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PFA

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High-level evaluations of strategies and Decent Work Country Programmes

Purpose of the document

This document presents a summary of the findings and recommendations of three independent high-level evaluations conducted during 2025 by the ILO Evaluation Office – Part I: The ILO Youth Employment Action Plan 2020–24; Part II: The ILO Better Work Programme (2014–25), with a focus on the Phase V Strategy (2022–27); and Part III: ILO Decent Work Country Programmes and Strategies in Central America (2020–24). The Governing Body is invited to endorse the recommendations and request the Director-General to ensure that they are implemented (see the draft decision in paragraph 81).

Relevant strategic objective: All.

Main relevant outcome: Enabler B: Improved leadership and governance.

Policy implications: The final section of each evaluation summary contains a set of recommendations, the implementation of which will have policy implications.

Legal implications: None.

Financial implications: Largely within existing budget allocations.

Follow-up action required: Follow-up to the recommendations will be reviewed by the Evaluation Office and the Evaluation Advisory Committee and reported to the Governing Body through the annual evaluation report.

Author unit: Evaluation Office (EVAL).

Related documents: GB.355/PFA/5; GB.346/PFA/6(Rev.1).

Contents

▶ Introduction

1. This document provides a concise summary of three high-level evaluations conducted by the ILO Evaluation Office in 2025: the ILO Youth Employment Action Plan 2020–24; the ILO Better Work Programme (2014–25), with a focus on the Phase V Strategy (2022–27); and ILO Decent Work Country Programmes and Strategies in Central America (2020–24). These evaluations adhere to international standards and detailed evaluation protocols to ensure accountability and guide strategic decision-making.

2. The evaluation methodology employs a mixed approach. Data collection is thorough and multifaceted, including desk and expert reviews, evaluation syntheses, interviews, surveys and case studies with targeted field visits in selected countries. This ensures that findings are well-grounded and reflect diverse sources allowing for triangulation.

3. Ratings are assigned on a six-point scale, ranging from "Highly unsatisfactory" to "Highly satisfactory". [1] Scores by evaluation criteria are informed by multiple inputs: survey results from constituents and staff, insights from the synthesis review of evaluation reports and, critically, the expertise and judgement of the independent evaluation team. The team's independent perspective helps ensure objectivity, consistency and depth of analysis, making their input essential to the credibility of the process.

▶ Part I. Independent high-level evaluation of the ILO's strategies and actions under the Youth Employment Action Plan for the period 2020–24

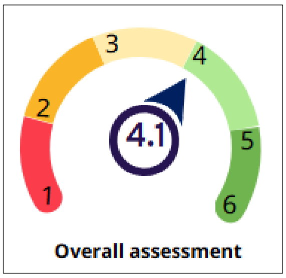
Purpose and scope

4. This high-level evaluation reviewed the Office's strategies and actions under the Follow-up plan of action on youth employment 2020–30 ("Youth Employment Action Plan" or YEAP) for the period 2020–24. The evaluation paid particular attention to the five policy areas: (i) employment and economic policies for youth employment; (ii) labour market policies; (iii) employability (education, training and skills, and school-to-work transitions); (iv) youth entrepreneurship and self-employment; and (v) rights for young people. The high-level evaluation delivered expert-level analysis grounded in data derived from: a review of ILO documentation; ten case studies (four in-depth, four desk-based, and two thematic); interviews and surveys with ILO staff, constituents, donors, United Nations (UN) and other partners; [2] and a synthesis review of 30 evaluation reports on youth employment.

[1] 6 = Highly satisfactory; 5 = Satisfactory; 4 = Somewhat satisfactory; 3 = Somewhat unsatisfactory; 2 = Unsatisfactory; 1 = Highly unsatisfactory.

[2] Case studies included: Colombia, Kenya, the Philippines and Tunisia (in-depth country-focused); Egypt, Jordan and Lebanon, and the Youth Guarantee Scheme in the Western Balkans (desk-based); the assessment of the balance between demand-side and supply-side approaches in the ILO's work on youth employment; and the assessment of the ILO's partnerships with international cooperation agencies on youth employment (thematic). A total of 170 informants (46 per cent men; 54 per cent women) were interviewed, while 25 per cent of staff, 36 per cent of constituents and 23 per cent of partners completed the survey.

