth and enhancing skills for entrepreneurship was a key area of action to reduce decent work deficits, especially when targeting young people.

Inclusion and Equity

Evaluations indicated that women, youth, migrants, and workers in high-informality sectors often benefited significantly from targeted formalization interventions, particularly when strategies addressed their unique challenges. Gender was frequently integrated as a cross-cutting issue, leading to gender-sensitive public policies, financial literacy programmes, and entrepreneurship initiatives. However, marginalized groups like persons with disabilities (PwDs), invisible workers, and children were frequently underserved, as interventions lacked tailored strategies to meet their needs.

Labour migrants and refugees benefited from interventions promoting access to social protection, OSH, and safer migration services, although systemic barriers like irregular migratory status hindered inclusivity. Youth-focused projects addressed vulnerabilities exacerbated by the COVID-19 pandemic, emphasizing the importance of tailored interventions, particularly in Africa and Latin America. Some interventions failed to meet inclusivity goals due to limited contextual analysis and cultural norms, as seen in Egypt.

PwDs were inconsistently targeted. While some interventions, like Nepal's adaptation of Cambodia's Disability Management Information System, demonstrated progress, many evaluations noted missed opportunities to address the specific challenges faced by PwDs. Child labour was addressed in Iraq, with children referred to local services, but the LGBTI+ community was scarcely considered.

Recommendations emphasized the importance of conducting context-specific analyses to identify and address barriers faced by marginalized groups. Gender-sensitive approaches, stakeholder mapping, and participatory planning were essential to designing inclusive interventions. The need to integrate intersectional approaches, disaggregated data monitoring, and capacity-building to address systemic barriers was highlighted, as was the fact that tailored communication strategies and awareness campaigns are critical to engaging hard-to-reach groups.

Legal and policy reforms, coupled with capacity-building of marginalized groups, were found to effectively address inequities. Support for disability identification systems, targeted outreach, and adaptation of infrastructure for PwDs were highlighted as good practices for ensuring equity in formalization interventions.

Success Drivers and Key Barriers to formalization

Several success drivers for formalization interventions were highlighted in evaluation reports. Strong governance, institutional capacity, and cross-sectoral collaboration, particularly through tripartite mechanisms, were central to success. Projects that aligned with national priorities, leveraged enabling environments and promoted active stakeholder participation and relations of trust, achieved sustainable outcomes. Effective interventions used evidence-based approaches, integrating social dialogue and capacity-building to address systemic barriers and promote inclusivity.

Key mechanisms included linking formalization efforts to social protection systems, which provided tangible benefits such as safer working conditions and fair wages, making formalization more attractive to workers and enterprises. Simplified and streamlined processes, combined with tailored capacity-building for stakeholders and beneficiaries, facilitated engagement with formal systems and fostered ownership of project outcomes.

Multi-dimensional approaches addressing legislative reform and direct support to beneficiary groups were particularly effective in reducing decent work deficits and advancing formalization. Flexibility in design and implementation allowed projects to adapt to challenges such as the COVID-19 pandemic and socio-political crises, ensuring continuity and relevance.

The use of virtual tools and digitalization supported advocacy, training, and service delivery during disruptions, while inclusive strategies—like gender-sensitive design and targeted support for marginalized groups—enhanced equity. Close relationships with grassroots structures and leveraging ILO's comparative advantage as a facilitator of social dialogue further reinforced the effectiveness and sustainability of these initiatives.

Finally, strong technical support, streamlined internal processes, and well-defined inter-agency collaboration enhanced efficiency. Clarity in roles and responsibilities, along with complementary mandates of partners, contributed to synergies, while incorporating lessons learned from past projects, and pilot phases maximized scalability and impact.

Key challenges faced by ILO interventions included political instability, poor governance, weak institutional capacity, and cultural resistance. Social protection expansion encountered structural and cultural barriers. Limited awareness and fears of regulatory burdens among workers and employers also constrained progress. Although digital solutions were reported to bring about positive changes in many cases, they often failed in low-connectivity regions, highlighting the need for alternative approaches. Poor project design, limited stakeholder engagement, and misaligned goals further hindered progress, while external shocks like COVID-19 exacerbated delays and exposed gaps in digital readiness and resource allocations.

While most projects relied on established approaches and methodologies tailored to specific contexts, a few incorporated innovative elements, such as participatory methodologies and digital tools, which showcased potential for broader application. Key lessons highlighted the need for pilot phases with adaptable designs, scalability considerations, and sufficient time and resources to embed successful approaches within institutions.

► 1. Introduction: Purpose and scope of the synthesis review

The year 2025 marks the 10-year anniversary of Recommendation No. 204 (R204) concerning the Transition from the Informal to the Formal economy (2015). The topic of formalization will be addressed in the General Discussion of the 113th Session of the ILC (2025). In this context, the ILO is to produce a background report on “Innovative approaches to tackling informality and promoting transitions towards formality to promote decent work”, to provide evidence to support discussions, namely through the identification of innovative approaches and good practices in promoting formalization and reducing decent work deficits in the informal economy.

The ILO Evaluation Office (EVAL) is contributing to this background report through a synthesis review of project evaluation reports completed between 2018 and the first quarter of 2024, focusing on interventions that have contributed directly or indirectly to the promotion and implementation of R204. The review will also contribute to the ILO follow-up Action Plan and be produced as a stand-alone report. In particular, the review focuses on good practices and innovative approaches identified in evaluation reports and lessons addressing informality and their impacts on reducing decent work deficits, as well positive factors and challenges found in ILO interventions.



2. Methodology

This synthesis review consisted of a desk-based review of ILO final project evaluations (internal and independent) focused on interventions supporting the transition to the formal economy. Using a qualitative thematic synthesis approach, the review systematically reviewed and synthesized findings from evaluation reports to identify key themes, patterns, and insights, to identify what is being done, what works, for whom, and under what conditions, aligning with the TOR research questions.

The methodology involved several key steps, as described below:

SEARCH STRATEGY AND INITIAL SELECTION

An initial pool of 158 evaluation reports was identified by EVAL based on a search on i-eval Discovery, the ILO's online database of evaluations. AP/FORMALIZATION assessed these based on predefined levels of relevance to formalization²:

Very high: the main evaluative focus is about formalization

High: Formalization is not a direct subject, but the report reviewed multiple formalization components.

Medium: Just one of the formalization components is reviewed in the report.

Low: Almost no relation with formalization.

Reports were further categorized by AP/FORMALIZATION based on their intervention focus: Employment Formalization, Enterprise Formalization, Both, Not Applicable (NA).

FINAL SAMPLE SELECTION AND INCLUSION/EXCLUSION CRITERIA

A purposive sampling approach was employed to guide the final selection of 30 evaluation reports. Initial steps included removing duplicates and replacing mid-term evaluations by final evaluations when these were available. A filter was applied to exclude (a) reports outside of the time frame defined in the TOR (2018-2024 Q1); (b) mid-term evaluations – as these were less likely to contain comprehensive and robust findings related to outcomes and good practices (and as requested in the TOR); and (c) reports with “low” and “medium” formalization relevance. This resulted in 50 evaluation reports.

The majority³ of the final evaluation reports rated as having “Very high” formalization relevance was selected to ensure that the more relevant evaluative evidence was included. In cases where there were multiple evaluations for different phases of the same project or similar projects in the same country, the most recent final evaluation was selected. This led to the exclusion of one report rated as having “Very high” relevance, to avoid redundancy and ensure that the most up-to-date and complete evidence was included. This led to the inclusion of 13 reports.

² Definitions were provided by AP/FORMALIZATION

³ Two final evaluation reports focusing on safe, healthy and declared work in Ukraine were rated as having very high relevance. The most recent report was selected.

To finalize the selection of the 17 remaining reports, regional representation⁴ was considered, to ensure a balanced geographical distribution of projects, including interregional interventions, to capture context-specific and regional insights. This distribution was based on the proportion of projects linked to each region in the initial list of evaluation reports, and was mindful of the intervention focus. To ensure the relevance and quality of the reports associated with each region, selection was based on defined inclusion and exclusion criteria, which focused on thematic relevance and content, such as alignment with the objectives of R.204, addressing decent work deficits, and adequacy of evaluative data (see Table 1 below). Reports that met the inclusion criteria were shortlisted, while those that did not were excluded⁵.

TABLE 1. INCLUSION AND EXCLUSION CRITERIA TO GUIDE THE FINAL SELECTION OF REPORTS

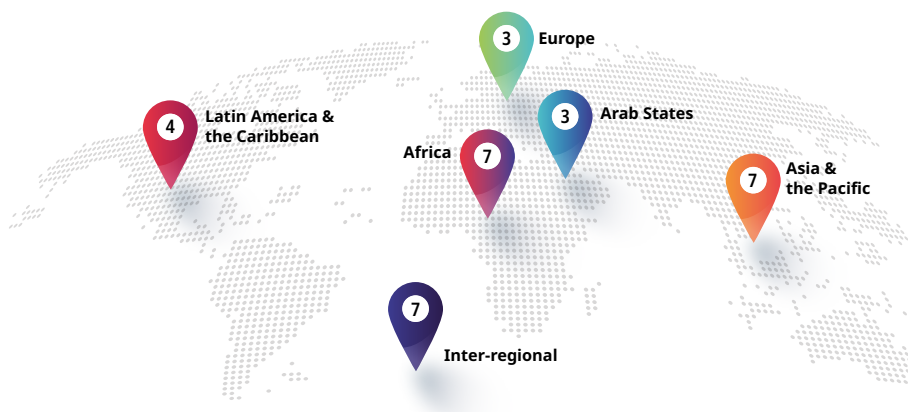
Inclusion	Possible inclusion or exclusion	Exclusion
▶ Formalization of the informal economy (or one of the three channels: (1) creating decent jobs and sustainable enterprises in the formal economy; (2) transitioning workers and enterprises from the informal to the formal economy; (3) preventing the informalization of jobs) is a stated objective. ▶ Measures towards formalization of the informal economy are not a stated objective but are explicitly described in the project strategy. ▶ Reduction of decent work deficits in the informal economy is a stated objective or is explicitly described in the project strategy. ▶ “Transition towards the formal economy” or “Formalization of the informal economy” (or one of the three objectives of R.204) is mentioned as one of the direct or indirect achievements. ▶ Reduction of decent work deficit in the informal economy is mentioned as a direct or indirect achievement. ▶ The report provides relevant and adequate information on aspects related to the formalization of the informal economy or the reduction of decent work deficits in the informal economy.	▶ The introduction or promotion of social protection floors / extension of social security / labour protection / OSH / collective bargaining to informal workers is a stated objective. ▶ The report provides some highly relevant information on aspects related to formalization of the informal economy and/ or on the reduction of the decent work deficit in the informal economy, even if there are limited or no substantive lessons learned or good practices. ▶ The report is based on a joint evaluation and there is some attribution to the ILO’s work. ▶ Several reports cover similar work done in the same country and on similar thematic areas.	▶ Formalization of the informal economy / reduction of decent work deficits for informal workers was not addressed in the project. ▶ The report doesn’t provide relevant/ sufficient information on aspects related to the formalization and the reduction of decent work deficits in the informal economy ▶ Conclusions / recommendations from the report note that aspects of the transition from the informal to the formal economy should have been considered, but do not provide an in-depth discussion or recommendations of how these could have been addressed.

⁴ This sampling strategy prioritizes regional distribution, which inherently encompasses language representation, as it ensures a balanced geographical coverage of projects while accommodating the diverse languages in which reports may be written. Five out of the seven reports from Africa are in French, and all the reports from the Americas are in Spanish.

⁵ Following the dissemination of the draft report for stakeholder feedback, AP/FORMALIZATION requested that a mid-term evaluation report be included in the sample, as they believed that it contained useful elements for this review. This request was accommodated and the “Social dialogue for formalization and employability in the Southern Neighbourhood Region (SOLIFEM) Internal midterm evaluation” was added to the sample.

The regional distribution of the 31 reports is provided in Figure 1 below:

FIGURE 1. REGIONAL DISTRIBUTION OF INTERVENTIONS COVERED BY EVALUATION REPORTS (N=31)



CONTENT ANALYSIS

A rapid content analysis was conducted using the inclusion/exclusion criteria above, focusing on data completeness and evaluative rigour, as well as relevance to the research questions (see Table 2). The thematic focus and type of interventions were considered to refine the selection as needed, and to ensure representativeness. This ensures that different themes related to direct and indirect work promoting formalization of enterprises and workers and/or reduction of decent work deficits in the informal economy are included in the synthesis review, and that a variety of intervention types and approaches are covered, for a comprehensive synthesis of strategies. In this way, only good quality reports providing sufficient substantive evidence and insights were included in the final section, thus ensuring the reliability and integrity of the review. The selection was cross-referenced with the Quality Assessment ratings of evaluation reports when these were provided by EVAL. This provided additional validation that the selected reports offered a solid basis to address the synthesis research questions.

CODING FRAMEWORK

A coding framework aligned with the research questions was developed and applied using an Excel spreadsheet to systematically extract and categorize information on key findings, trends, recurrent themes, lessons learned, and good practices across the evaluations. This framework facilitated consistency and transparency in data extraction and maintained alignment with the TOR objectives.

THEMATIC SYNTHESIS AND ANALYSIS

An in-depth thematic analysis was conducted, focusing on qualitative evidence in the evaluation reports, to synthesize findings aligned with the revised research questions and TOR objectives. This analysis aimed to be comprehensive and grounded in evidence from the reports. To the extent possible, it highlighted how ILO interventions on formalization, both direct and indirect, impact different contexts, identifying innovative approaches, good practice and lessons learned, success factors, barriers and inclusivity aspects for vulnerable groups.

DRAFTING THE REPORT

The synthesis report drew from the research questions to describe and analyze the main trends regarding ILO's work towards formalization of the informal economy, identified through the review of evaluation findings, recommendations, good practices and lessons learned. While all TOR questions were addressed in the report, some questions were grouped differently or integrated under broader headings to ensure clarity and avoid redundancy. This approach was adopted to enhance the coherence and logical flow of the report, while still fully covering the required content. The final research questions are presented in Table 2 below.

TABLE 2. MAIN RESEARCH QUESTIONS BY CATEGORY

ILO portfolio and Strategy	▶ How does the ILO's portfolio on formalization define its approaches, methods, and points of intervention? ▶ What strategies, theories of change, or frameworks underpin ILO interventions on formalization? Are some of these commonly implemented within ILO projects, and if so, what factors contribute to their repeated use?
Cross-sectoral synergies and internal coordination	▶ What are the positive synergies between formalization interventions and other ILO areas of work? ▶ Are there obstacles or challenges in achieving cross-sectoral synergies, and how can they be addressed?
Key Stakeholders and Strategic Partnerships	▶ Who leads the transition to formality? ▶ What integrated interventions and coordination mechanisms between ministries, institutional actors, and social partners are in place? ▶ How do projects engage with multilateral partners? Are there innovative models of collaboration that could serve as a blueprint for engagement? ▶ Have innovative approaches and good practices been identified in relation to supporting organization and representation of workers and economic units in the informal economy notably through their membership-based organizations? ▶ To what extent, and in what ways, do employers' and workers' organizations strengthen their relationships with workers, enterprises, and organizations in the informal economy, and, where appropriate, expand their membership and services to these groups?
Impact on Decent Work Deficits	▶ What are the varying impacts of formalization projects on reducing decent work deficits, increasing productivity and realizing Fundamental Principles and Rights at Work, both as a result of formalization and as an enabling condition that facilitates transition to formality? ▶ Which interventions have the most significant impact in terms of reduction of decent work deficits such as social protection, labour protection (including labour income), Occupational Safety and Health, and collective bargaining?
Inclusion and Equity	▶ Are certain groups (e.g., women, youth, migrant workers, persons with disabilities) benefiting more/less from formalization interventions than others? ▶ How can interventions be tailored to ensure inclusivity and equitable benefits?
Success Drivers for effective results	▶ What key success factors or mechanisms have contributed to the effectiveness of formalization interventions? ▶ Under what conditions do formalization-related interventions most successfully tackle decent work deficits?
Key challenges and barriers to formalization	▶ What challenges, barriers, or negative lessons related to formalization interventions have been identified in evaluation reports, and what specific factors have contributed to these challenges?

ADDRESSING BIAS AND ENSURING VALIDITY

To address the risk of bias and ensure validity and quality control in this qualitative work, several strategies were employed. Reflexivity was practiced throughout, with ongoing reflection on personal assumptions and potential biases. A transparent documentation process was maintained to ensure consistency and clarity in coding and interpretation decisions. In particular, the methods used in this review are presented in an explicit, transparent, and reproducible manner, and any modifications to the selection criteria are described and justified. Triangulation of findings across different evaluation reports was used to confirm patterns and themes, reducing the risk of over-reliance on any single source. Drawing from EVAL's Ex-post Quality Assessments of evaluation reports further strengthened the selection process and analysis. Additionally, consultations with EVAL, as relevant, and peer review in the form of comments on the inception report and the draft report by EVAL and AP/FORMALIZATION provided an external check, further enhancing the credibility and balance of the analysis.

LIMITATIONS

Taking a sampling approach to the selection of evaluation reports inherently means that not all ILO work produced during the specified timeframe is included in this synthesis review. While efforts were made to ensure a representative and balanced sample, certain reports, including mid-term evaluations, were excluded based on predefined criteria, such as prioritizing final evaluations to focus on lessons learned and good practices. This approach, while necessary to ensure a manageable and focused review process, may have resulted in the omission of potentially valuable insights from excluded reports. To mitigate for this, the author agreed to include a mid-term evaluation report deemed to be important in terms of organizational learning by the AP/FORMALIZATION team during the drafting stage. Nevertheless, recognizing this overall limitation of synthesis reviews, the findings should be viewed as reflective of the evidence in the selected sample rather than an exhaustive representation of all ILO interventions on formalization during the timeframe covered by the review.

The main constraint for the analysis was the lack of sufficient, high-quality evaluative evidence in the reports, which limited the depth at which all research questions could be answered. This was not due to the quality of the evaluation reports, but rather their nature, which focused on OECD/DAC criteria, in line with ILO EVAL's Evaluation Policy, and did not fully address some of the elements in the initial research questions. This limitation was addressed by slightly restructuring the report and grouping certain questions together when they addressed similar themes. To avoid redundancy, consolidated good practices from reports were included throughout the report, and linked to topics of the review.

3. Key findings

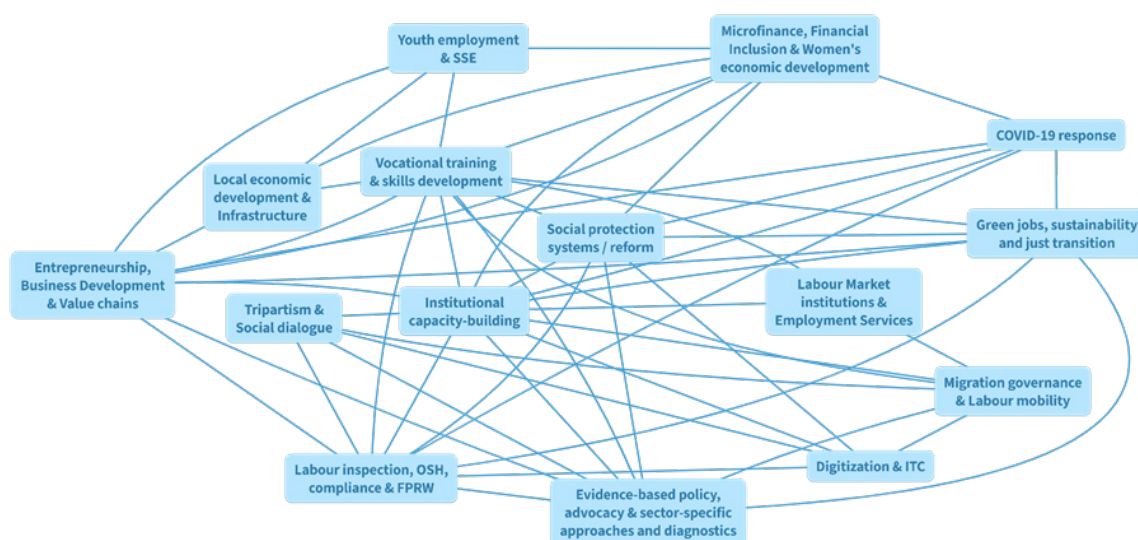
ILO PORTFOLIO AND STRATEGY

The ILO's portfolio on formalization drew from relevant ILO frameworks and evolving priorities to define its approaches and points of intervention, including technical assistance, research, studies and assessments to inform policy and decision-making, and capacity building of key stakeholders, with an emphasis on social dialogue and tripartism. Some evaluations referred to the core objectives of the Area of Critical Importance (ACI) on informality, to P&B Outcome 6 related to formalization of the informal economy, to Recommendation 204 and other relevant P&B Outcomes⁶ as well as to the ILO Centenary Declaration. Many reports provided evidence of alignment with Decent Work Country Programme (DWCP) Priorities and specific Country Programme Outcomes (CPOs), as well as national and regional priorities and strategies, such as FORLAC⁷ and the Abidjan Declaration, and UN frameworks, such as UNSDCF and links to specific Sustainable Development Goals.

The multi-dimensional character of ILO projects to tackle the specificities of informal work and to address decent work deficits in an integrated manner was highlighted in reports.

Intervention strategies and models of interventions often took a multi-faceted approach that integrated policy reforms, direct support to workers and economic units, and context-specific strategies to address barriers to informality, as mapped in Figure 2. Mapping of interlinkages between different ILO approaches to promote formalization and reduce decent work deficits, based on evaluation reports⁸.

FIGURE 2. MAPPING OF INTERLINKAGES BETWEEN DIFFERENT ILO APPROACHES TO PROMOTE FORMALIZATION AND REDUCE DECENT WORK DEFICITS, BASED ON EVALUATION REPORTS



6 The specific P&B Outcomes varied by biennium

7 Formalization of the Informal Economy in Latin America and the Caribbean.

8 This mapping reflects available evaluation data, but some linkages may not be explicitly captured due to evolving objectives, external factors, or shifts in approaches between design and implementation. It should be seen as a structured but flexible overview rather than a fixed classification of strategies.

The ILO's portfolio incorporated elements of three key pillars to promote formalization and decent work: (a) political commitment and good governance built on evidence; (b) reducing decent work deficits in the informal economy; and (c) structural transformation, sectoral policies and productivity; many initiatives addressed several of these elements. Specific approaches and entry points to facilitate the transition to formalization were often developed based on previous phases, lessons from other projects, or using research evidence and diagnostic assessments, with inputs from constituent groups and other actors, ensuring inclusive and adaptive strategies aligned with R.204. There was extensive evidence of complementarities identified with other ILO activities and projects at the design stage, contributing to strong alignment with existing work of ILO, as well as inputs from projects to wider strategies (e.g. E30). In one case, an ILO programme aimed to contribute to the development of initiatives already prioritized by the authorities (E8). In Mongolia, tripartite constituents reported that ILO allowed them to learn from international experience and best practices in addressing the challenging issues of the social protection, OSH and labour dispute resolution system in the informal economy (E15).

Successful projects implemented tailor-made intervention strategies which combined analytical and technical support with a variety of capacity development activities, ranging from technical consultations, working group meetings, seminars, national, regional and international trainings and study visits, supplemented by advocacy and awareness-raising measures, targeting and bringing together different actors. Sharing information and dissemination of research findings was an important element leading to effective results.

A key intervention strategy involved strengthening policy frameworks to create more accessible pathways for the transition to formality, with an important focus on evidence and social dialogue to support decision-making. The design of the "Improving Synergies Between Social Protection and Public Finance Management" (SP&PFM) Programme was based on extensive analysis of the social protection context at the global level, drawing from international studies and lessons learned from previous interventions and findings from the 2017 High-level Independent evaluation of the ILO's work in the field of social protection, while design of national projects was also informed by relevant national policies (E28). The SOLIFEM project was conceived as a regional project to address social dialogue and informality in various countries and took a sector approach for tripartite diagnostics in transitioning to formality, which was reported to be a departure from conventional ILO interventions. This approach was found to be highly relevant, as the issue of formalization offered benefits to all involved parties, and sector-specific dialogues were promoted without becoming over-politicized, leading to enhanced collaboration with sector-specific organizations and improved coordination with national ILO constituents, identifying common sectors across project countries (E31). These examples also highlight the importance of institutional coordination for facilitating formalization processes.

A core strength of ILO interventions was related to capacity-building and awareness-raising at different levels. Building constituent capacities to generate and use evidence for policy formulation was found to be effective in several reports. For example, in Pakistan, the ILO's Labour Standards in Global Supply Chains (LSGSC) project adopted a policy-focused approach, where research findings were used by stakeholders to inform legal and regulatory reforms on minimum wages and collective bargaining (E20).

The legal and regulatory frameworks that underpinned certain projects were designed to reduce barriers and simplify the process for informal workers and businesses to enter the formal economy, while promoting incentives for formalization. Several projects supported national social security schemes to strengthen their services and extending their social security coverage, including to workers in the informal economy and their families, while promoting the application of ILS (E17, E19, E20). Some project strategies aimed to improve working and living conditions of workers and economic units in the informal economy by giving them a voice in the processes that affect them strategies, by fostering organization among informal workers. Other approaches aimed to strengthen labour inspection systems, create awareness around OSH and FPRW, and promote formalization through employment contracts, or by simplifying business registration procedures for micro and small enterprises.

There was evidence of policy-level work combined with measures targeting specific target groups and sectors, with sector-specific strategies in agriculture, construction and domestic and care work, among others, to address the unique challenges of formalization in these areas. In a context of macroeconomic and political instability in Zimbabwe, the Green enterPRIZE project deliberately avoided policy-level work. Instead, it focused on supporting market actors to create green and decent jobs through sustainable enterprise development, demonstrating flexibility in adapting to specific contexts (E3). Other projects promoted vocational and skills training, enhanced employment opportunities, including through Employment Intensive Investment Programme (EIIP) approaches. In Egypt, a project aimed to increase productive employment, business creation and decent work opportunities for young people; this was to be achieved through strengthening national institutions for SME development, and by promoting local employment and economic development (LEED) in specific governorates through capacity-building and awareness-raising (E7).

FIGURE 3. KEY APPROACHES TO SUPPORT THE TRANSITION TO FORMALITY

Policy-level interventions	Direct support strategies	Context-specific approaches
Strengthening legal and regulatory frameworks	Capacity-building and awareness-raising	Adaptation to political and economic contexts
Institutional coordination and multi-stakeholder engagement	Sectoral and value chain-based approaches	Knowledge generation, research and dissemination
Strengthening labour administration and inspection	Improving working conditions, OSH and labour rights	Crisis response and COVID-19 adaptations
Social protection and ILS	Informal worker representation and organization	Leveraging digital technologies for formalization
Evidence-based policy-making	Enterprise development and MSME formalization support	Building on experience, lessons and leveraging partnerships
	Promotion of decent work conditions and social dialogue	Focus on vulnerable groups
	Employment-intensive job creation	

Overall, ILO interventions aimed to create enabling environments conducive to formalization, and/or to support constituents and beneficiaries in building on existing conditions to advance formalization of workers and enterprises through different strategies, depending on the context and target groups. ILO interventions demonstrated adaptability to economic and political conditions, ensuring that formalization efforts remained relevant even in challenging environments, as was seen during the COVID-19 pandemic. Interventions leveraged research and diagnostic studies to adapt their objectives and strategies, underlining the importance of generating, collecting and accessing reliable data for evidence-based decision-making. While most projects relied on established approaches and methodologies tailored to specific contexts, a few incorporated innovative elements, such as participatory methodologies and digital tools, which showcased potential for broader application. However, there were relatively few instances of fundamentally innovative approaches.