Overall assessment



5. The Youth Employment Action Plan 2020–30 sets out a focused strategic vision that reaffirms the ILO's normative and technical leadership in youth employment, positioning it as a lever of economic and social stability. Since its inception, the ILO has positioned itself as a global knowledge leader, advancing policy integration and country-level diagnostics, and contributing to promoting youth rights at work, strengthening social dialogue and tripartism, and embedding youth employment into national frameworks aligned with international labour standards. Programming strengthened public employment services, enhanced skills systems and promoted youth entrepreneurship, primarily through supply-side interventions. The introduction of output 3.5 (Increased capacity of Member States to promote decent employment for youth) in the Programme and Budget for 2024–25 and rising donor interest in green and digital transitions provide a platform to scale the ILO's youth employment efforts.

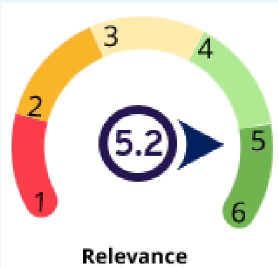
6. Moving forward, the ILO's capacity to deliver on the Plan remains constrained by critical gaps and decent work deficits. Despite progress since its inception, demand-side interventions need stronger focus to unlock solutions to job creation challenges and strengthen private sector engagement in youth job creation and talent retention. Youth participation in decision-making remains inconsistent and lacks influence. Internally, short funding cycles with limited resources, loose internal governance for interdisciplinary work and an absence of costed planning and results monitoring and reporting weaken long-term strategic delivery and impact assessment. Limited uptake of results by Member States through integration into national systems further restrict the scale, sustainability and impact of youth employment initiatives.

Key findings by evaluation criteria

A. Relevance

Key finding 1: The ILO has contributed to addressing constituents' priorities through stronger integration of youth employment into national policy frameworks since 2020. Strengthening youth participation in national decision-making and expanding efforts in underdeveloped areas of the ILO's programming for youth employment are important avenues to advance the relevance of the ILO's youth employment agenda.

Key finding 2: The ILO has proactively seized opportunities to adapt youth employment strategies to address global and national challenges, ranging from COVID-19 and demographic shifts to geopolitical instability, climate change and digitalization.



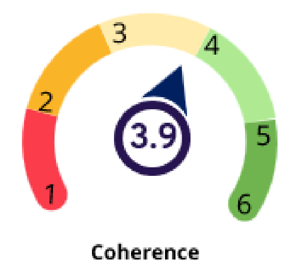
7. The ILO's work on youth employment spans diverse contexts and development stages, guided by country priorities, demand from constituents and resource availability. Youth employment efforts reach diverse demographic groups, including disadvantaged youth groups (those not in employment, education or training; those in conflict settings, the rural economy and the informal economy; and women). Yet, targeting young people with disabilities and promoting youth participation in social dialogue remains limited.

8. The ILO's youth employment strategies under the Plan have positioned youth employment as a pillar of economic and social stability. However, challenges persist. While supply-side efforts such as skills training have gained momentum, demand-side measures – macroeconomic policies and sectoral investments highlighted in the YEAP – require greater attention and a sustained commitment from ILO Member States to strengthen them, respond to constituents' evolving priorities and ensure balanced efforts that address the multifaceted challenges of youth employment. Additionally, while growing support exists for digitalization in labour market policies and skills development, continued attention to green skills is needed in the ILO's youth employment programming.

9. The ILO has shown agility in addressing emerging challenges, notably supporting employment recovery after COVID-19 and the resilience of young workers and entrepreneurs.

B. Coherence

Key finding 3: The YEAP 2020–30 outlines a strategic approach that underscores the ILO's normative and technical leadership in youth employment. However, the absence of an operational implementation mechanism prohibits its potential to function as a unified, actionable framework rooted in internal policy coherence.



Key finding 4: The introduction of output 3.5 in the Programme and Budget for 2024–25 marks progress towards institutionalizing youth employment, but continued fragmentation across multiple outputs weakens synergies and accountability. Only 9 per cent of planned youth employment results for the biennium are aligned with output 3.5, which limits the reporting on and visibility of results.