Influence of the COVID-19 pandemic on ILO's work on formalization

- ▶ The COVID-19 pandemic influenced the approach, design and implementation of ILO interventions related to formalization. ILO interventions had to adapt to the restrictions associated with the pandemic, with many using virtual tools and requesting no-cost extensions to make progress towards intended results. The impact of the pandemic on formal and informal enterprises, value chains and labour markets, not only underscored the importance of formalization, but also highlighted the need for enhanced OSH and social protection measures to safeguard workers, particularly in the informal economy.
- ▶ Furthermore, while tripartism and social dialogue were central to ILO's efforts in promoting formalization, as emphasized in R.204, the pandemic also emphasized the importance of the role of workers' organizations in advocating for workers' rights and their contributions to policy dialogues. Specific funds were allocated to develop and implement projects addressing employment deficits, economic recovery and other challenges exacerbated by the COVID-19 pandemic (E10, E14, E16, E29).
- ▶ Finally, COVID-19 restrictions led ILO and its partners to change the way they worked, with increased use of digital tools and reliance on virtual technologies.

CROSS-SECTORAL SYNERGIES AND INTERNAL COORDINATION

There was evidence of collaboration and coordination among ILO departments, including SOCPRO, WORKQUALITY/INWORK, LABADMIN/OSH, ENTERPRISES, SKILLS, ACTRAV and ACTEMP, and ILO regional offices and Decent Work Teams. ILO interventions frequently brought together diverse areas of expertise, with several projects jointly implemented, and evidence of aligned objectives and optimized resources, ensuring comprehensive approaches to addressing decent work deficits. Evaluative evidence showed complementarities between projects, and alignment with DWCP Outcomes. These synergies were often achieved by building on lessons and experiences from previous projects or phases, or through common areas of work, including research and capacity-building.

The ILO's Formalization interventions frequently demonstrated positive synergies with other ILO areas of work, and at regional and country levels, aligning objectives with existing initiatives and optimizing resources.

Integrating social protection, OSH and decent work through collaboration

Many interventions bridged the gap between informality and access to social protection, while others addressed decent work deficits in OSH practices, particularly in response to the COVID-19 pandemic. Notable examples include projects linked with the Better Work Programme and the Vision Zero Fund related to supply chains and improved factory compliance in the garment sector. Working alongside or within established programmes such as these was found to be a good practice. A key example was a project implemented by SOCPRO and LABADMIN/OSH (VZF) in collaboration with Better Work and other partner organizations, under the Global Flagship Programme on Building Social Protection Floors for all (E29). Similarly, the SSCBFB project was embedded in a cluster approach and was closely linked to the BW programmes in Madagascar and Vietnam, and it supported coffee-sector interventions under the Vision Zero Fund programme framework in Colombia, contributing to the development of an ILO strategy on decent work on global supply chains (E30). However, evaluators noted that national stakeholders were occasionally unable to differentiate between the different projects, leading to challenges in accountability and reporting (E20, E29, E30).

Collaboration at the country level

There was evidence of collaboration and coordination at the country level for many projects. Certain evaluations underlined the link between projects and other national approaches to contribute to DWCPs and CPOs, reflecting alignment between different ILO interventions at country level. There was also evidence of interventions using and building on established networks and ILO tools and methodologies to achieve their objectives. In Tunisia, the “Programme d’appui à l’autonomisation économique des femmes rurales” and the “Appui à la jeunesse tunisienne à travers l’entrepreneuriat social et solidaire” projects were part of a wider group of interventions at the national level which created programmatic synergies, with a specific focal point established at the ILO Country Office in Tunis to optimize complementarities, avoid duplications and optimize resources related to three projects on Social and Solidarity Economy (E5, E6). In Egypt, the EYE project built on lessons learned and partnerships of the ILO’s previous youth employment programme in Egypt, and used the knowledge base, developed national capacities and established cooperation arrangements to meet its targets, despite a very tight implementation timeline. In particular, national institutions were strengthened through the establishment of an SME unit within the Federation of Egyptian Industries, the main representative of business in Egypt, and the project also worked with the Ministry of Trade and Industry by supporting its Policy Unit in the improvement of the ministry’s industrial policy, from an employment and SME development perspective (E7). In Türkiye, project activities related to refugees and host communities were complemented by other activities of the ILO Country Office, leading to benefits due to linkages established with local communities, working experience with partner organizations, and cross-learning (E24).

Similarly, a project in Jordan built on a larger agriculture intervention launched by ILO, adapting the Better Work Jordan monitoring and advisory tools to enhance compliance with labour standards in the agriculture sector. During its implementation period, the ILO brought the project under its umbrella of projects responding to the Syrian refugee crisis, enabling the project to take a cost-effective approach through sharing of human resources, accessing the ILO’s Employment Service Centres and sharing gained expertise with other ILO projects. Resources were also leveraged through cooperation with the PROSPECTS project (E13).

Leveraging regional and headquarters support for enhanced impact

There was evidence of collaboration at the regional level and of support from headquarters, as well as cross-sectoral collaboration. The evaluation of a project in Mexico related to the development of MSMEs underlined collaboration with the Outcome Coordination Team for Outcome 6 of the P&B 2016-17, and with ENTERPRISE to have support on business management tools, GENDER for guidance on monitoring of the gender approach in its assessments, and ACTRAV and ACTEMP to ensure the participation of employers’ and workers’ organizations in the activities carried out. In Iraq, the project engaged with ROAS, where extensive support was provided by the regional technical specialist on labour inspection and OSH to support the project’s work on modernizing the labour inspection and OSH systems in Iraq. There was also evidence of frequent consultations with LABADMIN/OSH and COOP at HQ, support from the regional gender specialist, and a partnership was established with ITC/ILO (E14). Many other projects received support from different ILO departments at HQ and from specialists and project officers at the regional and country levels and were designed to be implemented in close alignment and synergy with other ILO interventions, thus increasing efficiency and effectiveness.

Challenges to internal collaboration

- ▶ While synergies and collaborations between ILO departments and between ILO headquarters, regional offices, and country offices were widely identified, several reports recommended that clear roles and responsibilities should be assigned. In Greece, for instance, the need for improved internal coordination and communication was highlighted, to ensure that all involved staff members were aware of the project's progress, especially when collaborating with project stakeholders (E23). Several other challenges hindered the achievement of cross-sectoral collaboration. Ineffective channels of communication between project teams and technical departments reduced project effectiveness in some cases. For example, in a project targeting refugees and host communities in Jordan, insufficient consultation with technical experts at the ROAS regional office, including during the process of selecting implementing partners and preparing implementation agreements, led to important challenges during implementation. Furthermore, ACTRAV had not been included in the process, despite its crucial role in providing guidance and advice on how to engage workers and labour movements, and the Skills and employability specialist had not been adequately consulted on the types of training and skill development activities that were conducted during the project (E12). Lack of involvement of ACTRAV and ACTEMP was noted in several evaluations, leading to missed opportunities to fully engage with different constituent groups.

KEY STAKEHOLDERS AND STRATEGIC PARTNERSHIPS

Evaluation reports identified governments (ministries, institutions and labour inspectors), workers' organizations, employers' organizations, business organizations, and civil society organizations (CSOs) as the primary actors in leading the transition to formality, often in partnership with donors and UN agencies. There were numerous examples of institutional coordination at different levels and with different groups and engagement with multilateral partners, as discussed further below. Other types of partnerships were also addressed in reports, especially in relation to efforts to promote the organization and representation of workers and economic units in the informal economy.

Institutional coordination

The ILO's tripartite structure and use of social dialogue were essential to foster cooperation among different actors and ensure that formalization processes were effective and inclusive. There was evidence of involvement of ILO's traditional stakeholder groups, as well as collaboration through Public-Private Partnerships and with Brands.

The ILO's convening power and role as facilitator through the use of social dialogue was recurrently highlighted to be of key importance to facilitate discussions among different actors. Participatory stakeholder involvement at all stages of the project cycle provided opportunities for emerging needs and priorities to be incorporated, as relevant, and promoted ownership. Project partners were often selected among public institutions and CSOs already actively involved in activities relevant to project objectives, thus building on their experience to achieve progress and create synergies with ongoing work (e.g. E24, E28). Working with different levels of government, and having stakeholders from the national, regional and/or municipal levels collaborating with each other promoted tailored solutions that addressed context-specific issues (eg. E4, E8, E10, E24). Awareness-raising events built the capacities of employers and labour inspectors regarding Fundamental Principles and Rights at Work (FPRW) and OSH in Francophone Africa. There was evidence of knowledge transfer from tripartite group members to their professional organizations, leading to improved awareness of these issues (E1). There were also instances of initiatives promoting south-south and triangular cooperation (e.g. E28, E31).

Involvement of different actors and establishing mechanisms to facilitate their regular collaboration increased ownership and prospects of sustainability, as was the case for the Jov@Emprego project, where despite limited involvement of workers' organizations during implementation, other key partners were able to discuss and define their future roles and responsibilities once the project ended (E4). In Tunisia, a specific budget line was included for Social and Solidarity Economy (SSE) as a result of a project that convened all key actors, thus ensuring sustainability of achievements (E6).

Many projects were guided by Steering Committees, comprising members from national and regional constituent groups, donors, and the ILO, as well as implementing partners, and target beneficiary groups in some cases (e.g. E6). These multi-stakeholder groups participated in dialogues and decision-making and monitored progress; these were found to act as facilitating factors for project implementation (e.g. E8). There were also technical working groups and task forces that included other actors, such as relevant ministries or higher education institutions and sectoral partners, with evidence of strong collaboration and coordination structures in some projects, especially when roles and responsibilities were clearly defined. In some cases, specific project components were supported by additional structures, and collaborations with UN agencies or other donor-funded projects allowed for further work to take place. In the case of a project in Mexico and Chile, stakeholders noted that ILO, IOM and UNHCR played an important role in convening local and central-level actors (E8).

In Mongolia, although no specific committee was established to oversee the project, coordination took place through an existing tripartite working group which collaborated to assess policies and programmes, and initiate policy dialogues, leading to policy development and research, with technical support from ILO (E15). ILO also built the capacities of social partners and created platforms for policy advocacy and formulation, including "tripartite-plus" organizations to represent actors that could not participate in stakeholder discussions, except through CSOs and NGOs (e.g. E18, E21). In Greece, ILO acted as mediator and facilitator to support tripartite constituents in working together to address undeclared work; capacity-building was adapted to the different groups, with the objective of gradually transferring ownership of the project to national constituents (E23). These governance mechanisms promoted knowledge and information-sharing, and streamlined interventions, leading to improved efficiencies (e.g. E5). The development of national action plans and strategies, led by multi-stakeholder groups, provided frameworks for aligning efforts and priorities across different ministries and institutions. In Ukraine, a combination of advocacy roundtables organized by ILO and frequent informal interactions with social partners created an environment of trust in ILO and the project (E22). In certain projects, leadership was distributed among different actors, with governments leading policy-level efforts, while workers' organizations focused on advocacy and grassroots mobilization. Collaborations and trust were also promoted when different project stakeholders attended trainings together through ITC/ILO, went on study tours, or when projects were integrated in relevant institutions.

There was evidence of brands engaging with ILO projects through networks such as Brand Ethics Working Groups (E18), or through the ACT Initiative's "Country-support commitments" by apparel brand members (E20). The private sector was represented in certain working groups or participated in trainings, and private sector recruiters were involved in identifying labour market demands and in endorsing codes of conduct aligned with ILS (e.g. E14). Moreover, there were various examples of public-private partnerships (PPP), such as in Zimbabwe through the Green EnterPRIZE project (E3) or in the EYE Project in Egypt (E7). In a project in Jordan, a highlighted good practice was the adoption of a PPP methodology by one of the implementing partners in its training program, to attract active private sector participation through all stages of the training program, resulting in a market-driven approach that equipped trainees with the skills and knowledge required in the Jordanian labour market (E12).

However, other evaluations found that although interventions had planned on establishing steering or advisory committees, these had not been implemented, and while there was strong cooperation at the governmental level, other key actors had limited, or no involvement in projects (e.g. E7, E12, E25). For instance, in Mauritania, although national partners from the private sector were consulted, their involvement was insufficient to promote youth labour market integration, due to lack of participatory stakeholder engagement, thus decreasing the effectiveness of the intervention (E2). In a different context, a project in Bolivia was designed in consultation with officials from the outgoing transitional government, leading to challenges in implementation due to changes in key actors (E10). In China, there was a lack of engagement of workers with a project on universal social protection, with the noted absence of the All-China Federation of Trade Unions in the Project Management Committee, which was noted to be unusual, given the importance that social security normally takes in workers' lives; however, the evaluation could not determine the specific reasons for this (E19). In other cases, stakeholders found that projects did not fully take advantage of collaborative work, and that there were missed opportunities to promote more active participation of different key actors in order to foster synergies and ownership (E9).

Engagement with multilateral partners

There was widespread evidence of collaboration and partnerships between ILO projects and other multilateral organizations, yet there were limited innovative elements in the approaches used.

Certain ILO interventions were designed and implemented as joint projects, in partnership with other UN agencies and other organizations. For example, the SP&PFM project was jointly implemented by ILO, UNICEF and the Global Coalition for Social Protection Floors (GCSPF) under the leadership of the ILO (SOCPRO), with EU INTPA and EU Delegations also involved in project implementation, and representatives of the International Trade Unions Congress (ITUC) and the International Organization of Employers (IOE) on the advisory board. Evaluative evidence demonstrated the value of grassroots advocacy through a third-party approach. By working with the GCSPF, the project empowered communities to take ownership of advocacy processes, fostering sustainable impacts and community-driven solutions to expand social protection systems in different countries (E28).

In the Pacific Islands, the UN Secretary General's Multi-Partner Trust Fund (MPTF) supported a project targeting support sub-sectors of informal economies. This initiative involved ILO, UNDP, UNESCO, and IFAD, with each agency focusing on its core strengths, and the project design was aligned with the ongoing programme of work of the respective UN agencies. ILO worked on organizing workers and business development services, UNDP supported the development of a business continuity plan, UNESCO supported Creative and Cultural Industries, while IFAD brought important partnerships and experience in the project countries through regional efforts to promote Participatory Guarantee Schemes with the Pacific Community. The evaluation found that efficiencies were achieved through clearly defined roles and responsibilities, and there was evidence of synergies in the planned activities of ILO, UNDP and UNESCO (E16).