10. The YEAP is aligned with global frameworks, including the ILO Centenary Declaration, the Call for Action on Youth Employment (2012), the 2030 Agenda for Sustainable Development and the UN Youth Strategy, while promoting a human-centred, rights-based approach that embeds youth employment within wider economic, environmental and social policies.

11. The implicit theory of change for the YEAP 2020–30 is conceptually grounded and strategically ambitious but lacks the operational mechanism to ensure coherence of results across its three implementation clusters.[3] The absence in the YEAP of an explicit results framework, performance benchmarks and monitoring systems undermines progress tracking and aggregation, leaving youth employment efforts dispersed and largely invisible.

12. Institutional coherence with the ILO's results-based management system is developing, with scope for further alignment. Until 2024–25, youth employment had no dedicated output, with related country programme outcomes scattered across outputs, mostly including skills (3.2), labour market programmes (3.4) and enterprise support (4.3). While the Interdepartmental Action Group facilitates convening and information-sharing and ensures representation of social partners' perspectives in internal discussions through the Bureau for Workers' Activities (ACTRAV) and the Bureau for Employers' Activities (ACT/EMP), its limited role hinders its ability to create synergies across departments and regions.

[3] Knowledge development and dissemination, technical assistance and capacity-building, and partnerships and advocacy.

C. Effectiveness

Key finding 5: The YEAP has driven results at the country level, particularly in policy integration, skills development, entrepreneurship and self-employment. Yet, overall effectiveness is constrained by gaps in demand-side interventions, fragmented programming, short funding cycles, market-related barriers, limited youth involvement in social dialogue, and socio-economic and political factors.

Key finding 6: Work under the YEAP promotes tripartism and social dialogue and reinforces the ILO's normative mandate by advancing rights at work through inclusive policy development at the national and subnational levels, anchored in international labour standards. Enabling rights, such as freedom of association and collective bargaining, are not consistently included in youth-focused strategies.

13. All five policy areas covered by the YEAP are broadly reflected in ILO interventions. Since 2020, the ILO has contributed to the adoption of 11 national employment policies; assisted 24 Member States in the formulation of youth-specific employment strategies; and supported policy instruments indirectly related to employment, particularly in contexts of informality, crisis or multidimensional vulnerability. Strengthening public employment services and skills development systems have been major approaches to labour market policy (often in the context of active labour market policies) and employability, while initiatives on work-based learning are relatively limited. Entrepreneurship has been generally addressed as a skill, often using ILO tools, predominantly through the Start and Improve Your Business programme. Rights at work for youth have been implicitly promoted across the portfolio.

14. The ILO has taken a comprehensive approach to knowledge, leading globally on statistical data and publications, while driving regional platforms and country diagnostics. The Office developed a large number of partnerships across some sectors and levels to tackle employment challenges and promoted decent work for youth through collaboration with governments, social partners, development sector agencies and civil society. Yet, the active engagement of the private sector is largely absent.

15. Despite progress, effectiveness remains limited. Support for demand-side interventions such as macroeconomic policy, sectoral investment and job creation schemes requires enhanced action to overcome employment gaps, especially where decent job opportunities are limited, such as in the informal economy and fragile settings. Market barriers such as low private sector demand, limited access to finance and weak market incentives are persistent. While some initiatives embed youth rights at work, youth are often grouped with broader vulnerable populations, meaning that their distinct challenges are not taken into account.

16. The ILO's work on youth employment has advanced key labour standards, such as the Minimum Age Convention, 1973 (No. 138), the Equal Remuneration Convention, 1951 (No. 100), and the Discrimination (Employment and Occupation) Convention, 1958 (No. 111), through integration into national policies, capacity-building and advocacy. However, youth-focused strategies do not consistently include enabling rights, such as freedom of association and collective bargaining. Although tripartite dialogue exists, there is limited evidence of youth voices being present in formal tripartite structures.

D. Efficiency

Key finding 7: Since 2020, the ILO estimated total resource expenditure on youth employment reached US$445.8 million[*] (22 per cent of its total expenditure). It increased by 61 per cent between 2020 and 2024, signalling stronger commitment from funding partners and a high fund utilization rate of nearly 80 per cent. Evolving donor priorities, favouring niche themes such as green transitions, digitalization, platform work and crisis response, present opportunities for the ILO to effectively position youth employment as a priority within a variety of forward-looking agendas.