Collaboration between ILO and UN partners was particularly evident in Latin America: Three of the projects in Latin America were also joint projects, with some funded by the MPTF. In Chile and Mexico, the ILO partnered with IOM and UNHCR, and a line of work on migration and inclusion was established between the Programme's implementing agencies and the World Bank. This collaboration contributed to a broader workplan on the inclusion of Venezuelan migrant populations in Chile (E8). In Ecuador, the ILO collaborated with UN Women and UNDP on expanding the social protection system for young men and women in the informal economy, and the inter-agency approach was found to improve efficiency of implementation; this was compounded by synergies and complementarities with other interventions in the country (E9). The same

organizations worked together in Bolivia, to address the socioeconomic impact of COVID-19 for women in the informal economy, with ILO bringing its expertise on labour markets and value chains, UN Women focusing on gender and the care economy, and UNDP on development and innovation (E10).

Another example of strong collaboration and resource leveraging with multilateral partners was the “DW II Project”, which complemented technical assistance projects by the World Bank, UNSD, and UNDP in the CIS region. The project leveraged resources from the World Bank to support Tajikistan’s Labour Force Survey (LFS) by aligning its methodology with 19th ICLS recommendations, integrating SDG monitoring strategies, and enhancing statistical capacities. Furthermore, UNCT cooperation was found in both countries through the National Dialogues on Social Protection Floors engaging partners such as UNRCO, UN Women, UNICEF, UNDP, FAO, FWP, UNHCR, and UNFPA, fostering coordinated efforts to strengthen social protection systems (E25). A local level good practice was the partnership between the Jov@Emprego project and the World Bank’s Social and Productive Inclusion Program, which supported the empowerment of beneficiary families receiving financial assistance for business creation in Cabo Verde, thus promoting sustainability of project results through ensuring entrepreneurship and financial literacy training for vulnerable groups (E4).

In some countries, such as in Mongolia, the ILO laid the foundation for social partners to cooperate with the UN, by briefing them on UN reforms and relevant frameworks. There was also evidence of cooperation with a UN campaign led by the UNFPA in cooperation with the social partners, and cooperation with the Decent Work for Youth Network, consisting of governmental and non-governmental organizations that work in youth-related areas, to raise awareness of youth on labour rights and the new labour law (E15).

Organization and representation of workers and economic units in the informal economy

Innovative approaches and good practices to support the organization and representation of informal workers and economic units were highlighted in several reports. These approaches often involved key partnerships, advocacy efforts, and capacity-building programmes, as well as the use of information technology.

The evidence and depth of analysis on the ways in which employers’ and workers’ organizations engaged with informal workers and enterprises varied in the reports reviewed. Some provided clear examples of membership provision and service provision, while others only addressed the topic in general terms. There was evidence of projects strengthening relationships between formal institutions and informal actors through awareness-raising, advocacy campaigns, and participation of informal actors in social dialogue frameworks (e.g. E18).

The role of membership-based organizations (MBOs) and inclusive initiatives

Membership-based organizations (MBOs) played a critical role in supporting ILO projects and reaching out to beneficiaries, especially in regions where unions or civil society organizations (CSOs) had significant outreach. For instance, in Central America, domestic worker associations worked with CSOs to promote collective bargaining rights and formal contracts (E11). Training programmes for MBO leaders were found to be instrumental in improving organizational capacities; this was the case in Mauritania and Tunisia, where MBOs received training on advocacy and negotiation skills, enabling them to represent informal workers in policy dialogues (E2, E6).

The first project where ILO worked with home-based workers in global supply chains in a South Asian context was innovative in its nature. This group of workers was disproportionately affected by supply chain disruptions during the COVID-19 pandemic, when orders by international and domestic buyers were cancelled, and it was the first time that ILO focused on invisible workers in this region. A non-conventional, participatory methodology based on the earlier “Work in Freedom” project was used to identify hidden and invisible homebased workers for project interventions. A National-level Working Group on Homebased and Informal Workers, comprising workers’ organizations and MBOs which supported the project in selecting sectors for field-level interventions in India and Nepal, to enhance the reach of social protection schemes of the government to homebased workers in the informal sector. This approach was found to be innovative, with potential for replication elsewhere. As a result of the project, over 41’000 home-based workers were unionized, of which 85 per cent were women. The project led to the formation of collectives of home-based workers, including Self-Help Groups in India, and cooperatives in Nepal, to support them to organize as micro-enterprise and play a stronger role in the supply chain, both domestically and internationally. In India, around 8’000 home-based workers were registered in an online portal, while in Nepal, around 1’000 home-based workers were enrolled in the National Health Insurance Scheme, and 150 micro-and home-based enterprises were formalized. In addition, the inclusion of home-based workers in Nepal in labour force survey statistics led to improved visibility and understanding of their specific needs and challenges and enabled them to participate in the development of interventions. Key lessons from the project were that the issues of home-based workers are highly complex, and a long-term, multi-dimensional approach was essential to address their particular challenges: despite a significant proportion of workers engaged as home-based workers, the issue is not the priority of most of the stakeholders, especially since they are at the lowest tier of the global supply chain and are invisible, and their presence in the supply chain is task based and intermittent. This needs to be taken into account for future interventions targeting this beneficiary group (E18).

The SOLIFEM project supported social partner organizations in extending their membership and services to employers and workers in the informal economy, and to improve social dialogue. Through comprehensive capacity-building and awareness-raising, trade unions recognized that expanding their membership base led to strengthened influence and bargaining power, allowing them to effectively address informality. This entailed organizing workers, including those who are self-employed, into business organizations, and encouraging pro-active engagement of trade unions with informal workers (E31).

Even outside formal workers’ organizations, alternative forms of worker organizations played a significant role in improving decent work opportunities. This was evident in a project in Türkiye, where a newly established cooperative enabled women to access decent work opportunities by producing and selling vegetables. The cooperative successfully established business links with municipalities and large business chains, even expanding to export their products (E24). The establishment of new women’s cooperatives and providing technical support to existing ones was highlighted as a gender-sensitive good practice, as this increased women’s participation in formal employment, and promoted social cohesion between refugees and host community members in Türkiye. This was supported by the establishment of a “Cooperative Incubation Centre,” a permanent unit in the Istanbul Metropolitan Municipality (IMM), reflecting high ownership and making IMM a key partner for future ILO interventions (E24). In Jordan, some of the graduates of the Women Do Business training programme formed partnerships, improving social cohesion in communities and developing complementary products and services (E12).

Creative and accessible approaches to support workers' organizations

In Central Asia, ILO supported creative approaches to support workers' organizations in disseminating information, including the use of mobile theatre performances on informal labour in Tajikistan, and the use of cartoons aired on national and regional television channels in Kyrgyzstan, as well as via social media, ensuring accessibility to various groups. An unintended positive result in the Republic of Tajikistan was that the number of trade union members increased by 12 per cent as a result of information campaigns on informality supported by ILO, revealing that the dissemination of information and outreach activities were effective approaches to support the recruitment of new members (E25).

The Confederation of Mongolian Trade Unions (CMTU) engaged with young members of workers' organizations who advocated for labour rights of young women and men and encouraged them to organize by joining workers' organizations, which enhanced their ability to advocate for improved labour contracts and working conditions, through collective bargaining agreements and advocacy support provided by the CMTU. Outreach and legal support to young workers in areas with high numbers of informal jobs increased the visibility of the CMTU and allowed it to promote awareness of the benefits of trade union membership and collective bargaining (E15). A project focusing on employment and protection of outgoing and returning migrant workers in Bangladesh built the capacities of the National Coordination Committee for Workers' Education to engage in discussions with workers' organizations at destination and built the capacities of workers' organizations to reach out to returnee women migrants (E21).

Leveraging Information and Communications Technology (ICT)

A good practice noted in several evaluation reports was the use of ICT for capacity-building, advocacy and knowledge dissemination to wide audiences, as well as for expanding services to beneficiaries. This included the development of applications and the use of social media, which proved valuable for sharing information widely and reaching diverse populations, particularly during the COVID-19 pandemic. Platforms where documents and guidelines could be uploaded for beneficiaries supported learning and facilitated capacity-building, with evidence of adaptations to meet the needs of persons with disabilities.

Digital tools and platforms were used in different formalization projects, with different levels of effectiveness, depending on the target audience and context. In Bolivia, digital financial inclusion initiatives aimed to enable women entrepreneurs to access formal social protection systems, and to strengthen their collective representation, yet the use of virtual media was a limitation for those who did not have access to adequate devices or poor connectivity (E10).

Innovative approaches leveraging technology and collaboration were integral to the success of a project in Ecuador focusing on young women and men in informality. Digital tools like mobile applications, web platforms, and the Innovation Challenge improved data collection, job matching, and outreach to informal workers, while training programmes like the Data School "Youth and Informality" empowered young people to propose localized solutions and a Registry of Young Informal Workers was implemented (E9). As a result of ILO efforts in Algeria, measures have been taken to strengthen the formal economic activities of individuals transitioning from the informal economy, and the government is working on digital platforms to facilitate information exchange among stakeholders, especially in the context of artificial intelligence (E31).

The COVID-19 recovery project in the Pacific was successful in organizing two creative and cultural industries groups in formal associations in Fiji, and seven artists' associations in Tonga. It actively supported dialogues with their governments, thus creating a voice for these informal economy actors in the governments' employment and MSME policies. Similarly, in Tonga, the project also supported the first informal economy trade show to sell its products online to the Tongan diaspora.

A range of digital tools were developed and used: the Employment Vanuatu online platform, support for the development of payment gateways for mobile applications and mobile wallets, production of online training modules, and video impact stories were steps in the right direction in enhancing access and sustainability (E16).

Digital platforms supported financial inclusion and enhanced the visibility of informal workers, as seen in South Asia, where home-based workers were unionized, enrolled in health schemes, and included in labour statistics for the first time (E18). There were several examples of ICT systems developed or enhanced to register beneficiaries or members affiliated with workers' organizations (e.g. E18). The importance of having standardized criteria for the registration, verification and validation of this data was highlighted in one evaluation; this was found to be essential if the data was to be used for decision-making (E10). Although digital solutions were reported to bring about positive changes in many cases, they often failed in low-connectivity regions, and challenges with the use of online tools were noted for specific beneficiary groups, such as the elderly, highlighting the need for alternative approaches.

IMPACT ON DECENT WORK DEFICITS

There were numerous examples of potential impact towards reducing decent work deficits, enhancing productivity and realizing Fundamental Principles and Rights at Work in the reports reviewed. Projects integrating participatory, tripartite social dialogue approaches with awareness-raising components were particularly effective, as they improved relationships between key stakeholders, including governments, employers and workers' organizations, as well as CSOs and targeted beneficiaries. These interventions also supported broader policy development, contributing to improved national labour frameworks. Evaluation reports frequently highlighted the effectiveness of capacity-building initiatives, advocacy campaigns and the use of evidence-based research in reducing decent work deficits.

Multi-pronged approaches to formalization and addressing decent work deficits

Projects using multi-pronged approaches to promote access to decent working conditions for women and men in the informal economy were often the most effective, although certain components were more impactful than others.

In Ecuador, a project jointly implemented by ILO, UN Women and UNDP aimed to promote sustainable access to the social protection system, promote training, eliminate barriers to access formal work, and providing adequate childcare services for young people in selected urban areas. The project made significant strides in advancing social protection and formalization through innovative policies, capacity-building, and technology-driven solutions. It developed a National Strategy for Labour Formalization, encompassing employment, social protection, compliance, business formalization, and social dialogue, while fostering a participatory process with public institutions, employers' and workers' organizations, and social sectors. To enhance social protection systems, the project created the Registry of Young Informal Workers and a Strategic Plan Proposal for Social Security Culture, supported by the awareness campaign "Hablemos la Plena", which reached 2.7 million young people to promote their rights to social security and parental leave. Financial inclusion mechanisms, such as credit lines and guarantee funds tailored to young entrepreneurs, along with technical assistance to adapt these tools with a gender focus, further strengthened access to social protection (E9).

A multi-faceted approach was also used in an intervention in Jordan that aimed to improve employability and working conditions for Syrian refugees and vulnerable Jordanian workers in the floriculture sector. Key achievements included the development and piloting of a unified contract,

developed on a tripartite basis to be used by employers and workers in the sector. The unified contract was designed to provide decent work conditions, including minimum wages, and one of its key components was the provision of work injury insurance to workers, with the goal of enrolling them under the National Social Security Corporation. However, the evaluation noted that many workers interviewed had not received written contracts. Moreover, very few of them had received an insurance card, and certain beneficiaries refused to register for the insurance fund, as doing so would lead them to lose other benefits, either from the government, or from UNHCR (E13). Despite these challenges, the intervention demonstrated a promising model of combining tripartite collaboration, contractual formalization and social security mechanisms. Such an approach laid an important foundation for future efforts to address decent work deficits and improve conditions for vulnerable groups.

Impact area: Social Protection

Linking formalization efforts to social protection systems was reported to be a successful mechanism for ensuring the long-term sustainability of formalization

Social protection systems played a critical role in enabling formalization and reducing decent work deficits, with several interventions promoting portable benefits or strengthening social safety nets. Extending social security benefits helped reduce vulnerabilities and provided concrete benefits to workers, making formalization more attractive. Vulnerable workers, such as migrant workers, home-based workers and workers in the garment sectors were able to have safer working conditions and fair wages.

An integrated approach to increase universal social protection coverage in partner countries was taken in the SP&PFM Programme (E28). It aimed to improve the design and financing of social protection systems, including by supporting governments to implement and monitor effective gender-sensitive and disability-inclusive social protection systems and programmed for all. One of the objectives was to assist partner countries to develop and apply shock-sensitive social protection programmes and systems adapted to the needs of those living in protracted fragility and crises, including forcibly displaced persons. There was ample evidence of progress made in addressing decent work deficits. Social protection governance was strengthened through the engagement of workers' organizations and civil society, and cross-country learning exchanges were crucial to enhance capacity and will to implement and improve social protection systems. There was also concrete evidence of governments extending rights and protections to informal workers in several countries as a result of the project (E28).