Key finding 8: Despite clear commitment, the ILO's delivery model for youth employment does not match the ambitions of the YEAP. Persistent staffing shortages with fixed-term appointments, an absence of formalized roles, and gaps in coordination between headquarters and regional and country offices affect efforts towards youth employment outcomes. During the review period, over 95 per cent of youth employment expenditure relied on extrabudgetary development cooperation (XBDC) funding, with the achievement of youth employment outcomes reliant on fragmented and time-bound initiatives.

Key finding 9: In the absence of a results framework, efforts to monitor progress under the YEAP have remained limited and largely ad hoc.

[*] This figure is an internal estimate derived from the aggregation of expenditures associated with country programme outcome initiatives and development cooperation projects explicitly referencing the terms "youth" or "young", in the three official languages, drawing from data provided by the ILO Financial Management Department, the ILO Development Cooperation Dashboard and outcome-based work planning.

17. The ILO has played a key role in global youth employment efforts. Its main partnership, the Global Initiative on Decent Jobs for Youth, mobilized US$27.6 million [4] in resources between 2017 and 2025. [5] The alignment and complementarity across various partnership platforms, such as the Global Accelerator on Jobs and Social Protection for Just Transitions, needs to be promoted to provide clarity for external partners.

18. The institutional delivery model for the YEAP does not fully capitalize on internal resources. The current setup of the recently re-established Youth Employment Unit – with two regular budget staff members and heavy reliance on XBDC-funded contracts – falls short of meeting the scale and complexity of the task. Moreover, in the absence of dedicated youth employment specialists, regional engagement is maintained through interim and informal focal points, rather than by structurally defined roles or strategic regional work plans, limiting the ILO's capacity to respond to increasing demands from constituents and ensuring continuity of youth employment efforts. Across departments, youth-related work is typically subsumed, without disaggregation of time and resource allocation. The Interdepartmental Action Group operates as an informal structure without dedicated resource allocation and defined accountability for results. Strategic adjustments could enable fuller deployment of internal assets and mitigate risks of discontinuity and institutional dependency on individuals rather than systems.

19. The dedicated programme and budget output 3.5 presents another strategic opportunity to strengthen institutional capacity by unlocking regular budget resources. Yet, the absence of costed planning that links resources to measurable outcomes, alongside weak monitoring and

[4] Sourced from financial data provided by the ILO Employment Policy, Job Creation and Livelihoods Department.

[5] This includes activities funded through the Global Initiative on Decent Jobs for Youth, which had implementation periods that overlapped with the evaluation period (2020–24).

outcome-based reporting, undermine the ability to mobilize and allocate resources effectively and weaken the visibility of results.

E. Sustainability and emerging impact

Key finding 10: Integrated solutions and local buy-in demonstrate potential for impact and sustainability in several countries. However, the majority of the ILO's youth employment work relies on technical assistance, with limited scale and challenged uptake of results through integration into national frameworks with sustained domestic financing. These factors undermine sustainability, while limited focus on demand-side solutions and weak private sector engagement in job creation and talent retention reduce the likelihood of impact.

Key finding 11: The absence of robust monitoring frameworks severely hinders the assessment of the impact and scalability of interventions.

20. To promote sustainability and impact, the ILO continues to use youth-related strategies such as policy integration, capacity-building and training, aligned with national priorities. However, short funding cycles prevent the ILO from achieving broad national-scale viability, which is further exacerbated by changing government priorities and weak institutionalization of outcomes. Sustainability is further challenged by the complexity of delivering programmes in conflict-affected settings.

21. The absence of systematic monitoring in youth employment limits the ILO's capacity to generate consolidated reporting that supports internal learning and accountability, and weakens evidence use as a strategic tool for coherent delivery, outreach and resource mobilization.

Recommendations

22. **Recommendation 1:** To sustain its leadership role, the ILO should balance supply-side measures with a sharper focus on the active promotion of youth employment creation through targeted, demand-side interventions. This can be achieved through strengthening its work on cross-ministerial and comprehensive policy frameworks, based on social dialogue and youth engagement, and through the concrete application of newly developed tools such as employment budgeting tools and demand-side impact assessments, and more work on active labour market policies. The focus should continue to be on sectors with high potential for job creation, such as the green, digital and care sectors.