ILO interventions also supported improvements to service provision and coverage. In Mongolia, ILO introduced mechanisms that allowed informal workers to transition into formal systems while retaining access to essential benefits, including technical support to the General Authority for Social Insurance to run awareness-raising campaigns and outreach services to inform workers in the informal economy on the benefits of social coverage. ILO support also contributed to the development and adoption of a National Action Plan on OSH, and the adoption of the new labour law, which includes protection of labour rights of persons in the informal economy, including herders and domestic workers, and an assessment of the labour dispute resolution system, with proposals to amend the Labour Code to increase access for these groups of workers (E15). The launch of a mandatory death and disability insurance mechanism in Bangladesh has contributed to social protection for all outgoing women and men migrant workers, and migrant workers also had improved access to services abroad (E21). Another example was in India, where ILO supported the Indian Employee State Insurance Corporation (ESIC) to address various challenges related to access by beneficiaries, and quality issues in service provision. This was done by improving service provision and ensuring financial sustainability; developing a pilot blueprint for extending coverage to the non-poor in the informal economy and fostering a shared understanding of challenges and opportunities related to these areas among key Indian actors, through knowledge-sharing and communication. While results were limited due to an unrealistic timeframe, compounded

by challenges related to the COVID-19 pandemic, international expertise brought in through the project led ESIC to consider and adapt relevant good practices in various areas, such as collaboration, improvement of services, and expansion of coverage to more categories of workers, including informal and unorganized workers (E17).

Finally, a joint ILO/UNDP/UN Women intervention in Ecuador aimed to reduce social protection deficits by expanding contributory social protection for young workers in the informal sector, through the design of innovative schemes that encouraged their gradual and progressive integration into social protection based on contributions, with proposals including reduced contribution rates for young people, health coverage for members, collective bargaining incentives for social security affiliation, and flexible payment plans for young people and self-employed workers. The project led to the creation of a national labour formalization strategy and social security mechanisms for informal workers, with evidence of participatory construction processes and active participation of young people (E9).

Impact area: Labour Inspection, OSH and FPRW

There was ample evidence of interventions reducing decent work deficits and enabling progress towards the transition to formality by addressing systemic barriers and contributing to realizing FPRW.

Projects addressed key areas, including ensuring equal opportunities and treatment in employment, elimination of forced labour, including child labour, freedom of association and collective bargaining, and the promotion of equality and non-discrimination. Interventions focused on different elements, such as lack of social protection, unsafe working conditions, unfair wages, and non-discrimination, among others.

Labour inspection systems play a vital role in upholding Fundamental Principles and Rights at Work (FPRW) and ensuring Occupational Safety and Health (OSH), forming a foundation for decent work and the transition to formality. In Iraq, a project was able to lay the groundwork for modernizing the labour inspection system and improve the OSH framework, in line with ILS (E14). While there was progress related to policy-development, capacity-building, social dialogue, and the provision of equipment and tools, evaluators noted that concrete improvements in working conditions of agricultural workers were limited. A COVID-19 response project focusing on the protection of garment sector workers aimed to strengthen OSH, to protect enterprises and compensate workers against immediate employment and income losses in different countries. While the OSH component was reported to be effective as a whole, some stakeholders reported that the cash transfer/income component had undermined ILO's efforts to contribute to long-term goals of sustainable social protection systems (E29). Another COVID-19 response project focusing on decent work in five global supply chains led to strengthened bi-partite and tripartite processes and coordination in all project countries; contributions to national action plans, such as the Malaysian Action Plan to Combat Forced Labour in the rubber sector; the establishment of a permanent national commission for decent work in the fishery sector of Namibia, and joint inspections of fishing vessels; the formal certification of coffee-pickers by the National Learning Service (SENA) in Colombia, leading to improved opportunities for workers to gain access to employment with better working conditions; and an advisory programme on labour code for electronics companies in Viet Nam, and digital employment contracts in the sector (E30). The ILO's Safety + Health for All Flagship Programme, and in particular, the Vision Zero Fund, was found to have successfully coordinated an effective OSH response to the COVID-19 pandemic, notably through the development of specific tools (E26).

Changes in workplace practices and behaviours, especially in relation to OSH and collective bargaining, were highlighted in multiple evaluations. Key examples include the reduction of OSH deficits in Jordan's floriculture sector, and the introduction of fairer wage systems and labour protection in Greece; these results were facilitated through capacity-building and strengthened

labour inspection mechanisms (E13, E23). Changes in mindsets were also reported in Egypt and OPT, with stakeholders more willing to address informality to promote decent work and fairness in working conditions, with progress noted in social security, labour code amendments, and educational campaigns (E31).

Impact area: Productivity, Enterprise Development and Entrepreneurship

Fostering productivity by supporting enterprise growth and enhancing skills for entrepreneurship was a key area of action to reduce decent work deficits, especially when targeting young people.

Interventions aimed at improving productivity, fostering sustainable enterprise development and promoting entrepreneurship were central to several interventions, with some specifically targeting young people to create decent work opportunities. In Zimbabwe, the Green EnterPRIZE project promoted the creation of green jobs for young women and men and increased the number of SMEs adopting sustainable production processes. This led to the registration of 5 TVET courses related to the green economy; 500 MSMEs received BDS training, of which 83 also received financial assistance and increased their knowledge about green skills and sustainable business practices, and 35 enterprises were trained under the SCORE programme (E3). The Jov@Emprego project in Cabo Verde supported entrepreneurship and MSME development while facilitating youth transitions to formal work through technical skills training. Evaluators reported a paradigm shift in the institutional approach to employment and vocational training sectors, with evidence of improved options for entrepreneurs, and increased involvement and collaboration with the private sector (E4).

In Tunisia, the PAJESS project promoted social and solidarity economy (SSE) enterprises to create decent work opportunities for youth and women in disadvantaged regions, providing technical and financial support to SSE initiatives and strengthening governance frameworks to enable sustainable enterprise development. The identification of sectors other than agriculture, particularly the ICT and ecotourism sectors, fostered the creation of a large number of decent employment opportunities for young Tunisians through the promotion of social and solidarity entrepreneurship (E5). In Mauritania, a project promoted decent work opportunities by enabling young people to participate in the formal economy through the creation of economic interest groups in the construction sector and facilitating their access to social protection. Strategies to improve their access to financial and non-financial services were implemented in collaboration with microfinance institutions and the private sector and proved to be effective and replicable at national and local levels (E2).

INCLUSION AND EQUITY

Many evaluation reports provided a nuanced overview of how different groups were impacted by formalization interventions. The groups that benefited most were those targeted by well-designed, context-specific interventions that addressed their unique challenges. Women, youth, migrants and workers in high-informality sectors were often beneficiaries of the projects evaluated. While some groups, such as women and youth, benefited from targeted strategies, with gender integrated as a cross-cutting issue in project design and implementation, others, like persons with disabilities, invisible workers, or children, were often left out or their needs were inadequately addressed. Both rural and urban populations were targeted by ILO projects. Several interventions defined specific targets or categories for the participation of specific groups to ensure non-discrimination and alignment with the “Leave No One Behind” policy. Only one evaluation reported a focus on other communities subject to discrimination, such as the LGBTI+ community, as a small component of a larger activity (E9).

Gender responsiveness

There were many instances of projects with strong gender components, although their effectiveness was variable.

Some projects specifically focused on women, such as the AFERE project in Tunisia, which aimed to promote entrepreneurship for women in rural sectors and demonstrated the role of financial literacy training and access to credit in promoting formalization (E5). In Bolivia, a project to address the impact of COVID-19 on self-employed women in the informal economy in urban areas in Bolivia strengthened institutional capacity and facilitated women's participation in social dialogues to promote their needs (E10). Many other projects had strong gender components, leading to the formulation of gender-sensitive public policies and strategies, and the development of specific knowledge-products to better understand gender gaps. The use of "Gender and Entrepreneurship Together (GET Ahead), a gender-sensitive entrepreneurship training programme designed to provide business management and soft skills, was also mentioned in several evaluations as a way to focus on women's needs.

In Ukraine, several gender-specific aspects of the draft OSH law were revised to change old legal provisions that were discriminatory to women (E22). The DW II Project encouraged target countries to ratify and/or implement the Maternity Protection Convention (No. 183) and the Workers with Family Responsibilities Convention (No. 156) through various means, including policy and legislative analysis and review, awareness-raising on maternity protection and work and family balance, capacitating workers' organizations on defending rights of women in informality sectors and OSH initiatives in female- and male-dominated industry sectors (E25).

A project on home-based "invisible" workers in South Asia had a significant focus on women, as they were recognized as one of the most disadvantaged groups in global supply chains. However, the project also targeted other actors, such as male home-based workers, sub-contractors, MSMEs and suppliers, and incorporated the needs of PwDs in their activities (E18). Strong gender-focus in project design and implementation, as well as specific gender-related outputs were noted for most projects related to workers in global supply chains, such as the LSGSC project, which effectively integrated gender issues into its strategy. For instance, capacity-building and policy advisory services explicitly addressed the specific needs of home-based and other informal sector workers in the garment sector, most of whom are women, and the project researched the gender dimension of wages and collective bargaining at the global, regional and country levels (E20, E29, E30).

Some projects had mixed results. The SP&PFM evaluation reported that more could have been done to integrate and mainstream gender in the Programme, although some notable results were highlighted, such as a shock-responsive cash transfer system for those who lost their livelihood during COVID-19, many of whom were women. There was progress towards improved access to registration documents for women in Burkina Faso and Nepal, to access social protection benefits, and an online registration system in Nepal that allowed thousands of women to obtain a child grant (E28). In some cases, despite specific strategies to promote female participation, evaluators found that interventions sometimes fell short due to cultural norms and beliefs that were not gender sensitive (E3). For example, in Egypt, while a project was foreseen to have a gender focus by reaching out to young unemployed women, especially in rural areas, this did not fully materialize. This was due to limited contextual and gender analysis during the planning phase and a perceived lack of interest of women beneficiaries in the project, as they feared that expanding their businesses would lead to a work/family imbalance. Additionally, women were excluded from the SCORE intervention due to the selection of male-dominated industries by the project (E7). Several evaluations found that there were missed opportunities to include strategies or actions to address the specific needs of women (E11, E23). Moreover, the use of gender-disaggregated data reporting was inconsistent, and the inclusion of Gender Focal Points in project teams was variable.

Migrant groups

Migrant workers, refugees and IDPs, though often excluded from the formal economy due to legal and administrative barriers, benefited from initiatives where targeted strategies were implemented.

Labour migrants, refugees and IDPs, and those in irregular migratory situations were targeted by several interventions, and gender considerations were often present in their design, implementation, and outputs, with some projects having specific components dedicated to women, such as customized pre-departure orientation training; capacity-building of trade unions to increase outreach and awareness of women returnees, and provisions of equal treatment pertaining to labour rights in bilateral agreements and memoranda of understanding (E8, E12, E21, E24). Interventions typically focused on improving the livelihoods of migrants and refugees, with host communities often included as well, promoting access to OSH and social protection, and improving knowledge and access to safer migration services, through advocacy and policy changes. Evaluations highlighted how systemic barriers, such as irregular migratory status, must be addressed to enhance the reach of certification and training programmes, and demonstrated how policy reforms can improve labour conditions and inclusion for migrants and refugees.

In Iraq, a project to enhance labour governance, inspection and working conditions in response to COVID-19 mainstreamed gender equality and inclusivity into its activities and monitoring framework. Detailed assessments identified the needs of vulnerable groups, including women, PwDs, refugees and IDPs, who were often excluded from decent working conditions and national social protection schemes. While gender issues were included in all outcomes, PwDs, refugees and IDPs were included as target beneficiaries of activities at field level, and additional activities were included to address the issue of child labour on farms, with the identification and referral of approximately 1'200 child labourers to local service providers (E14).

Young women and men

Youth were identified as another significant beneficiary group, with different initiatives to assist them in developing skills to access the labour market, to improve their working conditions, and to support their transition into the formal economy.

In Latin America, a project focused on young men and women in the informal economy, as the COVID-19 pandemic was found to have exacerbated their labour vulnerability, causing disproportionately higher unemployment and labour informality rates compared to the rest of the population (E9). The project addressed gender-responsive care needs through business models for childcare and a technical analysis of universal childcare policies. These initiatives, alongside capacity-building workshops and efforts to raise awareness about co-responsibility in care, contributed to a strengthened framework for transitioning young people from informality to formality and expanding their access to decent work and social protection.

Most of the projects in Africa were also focused on young people and youth entrepreneurship initiatives (E1, E2, E3, E4, E6, E7). Such projects, as well as Kyrgyzstan's NEET-focused interventions (E25), aimed to promote their insertion in the labour market through skills and entrepreneurial training, to enable them to access social protection and to develop policies promoting youth employment. One project related to local economic development in underserved regions of Mauritania, focused specifically on young, unemployed, low-skilled women and men. It included gender considerations by developing strategies and measures to promote female participation in the construction sector, thus addressing gender stereotypes (E2).

Persons with disabilities

The inclusion of persons with disabilities was inconsistent across interventions. The development and promotion of disability identification systems was an important measure to reduce decent work deficits and enable this group of workers and their families to access social protection benefits.

While some interventions demonstrated significant progress, the majority lacked targeted strategies and outputs. One good practice identified was related to supporting the development and implementation of disability identification systems: this allowed PwDs to have access to cash benefits and to a wider range of health and social services. Another positive example of this was the rollout of Cambodia's Disability Management Information System (DMIS), which registered nearly 290,000 PwDs nationwide with support from the SP&PFM project. This system standardized disability assessments and enabled the issuance of Disability Identity Cards, improving access to services like healthcare and social protection. In Nepal, SP&PFM worked with the national network of PwD, to empower PwDs, including children, by enabling them to access public services including social protection programmes. In particular, efforts focused on addressing barriers to the Disability Grant Allowance, with a 2022 study identifying the lack of Disability Identity Cards as a major issue. A Nepalese delegation visited Cambodia to learn about its DMIS, which was subsequently adapted for Nepal. This cross-country exchange reduced subjectivity in disability assessments and expanded access to benefits for eligible PwDs. Advocacy efforts through the project further supported PwDs in accessing services (E28).