Responsible units	Priority	Time implications	Resource implications
Employment Policy, Job Creation and Livelihoods Department (EMPLOYMENT), with support from: • Sustainable Enterprises, Productivity and Just Transition Department (ENTERPRISES) • Universal Social Protection Department • regions and Decent Work Technical Support Teams (DWTs) • ACT/EMP and ACTRAV	High	Short-term	Low

23. **Recommendation 2:** For cohesive management and full realization of the YEAP results, the Youth Employment Unit should be mandated to coordinate youth employment activities across the ILO and optimize resource utilization. To maximize delivery, the overlap between the output 3.5 coordination team and the Interdepartmental Action Group should be addressed, resulting in a formally mandated and actively engaged network of ILO staff – with allocated time – for coordinated planning, shared accountability for results and effective outreach across youth-related initiatives. To strengthen field delivery, results from the workforce gap analysis should be considered to address capacity needs in emerging areas in the field, such as digital and green transitions, conflict-sensitive programming, public employment services and entrepreneurship ecosystem development. This will help ensure the ILO can provide responsive, high-quality technical support aligned with evolving youth employment challenges and opportunities.

Responsible units	Priority	Time implications	Resource implications
• EMPLOYMENT • Human Resources Development Department (HRD) • Strategic Programming and Management Department (PROGRAM)	High	Medium-term	Medium

24. **Recommendation 3:** The ILO should complement the YEAP with an integrated results framework to forge greater institutional programming and strengthen results-based planning, monitoring and reporting. This framework should guide progress tracking and be linked to monitoring field-level delivery, supported by regular reporting to inform programming and enhance results visibility. Collecting age-disaggregated and qualitative data will be essential to assess youth outcomes and strengthen evidence-based decision-making.

Responsible unit	Priority	Time implications	Resource implications
EMPLOYMENT	High	Medium-term	Low

25. **Recommendation 4:** To strengthen sustainability and impact, the ILO should explore avenues to leverage financial resources with its national constituents, enhance private sector engagement for job creation and talent retention, promote decent work and labour rights, and engage regional and global development banks to integrate the Decent Work Agenda for youth into their financing instruments and technical assistance programmes. The ILO should continue maximizing global partnership platforms by prioritizing the development of value propositions, adopting a unified and tailored engagement approach, and assigning dedicated partnership staff across country, regional and headquarters levels. To enable coordinated inter-agency action at the regional and country levels, the ILO should continue to lead the development of partnership agreements or memoranda of understanding with other UN agencies at the headquarters and regional office levels, ensuring they are focused on delivering concrete, results-oriented outcomes.

Responsible unit	Priority	Time implications	Resource implications
EMPLOYMENT, with support from: • Multilateral Partnerships and Development Cooperation Department (PARTNERSHIPS) • regions and DWTs	High	Medium-term	Medium

Office response

26. The Office remains committed to strengthening its leadership and delivery on youth employment through the YEAP, aligned with its normative mandate and constituents' evolving priorities.

27. **Recommendation 1:** The Office will further support constituents to implement demand-side interventions. EMPLOYMENT will strengthen the theory of change and advocacy tools to clarify the relevance of proposed demand-side interventions, including macroeconomic and sectoral policies for structural transformation. The Office will intensify support to constituents to design and implement comprehensive cross-ministerial, tripartite, youth-inclusive and gender-sensitive employment policies. It will broaden the use of tools such as employment budgeting and impact assessments, and target job creation in high-potential sectors, notably the green, digital and care economies. Job creation through youth entrepreneurship, access to finance and so on will remain a focus led by ENTERPRISES. The Office will continue strengthening expertise on youth-targeted active labour market policies, capturing labour demand, supply and intermediation issues. In collaboration with ACTRAV and ACT/EMP, guidance will be further developed to enhance meaningful youth engagement, including in social dialogue.

28. **Recommendation 2:** The Office will strengthen internal coordination and delivery capacity through additional resource mobilization and internal restructuring. The Youth Employment Unit will be mandated to coordinate youth employment across the Organization, including:

- coordinating delivery under output 3.5 (programme and budget 2026–27) to ensure all areas of the YEAP are addressed;
- convening the Interdepartmental Action Group under the Director of EMPLOYMENT, supporting communication and collaboration to foster greater clarity on roles and responsibilities, identify opportunities for action and co-creation, and increase its accountability;
- promoting stronger partnerships and multi-stakeholder alliances, including through the Global Initiative on Decent Jobs for Youth.

These tasks will seek greater coherence and less fragmentation in the ILO's youth employment work, with efforts made to reflect the time commitments of members of the Interdepartmental Action Group in their beginning of cycle plan. The Office will – upon resource availability – strengthen technical capacities in digital and green transitions, crisis-sensitive responses, entrepreneurship ecosystems and public employment services.

29. **Recommendation 3:** The Office will develop an integrated results framework for the YEAP for institutional coherence. Monitoring and reporting responsibilities will be clarified and formalized to enhance accountability. The Office will continue high-quality reporting under the

UN Youth Strategy. Based on the successful expansion of youth statistics, age-disaggregated data and youth-specific indicators will be further developed, collected and analysed.

30. **Recommendation 4:** The Office will promote leveraging of domestic resources for youth employment, and work with constituents to deepen private sector engagement. At the global level, the ILO will expand collaboration with development banks and further integrate decent work for youth into financing instruments, building on the successful Youth, Jobs and Skills Marker launched by the African Development Bank with the support of the ILO. The Office will further refine its value proposition for partners and strengthen its presence in global and regional platforms and partnerships. In Africa, it will build on the achievements of the African Union–ILO Youth Employment Strategy for Africa. It will continue leading the Global Initiative on Decent Jobs for Youth and further integrate youth employment into multi-stakeholder initiatives, such as the Global Accelerator on Jobs and Social Protection for Just Transitions.

▶ Part II. Independent high-level evaluation of the ILO's Better Work Programme (2014–25) with a focus on the Phase V Strategy (2022–27)

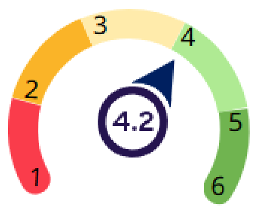
Purpose and scope

31. At its 350th Session (March 2024), the Governing Body of the International Labour Office requested an evaluation of the Better Work Programme's progress in implementing its Phase V Strategy (2022–27). In response, the ILO's Evaluation Office integrated a high-level evaluation of the programme into its rolling work plan. The high-level evaluation provides an independent review of Better Work's achievements and challenges in the last decade with a specific focus on Phase V.

32. The high-level evaluation drew on a document review, a synthesis review of 28 project evaluations, stakeholder consultations with 370 participants (179 women, 191 men) via interviews and focus groups, and two surveys, one of ILO national constituents in programme countries (35 respondents) and one of ILO staff (208 respondents). The evaluation team conducted field work in Bangladesh, Cambodia, Indonesia and Viet Nam, held parallel remote consultations with constituents in Uzbekistan, and interviewed current and former Better Work staff across all other country programmes (Egypt, Ethiopia, Haiti, Madagascar, Nicaragua, Pakistan and Sri Lanka).

Overall assessment

33. Better Work has driven measurable improvements in working conditions, labour compliance and productivity in programme factories – achievements underpinned by rigorous research, the strong buy-in of both global brands and ILO constituents that fuels its credibility and growth, and the distinctive institutional partnership between the ILO and the International Finance Corporation (IFC). Noteworthy compliance gaps persist in several areas, requiring continued focus and stronger cross-ILO coordination.



Overall assessment

34. The Phase V strategy design proved highly relevant, building on Phase IV to extend impact beyond factories through support for policy reforms, sectoral strategies and piloting tools in new sectors and supply chains. These efforts show clear potential to amplify national ownership and systemic change.

35. Despite its diversified revenue sources, high rates of cost recovery for factory services in several countries, and ongoing efforts to pilot alternative implementation models, Better Work remains resource-intensive and dependent on donor funding, particularly for activities strengthening the enabling environment. Progress towards establishing time-bound, clearly defined and jointly agreed transition plans for long-standing programmes has been slow, and ILO constituents' readiness to assume their mandated roles remains uneven across Better Work countries. Without decisive action on transition strategies, constituent capacity-building and sustainable financing models, the programme's long-term impact remains fragile.