Disability-specific measures for migrant workers from Bangladesh included insurance coverage for workers who became disabled abroad and inclusion of disabled returnee migrants in skills training for job opportunities. This effort was linked to broader policy-level advocacy for migrant workers (E21). In Kyrgyzstan and Tajikistan, despite budget constraints, different important steps were taken to include PwDs in labour protection frameworks, with different activities implemented to promote disability inclusion and the implementation of the UN Convention of the Rights of Persons with Disabilities, including improving national SDG indicators focusing on disability, and assisting Tajikistan in assessing social protection services to support employment of PwD (E25).

Overall, however, there were only ad-hoc activities targeting PwD. For instance, Mongolia's awareness raising campaigns included information disability inclusion, and there was evidence of measures to enhance access of PwDs to trainings, but there were no direct interventions to transition PwDs into formal work (E15). In Jordan, despite some progress in training and resource allocation for PwDs, farm facilities were not adequately adapted, highlighting the need for additional investment in infrastructure (E14). Many evaluations noted that disability inclusion had not been considered in project design or implementation, or that there had been missed opportunities to do so.

Recommendations related to inclusivity in evaluation reports

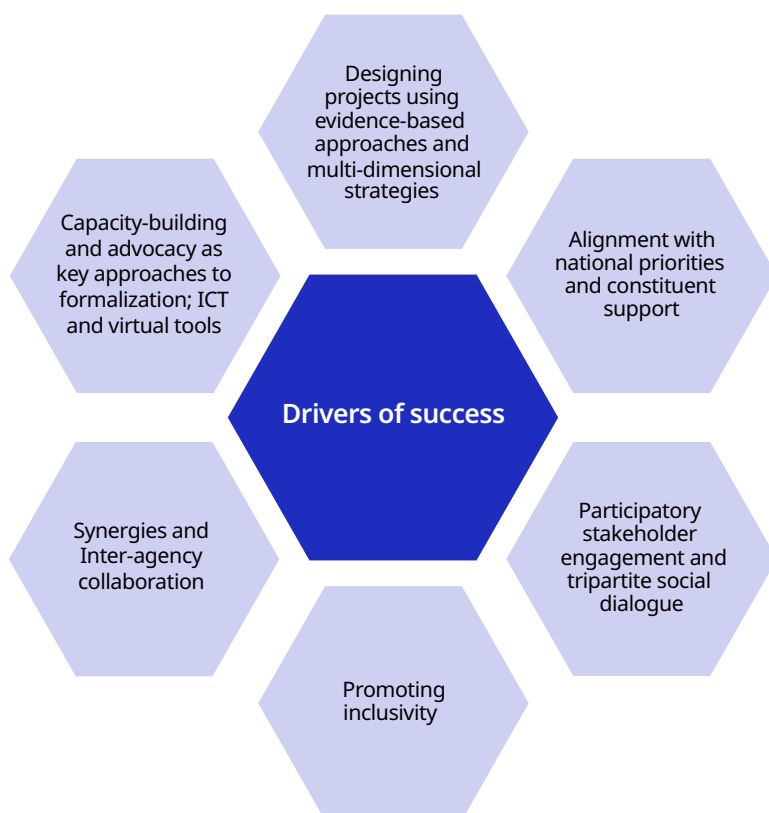
- ▶ Certain recommendations in evaluation reports were directly related to inclusivity and addressed the following points:
- ▶ The importance of context-specific analysis, to identify barriers and to address the unique challenges faced by women and marginalized groups was a recurrent theme.
- ▶ The need to conduct assessments and incorporate gender-sensitive approaches in project designs and during implementation.
- ▶ Conducting assessments and building on existing research and properly mapping and consulting with key stakeholders at the design and implementation phase in a participatory manner were highlighted as crucial factors to ensure that the needs and voices of vulnerable groups were properly addressed in ILO interventions, and to ensure the success of inclusive interventions
- ▶ The importance of disaggregated data to monitor progress and identify gaps was highlighted, to improve accountability and equity.
- ▶ The need to better integrate gender in public policies at different levels was also highlighted, as was the need to focus on capacity-building of different groups and legal and policy reforms to address systemic barriers faced by marginalized groups when designing interventions.
- ▶ Targeted communication strategies and awareness-raising campaigns to reach underserved populations and engage hard-to-reach groups were also recommended.
- ▶ Intersectionality and the importance of incorporating approaches to address the different factors of discrimination faced by vulnerable groups, such as young, rural, indigenous, migrant or disabled workers (e.g. E9).

SUCCESS DRIVERS FOR EFFECTIVE RESULTS

Several key factors and mechanisms contributed to the effectiveness of formalization efforts and the reduction of decent work deficits, as highlighted throughout the report and summarized in Figure 4. These factors were related to specific elements of project design and implementation, stakeholder involvement and tripartite constituent support, partnerships, as well as sector-specific findings. Successful interventions were able to leverage existing institutional frameworks, generated synergies with other initiatives, and utilized the technical expertise, territorial experience, and established networks of partner agencies to enhance efficiency, effectiveness, and sustainability.



FIGURE 4. SUCCESS DRIVERS FOR EFFECTIVE RESULTS



Designing projects using evidence-based approaches and multi-dimensional strategies

Building on previous lessons and using strategic studies conducted before and during projects promoted a strong evidence-based approach to understand different contexts and beneficiary needs.

Multi-dimensional projects, which integrate multiple and synergistic interventions, were found to maximize potential for effectiveness and lasting impact.

Evaluations of pilot projects emphasized the importance of flexible designs and the value of achieving scale and scalability

The importance of conducting assessments and using research for effective interventions was reflected in many project designs. For instance, conducting diagnostic studies on informality with the technical support of INWORK was found to be a good practice, as these provided essential knowledge to design targeted interventions.

The use of multi-pronged approaches was also an important factor of success, as discussed in earlier sections. For instance, the Green enterPRIZE project integrated skills supply and demand development within the green economy by supporting MSMEs and the development of TVET curricula. Taking an aggregated approach at different levels, by focusing on legislative change, capacity-building of stakeholders, and working directly with vulnerable beneficiaries, was an effective way to strengthen national TVET systems and integration in Cabo Verde (E3).

Findings from pilot projects led to several operational lessons: it was reported that innovative or experimental projects need to have a pilot phase, and their design should be broad and flexible. The value of achieving scale and scalability was another lesson. LSGSC project interventions in Pakistan demonstrated that, in the right circumstances, changes in minimum wages setting practices can affect the lives of formal and informal sector workers. (E20). In Cabo Verde, the Jov@ Emprego pilot project's integrated approach was highlighted as an international good practice, with key elements including strong local partnerships for beneficiary identification, access to information, training for improved business management and the use of incentives such as credit lines. The evaluation reported that the pilot approaches made a substantial contribution to ILO's work on the informal economy, serving as a model for replication in other contexts and gaining attention from stakeholders such as the Donor Committee for Enterprise Development (E4).

Contextual factors—such as geographic location, sector-specific dynamics, and the socio-political environment—were found to have strong impact on the effectiveness of formalization efforts. These factors determine the design and implementation of formalization projects and can either enable or hinder progress. Additionally, external shocks like the COVID-19 pandemic often exacerbated these contextual challenges. Due to this, the design of realistic projects, based on evidence, adapted to local contexts and with flexibility to adapt to external shocks was essential for ensuring the success of formalization efforts.

Alignment with national priorities and constituent support

Projects were successful when they responded to national priorities and aligned with broader national policies or DWCPs and CPOs and when there was strong constituent support.

There was widespread evidence that effectiveness was stronger in countries where ILO had already provided support to promote formalization and reduce decent work deficits as part of wider policy or development frameworks, and where relations of trust had been created with national institutions. Leveraging existing partnerships, contacts, and prior experience in a country or sector was found to be a good practice, as it led to streamlined implementation. For instance, the SSCBBF project based the selection of countries and sectors on its historical contacts and experiences in these countries (E30). This approach allowed for rapid identification of relevant local partners, minimized time required for trust building and fostered strong collaboration from the outset. This was particularly the case in countries with favourable enabling environment in terms of policies, laws and regulations and strong national capacities, as partners were able to capitalize on project achievements and created sustainable outcomes.

The importance of close links between projects and national institutions for ownership of results was highlighted in a good practice: when project offices were located in relevant ministries and research and information management systems were designed and embedded within government departments, this led to improved relevance, coherence, uptake and use of project outputs, and promoted sustainability (E21).

Participatory stakeholder engagement and tripartite social dialogue

The active involvement of governments, employers' and workers' associations, and other CSOs through tripartite social dialogue mechanisms was a key element to ensure that ILO interventions were inclusive and addressed common goals, and fostered ownership and sustainability of results.

Establishing coordination and monitoring committees and working groups at the national and regional levels proved effective as frameworks for collaboration and dialogue between different actors. Taking an inclusive approach and involving a wide range of actors in multi-stakeholder meetings and tripartite technical working groups was highlighted as a good practice, as it

contributes to awareness raising, promotes common understanding of key issues and approaches and helps build consensus for policy formulation and joint action. This is particularly effective if the development of policies can be informed by evidence produced by the project, as it facilitates their endorsement.

The ILO successfully leveraged its comparative advantage as trusted facilitator of social dialogue in Greece and ensured that tripartite constituents implemented key project activities together through targeted capacity-building. The project's participatory approach allowed stakeholders to contribute to key outcomes very early in the project and equipped them with knowledge and tools for implementation and to assume ownership of project outputs from the beginning of the intervention. This approach to capacity-building proved to be particularly effective, as it helped stakeholders to immediately apply their learning and try new methods and gave them the occasion to present their results and celebrate achievements together (E23). Social dialogue was also an entry-point to involve institutions in Algeria, Egypt, Lebanon and the OPT in addressing informality through capacity-building, awareness-raising and sector-specific diagnostics, leading to changes in mindsets concerning the advantages of formalization (E31).

Taking a multi-level approach to engage with stakeholders improved project outcomes.

Building strategic alliances with key actors, focusing on synergies and collaborations at different levels, and using ILO's comparative advantage was a recurring positive factor. The importance of working at different levels was underlined in reports. In some interventions, collaboration with local administrations facilitated project implementation because these institutions had experience delivering support to local communities and understood their needs and challenges. In a project in Ukraine, evaluators emphasized the importance of building relationships and continuing substantive discussions outside structured settings: this informal advocacy approach played a key role in advancing reforms and maintaining stakeholder engagement (E22). In a different context, the establishment of local branches within decentralized units helped to address challenges related to the territorialization of Cabo Verde's Sustainable Development Strategic Plan, making the project response more flexible and better adapted to local specificities in both urban and rural areas (E4). In the context of the SP&PFM programme, evidence showed a clear added-value of using a third-party such as the GCSPF to work at grass-roots level to initiate a bottom-up approach to advocacy, giving a sense of ownerships of the process to communities, to complement global and national-level efforts (E28).

Promoting inclusivity

Ensuring inclusion in interventions requires designing evidence-based, tailored approaches that address the diverse profiles and conditions of target groups.

When participants have heterogeneous characteristics, conducting a detailed analysis of their needs, conditions of use, and potential for appropriation ensures that training offers are adapted to their profiles, helping anticipate obstacles and limitations in learning and communication. Additionally, involving various stakeholder groups in targeting beneficiaries supports an inclusive approach, enabling interventions to address the specific economic realities, cultural practices, and sectoral needs of informal workers and the institutions that support them. Developing and maintaining close relationships with support structures providing direct services to beneficiaries also facilitates access to in-depth knowledge about the context and specificities of targeted regions and populations, ensuring interventions remain relevant and effective (E2, E10, E25). For instance, the evaluation of the COVID-19 response project in Iraq reported that enhancing the employability of persons with disabilities requires analyzing workplace risks and accessibility, identifying suitable roles based on abilities, and supporting employers with adjustments and supervisor training to ensure inclusive and safe employment (E14). The development of projects with gender-sensitive designs and inclusive implementation processes was also found to be positive in several reports.

Inter-agency collaboration

Creating synergies and collaborating with other development projects and partner agencies was highlighted to be a good practice as it led to effective and efficient implementation and delivering value for money, including through resource leveraging.

Key success factors for effective inter-agency collaboration included the alignment and complementarity of agency mandates, which ensured that interventions were cohesive and well-coordinated. Clearly defined roles and responsibilities for each agency contributed to smoother operations and accountability. A reported good practice was that implementation was more effective when project partners defined and agreed on their respective roles and responsibilities from the outset, based on their complementarities and areas of expertise, as was the case for the joint ILO/UNDP/UNESCO/IFAD project in the Pacific Islands (E16).

Effective collaboration also relied on the willingness and openness of staff to work together, integrating diverse perspectives and objectives while demonstrating flexibility and compromise when necessary. Pre-existing agreements on technical issues further streamlined decision-making processes, enabling timely and efficient interagency policy decisions. Strategic and political support from Resident Coordinator Offices played a critical role in fostering cooperation between UN agencies and host governments. Finally, the presence of an appropriately staffed ILO local office was identified as essential for ensuring successful project implementation and sustainability, as this facilitated exchanges with partners.

Capacity-building and advocacy as key approaches to formalization

Successful projects included capacity-building and advocacy for key stakeholders and for beneficiaries; this was essential to allow them to engage with formal systems effectively.

Effective formalization requires institutional capacity and the ability to implement simplified, streamlined processes. There were numerous examples of capacity-building at all levels and for various groups, as discussed in other sections, highlighting a key strength of ILO interventions.

Using and adapting ILO tools were reported as good practices by several evaluations. These included OSH training using ILO's WISH methodology; training on financial literacy for home-based and informal sector economy workers; GET Ahead training; Informality diagnostics studies, participatory appraisal methods; ILO's Career Guidance and Employment Services tool; SIYB, COOP tools, SCORE, and the strategic compliance model. Developing generic capacity-building tools for use in multiple countries, such as the Minimum Wage Policy Guide, was also found to be a strong approach, as these tools can be adapted to a variety of country settings and achieve economies of scale. The incorporation of Training of Trainers (ToT) in project activities was another good practice, as it enhanced sustainability prospects and increased local capacities.