Key findings by evaluation criteria

A. Relevance

Key finding 1: In the last decade, Better Work operated in 13 countries, doubled its factory coverage (2,270) and tripled its worker reach (3.6 million), spurred by early success. Growth occurred mainly among brand direct suppliers (tier 1); about 4 per cent of participating factories are subcontractors or raw material processors (lower tier) and 14 per cent operate outside the garment sector.

Key finding 2: Better Work enjoys strong buy-in across ILO constituents for its contributions to jobs, export growth and compliance but also faces competing demands. Governments value Better Work for improving sector reputation and desire similar support for other key economic sectors with decent work deficits. Employers would like more help with market access and productivity, while workers' organizations would like stronger use of brand leverage to address rights violations. Global brands – another key stakeholder – view Better Work as a reliable compliance partner and press for its expansion to help meet new due-diligence obligations.

Key finding 3: Internal reviews and past evaluations highlight that Better Work's implementation model is resource-intensive and difficult to scale, insufficiently focused on strengthening national labour market governance, and lacking a clear exit strategy. While Phase V introduced measures aimed at progressively addressing many of these gaps, strategies to reduce resource intensity were limited, despite experimentation with lighter implementation models. However, Better Work has recently developed proposals for more significant innovations of its model that may improve cost-effectiveness and further advance sustainability.

Key finding 4: Better Work has demonstrated adaptability across diverse contexts, customizing its Compliance Assessment Tool to reflect local legislation, engaging tripartite advisory committees and tailoring its strategic approach. However, progress in co-designing clear, country-specific sustainability road maps, aligned with available funding and developed in collaboration with constituents, remains uneven across Better Work countries.

36. Even as the programme continues to provide significant value to ILO constituents and brand partners, Better Work finds itself at a crossroads. In Phase V, efforts to address Better Work's core limitations, particularly the challenges increasing the programme's influence on systemic governance, were clearly acknowledged and intensified. Now, in the wake of recent changes in the programme leadership team and amid tightening budgets of development partners, Better Work has begun moving forward on more decisive actions to increase its efficiency and sustainability.

B. Coherence

Key finding 5: By boosting compliance with national laws and respect for international labour standards, Better Work advances the ILO's Decent Work Agenda and several Sustainable Development Goals (SDGs). While its enterprise focus does not directly address policy and institutional gaps – thereby jeopardizing the durability of factory-level gains – Better Work's implementation data and strategic partnerships have informed and influenced broader ILO reform efforts. Over the last decade, these collaborations have indirectly advanced wage policy dialogue (Cambodia, Egypt, Ethiopia, Indonesia), legal protections for freedom of association (Egypt), industrial relations reform (Viet Nam) and social protection enhancements (Bangladesh, Indonesia).

Key finding 6: Amid Organization-wide challenges to synergy, Better Work's unique governance, funding streams and factory focus have often isolated it from other ILO departments. Since Phase IV, however, Better Work has leveraged its credibility and high demand to forge "One ILO" collaborations in Egypt, Ethiopia, Pakistan and Uzbekistan, linking factory-level initiatives with policy reform. Yet securing sustained, cross-departmental funding to solidify these synergies remains a major hurdle.

37. Beginning in Phase IV and continuing into Phase V, Better Work's participation in "One ILO" programmes effectively catalysed inter-office synergies, leveraging influential brand partnerships to position the programme as a strategic entry point for the ILO's broader Decent Work Agenda. Based on initial experiences, key challenges going forward are how to finance longer-term collaboration on policy engagement and integrate it into the core Better Work model while preserving its leverage within supply chains.

C. Effectiveness

Key finding 7: Findings on effectiveness mainly relate to the achievements of Better Work Phase V. Under outcome 1 (factory-level interventions), non-compliance rates fell and productivity rose, but occupational safety and health and freedom of association and collective bargaining remain areas of persistent weakness. A deep dive into Better Work's struggle to improve conditions for Jordan's predominantly migrant workforce underscores the limits of factory-level efforts without systemic reforms, including effective worker representation and independent grievance mechanisms. Meanwhile, new pilots on digital wage payments in Cambodia and on water and energy efficiency in Viet Nam – enabled by strategic partnerships – show promise for broadening Better Work's impact on factory performance.