Advocacy initiatives targeting different actors led to increased awareness and ownership of project results. For instance, the strong focus on awareness-raising and knowledge-transfer on FPRW led to changes in mindsets in the GOUVERNANCE project. In particular, the shift from a control-focused approach to a supportive approach by labour inspections proved to be an effective method for managing labour relations between workers and labour inspectors, particularly in activities within the informal sector (E1). In Tunisia, the PAJESS project fostered trust and collaboration among national actors through effective advocacy, which significantly improved the policy environment for formalization (E5). In Lebanon, the SOLIFEM project implemented a Help Desk based on the "Formalize Your Business" tool to support the Association of Lebanese Industries to enhance the formalization of economic units in the countries, and there was evidence of cooperation with ENTERPRISES to adapt ILO materials to the Lebanese context (E31).

ICT and virtual tools

The use of new technologies and virtual tools was an important enabler to make progress towards formalization.

There were numerous examples of virtual trainings and events, and the use of social media for advocacy and outreach as well as for the dissemination of outputs. One good practice was associated with the use of ICT to spread knowledge via social media and develop applications to disseminate guidelines and documents, easily reaching beneficiaries. Online trainings were sometimes adapted for persons with disabilities; this was another good practice. Furthermore, there was evidence that using these tools supported service delivery, facilitating access to benefits for beneficiary groups while simplifying processes for employers and governments.

The use of virtual tools and digitalization also played an important role in allowing ILO interventions to continue during the COVID-19 pandemic, with project teams and partners collaborating remotely, during, and after the pandemic. In Ukraine, these tools were also used during the war to promote virtual attendance to project events, and there was evidence that companies that had relocated to escape war hostilities relied on digital services and online technical resources provided by ILO (E22).

Posting project findings research products online was an effective way to widely reach beneficiaries, and promote use by policy makers, other development organizations and researchers. Producing and sharing technical bulletins online, such as the LSGSC Programme's "Cambodia Garment and Footwear Sector" bulletin was found to be a good practice to be replicated, as it supported evidence-based decision-making by using data to analyse trends and outcomes of policies and programmes on a key project theme. Conditions for successful replication included producing brief notes in a non-academic language, ensuring research is tied to ongoing work, and publication from a source perceived as credible and objective by constituents and other potential users.

Digital platforms supported financial inclusion and enhanced the visibility of informal and invisible workers, as seen in South Asia. These tools also facilitated outreach during the COVID-19 pandemic, enabling virtual associations and trade shows, particularly in the Pacific Islands.



FIGURE 5. DIGITALIZATION AND ICT TO PROMOTE FORMALIZATION**Digital Platforms & Financial Services****Registration Systems**

- Young Workers' Registry
- Social protection enrollment

Employment Platforms

- Job matching apps
- Employment Vanuatu

E-commerce solutions

- Informal economy trade show & Diaspora market access

Information exchange

- Web-search engines
- Mobile applications
- AI context integration

Digital financial inclusion tools

- Women entrepreneurs and youth

Payment infrastructure

- Mobile wallets
- Payment gateways

Collective representation

- Creative & cultural industries
- Artist's associations
- Home-based workers

Health & Welfare Access

- Home-based workers
- Health schemes integration

Digital Capacity Building**Training Resources**

- Online training modules
- Accessible guidelines

Skills development

- Data school: "Youth and informality" (Ecuador)

Challenges & Considerations**Access barriers**

- Low-connectivity regions
- Inadequate access to infrastructure and devices

User limitations

- Elderly populations
- Need for alternative approaches

Knowledge-sharing

- Social media outreach
- Video impact stories

Innovation Challenges

- Youth-led solutions
- Financial inclusion initiatives

Data quality

- Standardized collection and monitoring criteria needed
- Verification and validation for decision-making

Accessibility needs

- Persons with disabilities
- Adaptive technologies

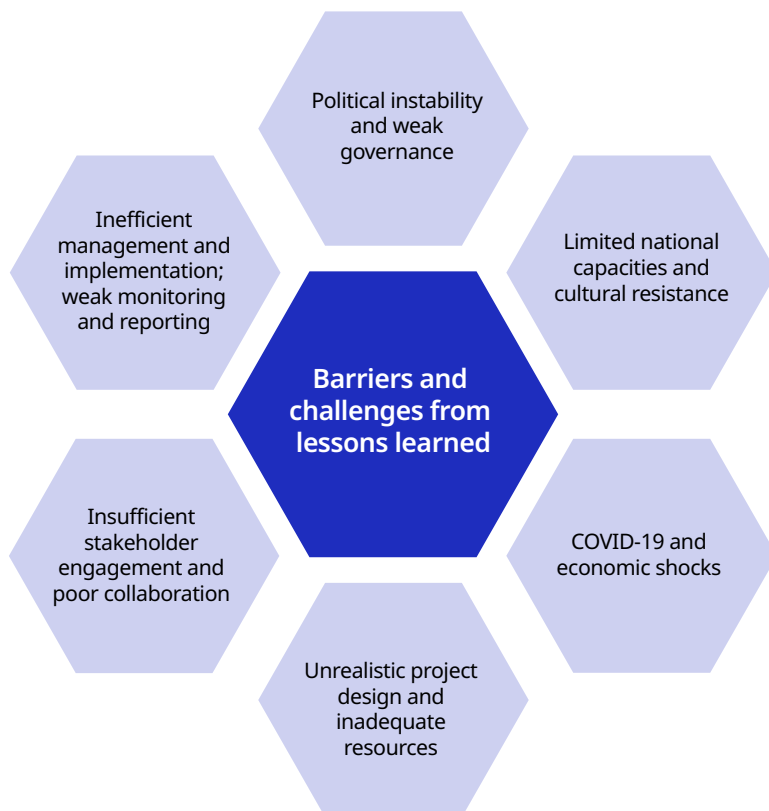
Additional positive factors

Other factors of success and good practices identified in reports, included flexibility in project design and duration, strong, timely technical support from ILO technical experts and effective collaboration with other ILO departments or offices; adequate resources to deliver project outputs in terms of staff, funds, and time and synergies with other projects; and streamlined internal processes. Fluid and regular communication both internally, and with project partners, including with donors, was a key element in addressing implementation challenges such as the COVID-19 pandemic and other socio-political crises, and in achieving and sustaining results.

KEY CHALLENGES AND BARRIERS TO FORMALIZATION

Despite many successes, formalization interventions have faced several challenges and barriers that hindered their effectiveness, as highlighted through lessons in evaluation reports and summarized in Figure 6. These barriers often stemmed from issues such as political instability, insufficient institutional capacity, and resistance to formalization from both workers and employers. External shocks such as political and economic crises and the COVID-19 pandemic exacerbated these challenges, disrupting formalization efforts and delaying progress. Natural disasters in countries such as Fiji and Tonga further compounded pandemic-related challenges (E16). Other key negative factors identified in lessons learned from evaluations included inadequate project design, poor contextual analysis, and overambitious scope relative the resources available, especially when stakeholders were not associated to the planning and implementation stages in a participatory manner. Challenges in coordination with partners and weaknesses in management processes were also identified.

FIGURE 6. KEY CHALLENGES AND BARRIERS TO FORMALIZATION



Political instability and weak governance

Political instability and weak governance undermined the success of formalization interventions in several countries.

There were several instances of projects being implemented in countries experiencing political instability. One lesson from a project in Ecuador was that electoral cycles was a key element to consider in interventions seeking to strengthen public policies, as they could affect their execution, achievements and ownership of results. In this sense, effective risk mitigation strategies were needed to take this into account. In some countries, political violence or coups (Burkina Faso, Ethiopia) made social protection activities harder to sustain, or halted them, such as in Myanmar (E28). In other countries, new political priorities, political changes and political power imbalances also affected project results and led to uncertainties about the sustainability of achievements (E1, E21, E28). For example, transitions in government leadership, as in Bolivia, disrupted continuity of efforts achieved and alignment with initial objectives.

The difficult political context in Ukraine led to important challenges, as war-related priorities temporarily sidelined fundamental priorities, though maintaining a “development track” helped keep these reforms on the agenda (E22). The intervention demonstrated the importance of balancing immediate crisis-response activities (e.g., addressing forced labour, human trafficking, and psychological health) with ongoing development priorities, such as social dialogue, labour inspection reform, and OSH legislation. However, managing both “crisis-response” and “development” tracks within a single project structure created an unmanageable workload, risking inefficiency and loss of focus, and underscoring the difficulty of advancing long-term reforms when facing immediate crises and addressing urgent needs (E22).

Weak national capacities

In certain countries, weak enforcement of labour laws and regulations due to limited capacities was a significant barrier to the success of formalization initiatives.

Evaluations noted that even where formalization policies were introduced, there was insufficient capacity within national institutions to monitor compliance. For example, in Mauritania, informal workers were granted access to social protection, but poor enforcement meant that many workers continued to work in insecure and unprotected conditions (E2). In other countries, institutional capacity gaps meant that formalization efforts were only partially implemented, with many informal businesses unable to navigate the regulatory environment.

Cultural resistance

Challenges related to poor institutional capacities were compounded by limited awareness and outreach to informal workers, and cultural resistance.

Several evaluations of projects aiming to extend social security benefits to workers in the informal economy found evidence of workers not registering for these benefits due to perceived loss of autonomy or other benefits, or fear of additional regulations. An example is in Iraq, many workers indicated that they did not wish to register in the social security scheme, as they feared the payment of high fees without fully understanding the system; this was also because a new draft law for social security with changes that would affect agricultural workers was being discussed during the implementation of the project (E14). The need to improve the image of work in the manufacturing sector, which was not attractive to young people, was highlighted by the EYE project in Egypt. This can be done by changing the mindsets of young people, their parents and friends, and by potential employers offering good, attractive working conditions (E7).

In a different context, the evaluation of the “invisible workers” project found that home-based workers, and especially women, face several limitations while participating in the initiatives that promote their causes. This includes limited time and earning capacity. Accordingly, initiatives targeting these beneficiary groups need to lead to immediate and direct benefits in terms of increased income, at the risk of losing participants. In addition, workers’ organizations had to adopt non-conventional approaches to attract members (E18).

Lessons related to challenges in social protection and formalization in global supply chains

Efforts to expand social protection must overcome cultural barriers and adapt to the realities of the informal sector by understanding decent work challenges and acting at local, national, regional and global levels.

There were several lessons related to challenges in strengthening social protection, including one related to cultural resistance to enrolling in social security frameworks, as discussed earlier. Another lesson related to cash-transfers in the context of income support component of social protection measures, was that in countries that lack national social insurance institutions, the disbursement through other intermediaries can be very complicated and not necessarily appreciated by stakeholders; these mechanisms could pose risks to ILO in terms of accountability and transparency and undermine its long-term efforts on developing social protection systems (E29). The need to consider the specificities of the informal sector was highlighted as essential to successful expansion of social protection to that sector (E28).

Several lessons on challenges related to global supply chains stemmed from the evaluation of the SSCBFB project, which took a country-focus as a starting point for the project's implementation. The evaluation found that a country focus alone is insufficient to effectively address key governance and management challenges in supply chains, both at the upstream and downstream level. It underscored the importance of tackling decent work challenges using both national actions and international approaches, since problems and causes for poor performance and lack of compliance with decent work principles stemmed from both levels. Furthermore, while the project was designed in response to COVID-19 related challenges, its implementation showed that the decent work challenges addressed by the project focused more on structural challenges in supply chains. It was underscored that a consistent approach to improve decent work in global supply chains requires a combination of working on legal frameworks and enforcement and voluntary actions. Finally, sharing of costs and profits along the supply chain and addressing the responsibility of lead buyers in global supply chains requires reaching out to other key players and networks (E30).

The COVID-19 Pandemic and economic shocks

The COVID-19 pandemic was reported to be an important challenge in many projects. While the pandemic was sometimes described as a catalyst for reform, as it exposed the vulnerabilities of informal workers and prompted efforts to extend social protection, it also disrupted many formalization projects.

Lockdowns, business closures, and economic downturns due to the COVID-19 pandemic led to delays in implementing formalization policies. This disruption affected workers' ability to access benefits, as many businesses that were undergoing formalization shut down temporarily. There was evidence that COVID-19 forced many workers to revert to informal or temporary work as a survival strategy, halting the positive headway made by formalization initiatives, and leading to regressions in decent work conditions. In terms of project implementation, restricted mobility and increased costs postponed activities and necessitated significant adaptations, such as moving training sessions online, and providing stakeholders with safety equipment. While this allowed for progress, in some countries, online communication was difficult and challenging given poor connections and the lack of IT skills among some stakeholders and ILO constituents.

In many instances, global inflation and commodity price crises brought additional challenges to the promotion of decent working conditions, especially in the social protection sector.

Unrealistic project designs and inadequate resources

Challenges were associated with project designs that had overly ambitious goals that were misaligned with available resources or contextual realities.

Many projects struggled to balance broad objectives with short timelines, and there were numerous examples of interventions requesting, and obtaining, no-cost extensions. For instance, The SSCBFB project's short timeframe limited its ability to address systemic decent work deficits in global supply chains, which require long-term engagement to ensure structural changes, and the evaluation also revealed that a larger budget and additional partnerships could have led to improved progress at the outcome and impact levels (E30). Poor alignment between project scope and resources in Iraq led to inefficiencies and generated very high workloads and stress levels for those involved in the project. This was exacerbated by the fact that there was initially no ILO presence in the area (E14). This exemplifies a common barrier noted in evaluations related to the availability of sufficient, qualified human resources, with reported difficulties and delays in staff recruitment, small team sizes, leading to delays in project implementation and increased work pressure.

In some cases, Theories of Change were not articulated, preventing key stakeholders from working towards a shared vision (E17). Lack of risk assessments also led to challenges in implementation, as there were no contingency measures in place. In the case of multi-country projects, evaluations found that fewer, more intensive interventions may be better than a large number of more superficial, scattered approaches in terms of optimizing resources available (E20).

Limited contextual considerations and inaccurate assumptions led to unsuitable approaches and missed opportunities.

There were several instances of projects including activities and approaches that were not suitable for the local context, as well as examples of missed opportunities which could have been avoided through due diligence during planning and design and using evidence-based approaches.

For instance, one evaluation found that technical assistance alone—such as training, mentoring, and advisory services—was insufficient for MSME development in the Pacific Island, as they suffered from liquidity problems, and needed to be complemented by access to innovation and financial support. The project would have been more effective if these elements were linked and properly coordinated among the project partners and implementing agencies (E16).

A project targeting MSMEs in the informal sector of Mexico applied the same intervention model across microenterprises, without considering their different characteristics, needs and motivations, although a diagnostic study had identified this information, thus limiting its impact. The evaluators highlighted that any initiative aimed at strengthening the institutional capacities of constituents—such as formalizing companies and workers—must identify from the design stage the specific capacities it aims to generate or enhance, as well as the mechanisms to measure these outcomes effectively (E11).

In Jordan, despite the use of a vulnerability assessment tool, incorrect assumptions about the skills required for farm work and the prioritization of literate individuals during the selection process inadvertently excluded the most disadvantaged groups, such as illiterate men and women, despite the nature of the work requiring primarily on-the-job training. Additionally, the lack of interest among Jordanian men in agricultural jobs, coupled with reliance on male migrant workers from Egypt, further limited the inclusivity and reach of the project (E12).

The digital divide was apparent in several interventions, reflecting the need for support to connectivity and digital inclusion and improved risk assessments during project design.

Challenges were also evident in projects relying on ICTs when target groups were inexperienced in using online tools. For example, an evaluation in Bolivia revealed the unsuitability of digital solutions, such as digital platforms, for target beneficiaries who had low digital literacy and limited internet access, thus limiting the impact. Evaluators emphasized that tools aimed at training must include support for digital inclusion, as participants may lack mastery of the topics or technology. In efforts to reduce the digital divide, face-to-face spaces are essential for people needing to learn how to use devices or terminals to access training. Self-learning may work for some segments with sufficient knowledge and familiarity with ICTs, but for others, such as older adults, this presents significant barriers. Traditional means alongside digital innovations should therefore be used to avoid exclusion (E16).

An additional lesson based on challenges faced in interventions, was that virtual platforms and portals for training are tools, not ends in themselves, and require strategies and human resources for their maintenance and sustainability. Websites and platforms must have dedicated staff to update content continuously, provide ongoing services, and promote their use to ensure effectiveness and longevity.

One evaluation highlighted that although online programmes are often the only viable alternative to replace face-to-face training, they may not be as effective for disadvantaged individuals due to their technical background and education level (E24). Additionally, it was noted that seminars and workshops could be more effective than online trainings for high-level officials such as judges and prosecutors, as these officials struggled to balance their professional responsibilities with the time needed for on-duty online trainings (E24).

Insufficient stakeholder engagement

Efforts towards formalization were reduced when stakeholders were not sufficiently engaged in project design and implementation; this also limited prospects for sustainability of results.

Insufficient stakeholder engagement limited efforts towards formalization. This was particularly the case when steering or advisory committees were not implemented as planned, leading to reduced project impact and sustainability. For instance, lack of consultation and collaboration with key stakeholders, and lack of interest of certain key actors was one of the key factors associated with the poor results of the GOUVERNANCE project, which aimed to strengthen the compliance of MSMEs with FRPW and OSH, had been pre-designed without considering the heterogeneous national capacities and realities of target countries, limiting impact, with achievement of outputs assessed to be at 30 per cent (E1). There were also missed opportunities to leverage collaborative mechanisms and involve key institutions in several interventions, reducing effectiveness (e.g. E11). Inadequate engagement of private sector partners in Mauritania and lack of worker involvement in China hindered project outcomes. In Cambodia, an obstacle to sustainability of the LSGSC's enterprise-level pilot programme on collective bargaining in garment factories in Indonesia was the absence of an agreement between ILO and a national organization that would be able to act as institutional anchor (E20). Poor participation of key stakeholder groups also limited inclusivity and opportunities for improved social dialogue, limiting sustainability and impact of results.

Poor inter-agency coordination

Although inter-agency collaboration can add value by creating synergies and aligning efforts towards shared goals, poor coordination leads to inefficiencies.

Certain projects faced challenges in inter-agency collaboration, leading to negative effects on project implementation and reduced efficiency. For instance, the dual management structure of the Jov@emprego Programme between ILO and UNDP was found to create inefficiencies due to duplication of practices and hindered integration of outcomes (E4). Another report noted that the One-UN approach in Bangladesh required close coordination between UN agencies to contribute to safety and protection of Bangladeshi migrants abroad, reintegration on return, and access to Decent Work in destination and home countries. This contributed to improved policy advice for the government but required significant time and human resource investment (E21). Common challenges across inter-agency projects included fragmented intervention designs, delays in aligning mandates, and inconsistencies in programming, resource allocation, and operational approaches. Evaluators recommended centralized programme management within a single autonomous unit while maintaining flexibility to adapt to local needs, and improved capacities of ILO staff to design and monitor projects.

Inefficient management and implementation processes

Inefficient management and implementation processes were negative factors identified in several reports.

There was some evidence of projects facing challenges due to poor management and implementation mechanisms. The evaluation of a project in Jordan reported inefficiencies stemming from the absence of competitive recruitment for four of the nine implementing partners, with only five explicitly pre-approved by the donor. The lack of a proper bidding process reduced options for timely and effective delivery, while direct contracting and weak communication with ILO's technical backstopping contributed to the financing of potentially fraudulent activities and a weak overarching project framework combined with poor monitoring, undermining the project's overall efficiency (E12). One lesson from the Green enterPRIZE project was the importance of conducting thorough due diligence on potential partners and ensuring full transparency about ILO's rules and regulations when formalizing partnerships with external implementing organizations. (E3).

Setbacks were associated with poor, or missing, monitoring and reporting frameworks.

Several lessons were related to the need for interventions to have strategies and realistic measures in place to monitor results. Moreover, the importance of having reliable, relevant data collection and monitoring mechanisms, along with information systems for improved decision-making was underscored in several reports, as this was a challenge for assessing progress and accountability.



▶ 4. Conclusion

This synthesis of ILO evaluation reports finds that ILO's work under Recommendation 204 (R.204) has demonstrated progress in advancing formalization through multi-dimensional approaches including worker and enterprise formalization, the extension of social protection, improved occupational safety and health, and collective bargaining. Interventions addressed structural barriers and facilitated MSME and workers' formalization efforts by simplifying business registration processes, providing financial inclusion tools, and offering tailored skills and vocational training, particularly in sectors such as agriculture, construction, and domestic work. Legislative reforms, strengthened institutional capacities, and enabling environments supported the sustainability of formalization efforts, while targeted capacity-building empowered informal workers to navigate formal systems. There were some instances of innovative schemes, related to social protection, sectoral approaches, digitalization and the use of information technologies, as well as participatory methodologies, although more progress is needed to promote innovation overall.

The COVID-19 pandemic posed substantial challenges but also promoted progress. It disrupted implementation timelines, exposed vulnerabilities among informal workers, and forced many to revert to informal employment. However, it also catalyzed reforms, highlighting the urgency of extending social protection and improving OSH standards. Projects integrated OSH measures, economic recovery plans, and digital tools to adapt to disruptions while safeguarding workers and enterprises. Social protection expansion remained a cornerstone of formalization efforts, with initiatives ensuring access to portable benefits and integrating vulnerable groups such as migrants and home-based workers into national systems.

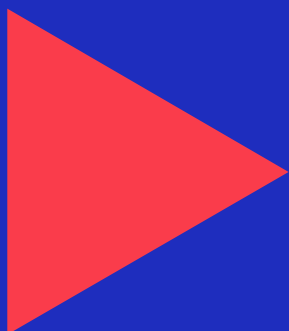
Key barriers included political instability, weak institutional capacities, and cultural resistance, which limited stakeholder engagement and led to challenges in achieving results. Overambitious project scopes and inadequate contextual analysis, combined with challenges in management mechanisms further constrained impact. However, strong governance, participatory design, and ILO's strategic use of evidence-based strategies facilitated progress and ensured the scalability and relevance of interventions, particularly when coupled with social dialogue and stakeholder collaboration. These efforts not only addressed decent work deficits but also promoted inclusive, sustainable formalization, aligning closely with the principles of R.204.

Annex 1: List of Selected Evaluation Reports

No.	Evaluation title	DC Code	Formalization Relevance	Category	Region	Evaluation type	Evaluation nature	Date
1	Améliorer la gouvernance du travail dans les TPE/PME et aider à la sortie de l'économie informelle en Afrique	RAF/16/53/FRA	V. High	Both	Africa	Project evaluation	Independent	Apr-21
2	Appui à la dynamisation du développement économique local dans les zones défavorisées	MRT/18/01/FRA	High	Both	Africa	Cluster evaluation	Independent	Jul-23
3	Green enterPRIZE Innovation and Development in Zimbabwe -	ZWE/17/01/SWE	High	Enterprise Formalization	Africa	Project evaluation	Independent	Aug-21
4	Programme conjoint d'appui à l'emploi, l'employabilité et l'insertion	CPV/16/01/OUF	High	Both	Africa	Project evaluation - joint	Independent	Apr-22
5	Programme d'appui à l'autonomisation économique des femmes rurales	TUN/18/01/CAN	High	Enterprise Formalization	Africa	Project evaluation	Independent	Mar-23
6	Appui à la jeunesse tunisienne à travers l'entrepreneuriat social et solidaire	TUN/18/03/LUX	High	Enterprise Formalization	Africa	Project evaluation	Independent	Jan-22
7	Employment for youth in Egypt (EYE): Working together in Qalyoubia and Menoufia	EGY/16/02/NOR	High	Enterprise Formalization	Africa	Project evaluation	Independent	Nov-20
8	Desarrollo de capacidades de los gobiernos locales en Santiago (Chile) y Ciudad de México para fortalecer la integración socioeconómica de las personas migrantes...	NO_DC_SYMBOL_75	V. High	Both	Americas	Project evaluation	Independent	Aug-23
9	Expanding the social protection system for young men and women in the informal economy	ECU/19/50/UND	V. High	Both	Americas	Project evaluation	Independent	Apr-22
10	Mitigando el impacto socioeconómico del COVID-19 sobre el empleo y los ingresos de mujeres trabajadoras por cuenta propia de la economía informal en Bolivia -	BOL/20/50/UND	V. High	Enterprise Formalization	Americas	Project - Joint evaluation	Independent	Jun-22
11	Soporte técnico en formalización en México	MEX/16/01/RBS	V. High	Both	Americas	RBSA funded activity	Independent	Jul-19

12	Formalizing Access to the Legal Labour Market for Refugees and Host Communities in Jordan, Phase II	JOR/19/05/USA	High	Both	Arab States	Project evaluation	Independent	May-22
13	Decent Work in Jordan's Floriculture Sector	JOR/19/02/AUS	High	Employment Formalization	Arab States	Project evaluation	Independent	Dec-22
14	Enhancing Labour Governance, Inspection and Working Conditions In Response to COVID-19 Phase I in Iraq	IRQ/20/03/EUR	High	Employment Formalization	Arab States	Project evaluation	Independent	Nov-23
15	Formal employment is promoted for inclusive and diversified economic growth in Mongolia	MNG/18/01/RBS	V. High	Both	Asia and the Pacific	RBSA funded activity	Independent	Jul-22
16	Inclusive Economic Recovery through Sustainable Enterprises in the Informal Economies of Fiji, Palau, Tonga, and Vanuatu	RAS/20/53/UND	V. High	Enterprise Formalization	Asia and the Pacific	Project - Joint evaluation	Independent	Jun-22
17	Technical support to ESIC for improving and expanding access to health care services in India – A transition to formality	IND/18/01/GAT	V. High	Both	Asia and the Pacific	Project evaluation	Independent	Aug-21
18	Towards fair and sustainable global supply chains: Promoting formalization and decent work for invisible workers in South Asia	RAS/17/06/JPN	V. High	Both	Asia and the Pacific	Project evaluation	Independent	Sep-22
19	Improving China's institutional capacity towards universal social protection	CHN/18/01/EUR	High	Employment Formalization	Asia and the Pacific	Project evaluation	Independent	May-23
20	Labour Standards in Global Supply Chains – Programme of Action for Asia and the Garment Sector	RAS/17/50/DEU	High	Both	Asia and the Pacific	Project evaluation	Independent	Mar-19
21	Application of migration policy for decent work of migrant workers, phase II	BGD/18/03/CHE	High	Employment Formalization	Asia and the Pacific	Project evaluation	Independent	Sep-22
22	Towards safe, healthy and declared work in Ukraine	UKR/19/01/EUR	V. High	Both	Europe and Central Asia	Project evaluation	Independent	Apr-23

23	Supporting the transition from informal to formal economy and addressing undeclared work in Greece: identifying drivers and ensuring effective compliance	GRC/15/01/EUR	V. High	Both	Europe and Central Asia	Project evaluation	Internal - Project	Apr-18
24	Decent Work Opportunities for Refugees and Host Communities in Türkiye	TUR/19/02/USA	High	Both	Europe and Central Asia	Project evaluation	Independent	Aug-22
25	From the crisis towards decent and safe jobs in Kyrgyzstan and Tajikistan, Phase II (DW II project)	RER/13/01/FIN	High	Both	Europe and Central Asia	Project evaluation - Over 5 million	Independent	Dec-19
26	ILO's Safety + Health for All Flagship Programme	NO_DC_SYMBOL_76	V. High	Both	Inter-Regional	Thematic evaluation	Independent	Oct-23
27	Independent evaluation of the ILO's strategy and actions towards the formalization of the informal economy, 2014-2018	NO_DC_SYMBOL_73	V. High	Both	Inter-Regional	HLE - Strategy and policy evaluation	Independent	Oct-19
28	Improving Synergies between Social Protection and Public Finance Management	GLO/19/53/EUR	High	Employment Formalization	Inter-Regional	Project - Joint evaluation	Independent	Feb-24
29	Protecting garment sector workers: occupational safety and health and income support in response to the COVID-19 pandemic	GLO/20/20/MUL	High	Both	Inter-Regional	Project evaluation - Over 5 million	Independent	Sep-22
30	Sustainable supply chains to build forward better: Decent work in five global supply chains of key importance to the European Union for a fair, resilient, and sustainable COVID-19	GLO/20/40/EUR	High	Both	Inter-Regional	Project evaluation	Independent	Mar-23
31	Social dialogue for formalization and employability in the Southern Neighbourhood Region (SOLIFEM)	INT/20/02/EUR			Interregional	Project evaluation	Internal, midterm	Mar-24



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