Key finding 8: Better Work's gender and inclusion interventions have narrowed pay gaps, strengthened maternity protections and opened career pathways for women. In Phase V, Better Work rolled out professional development training for women workers in six countries, introduced a sexual harassment toolkit and further integrated gender into assessments. Disability inclusion pilots in Bangladesh, Indonesia, Sri Lanka and Viet Nam have further broadened its inclusion lens.

Key finding 9: Under outcome 2 (sectoral and national-level interventions), Better Work helped shape sectoral road maps in Cambodia, Madagascar, Uzbekistan and Viet Nam, aligning labour, trade and social partners around shared objectives. In Bangladesh, Cambodia, Haiti and Jordan, Phase V activities enabled labour inspectors to apply Better Work methods. Despite the programme's efforts to boost data transparency in some countries, trade unions still tend to have limited capacity to use compliance and buyer data in their advocacy activities.

Key finding 10: Under outcome 3 (industry-level interventions), Better Work met most brand-engagement targets, the number of brands accessing factory assessment reports rose and training programme participation (Better Work Academy) grew. A comprehensive review of the programme's influence on brand sourcing practices is pending. Amid current trade uncertainties, harmful COVID-era practices (last-minute order cancellations, price reductions) pose new risks.

Key finding 11: Under outcome 4 (replication and scaling), Better Work tools now reach a dozen non-Better Work countries and nearly 400 lower-tier or non-garment enterprises, exceeding Phase V targets.

38. Better Work has demonstrated its ability to drive factory-level compliance, enhance gender equality, boost productivity and extend its reach into non-garment tiers and new sectors. In Phase V, the programme effectively capitalized on its factory experiences to influence labour market governance institutions, and industry and sectoral strategies. Yet persistent challenges – particularly in freedom of association and collective bargaining, grievance mechanisms and occupational safety and health – highlight that durable, sector-wide improvements hinge on more systematic policy integration across the ILO and strengthened partnerships with national and industry actors.

D. Efficiency

Key finding 12: Better Work's mixed funding model – private sector fees, donors, host governments – has enabled it to successfully withstand fluctuations in development partner support in the past, but is currently under strain with recent and projected reductions in donor support. Haiti and Jordan face a risk of closure, and Pakistan and Uzbekistan report financial uncertainty going into the next phase, with resource mobilization efforts ongoing. Better Work managers differ on how to safeguard the programme's focus and neutrality with less donor funding, though many favour scaling up private-sector and host-government financing and accelerating the shift of some factory engagement duties to national partners.

Key finding 13: The factory engagement model remains resource-intensive. Past efficiency efforts yielded mixed results, but emerging approaches – more differentiated factory engagement (tested in Viet Nam and Bangladesh), time-bound factory engagement and more streamlined compliance assessments (planned in upcoming activities) – may increase cost-effectiveness. 'Better Work Light' pilots in Madagascar and Sri Lanka, focused mainly on short-term capacity-building activities with limited brand linkages, have drawn mixed reactions: praised for flexibility but criticized for potentially diminishing Better Work's distinctive impact.

39. Tightening development cooperation budgets underscore the urgency of boosting efficiency, expanding private-sector and government contributions – with appropriate safeguards – and transitioning to national partners. Emerging approaches to enhance the factory engagement model's cost-efficiency are complementary to handover efforts. By contrast, in the absence of a stronger brand connection and longer-term engagement, the 'light' models risk diluting Better Work's core strengths.

E. Sustainability

Key finding 14: Since Phase IV, Better Work has defined sustainability as lasting improvements in national labour market governance. However, after nearly 25 years in Cambodia (and 10–15 years elsewhere), those governance systems remain underdeveloped – albeit to different degrees depending on the country – and many ILO constituents still call for ongoing factory engagement under the Better Work programme. Only two transition models – the Partnership at Work Foundation in Indonesia and the Better Work Academy – embed factory engagement in local or market-based entities, exposing a sustainability gap.

Key finding 15: In Phase V, Better Work began planning a phased withdrawal of factory-level support in Bangladesh, Cambodia, Indonesia, Jordan and Viet Nam, aiming to hand core functions to national labour market institutions and/or market-based entities, but none of the proposed strategies include formally agreed upon timelines, handover steps and/or exit conditions, even in the two countries furthest along. The transition strategies in Indonesia and Jordan encountered challenges – partial constituent consultations and unclear separation modalities (Indonesia) and gaps in oversight (Jordan) – underscoring the importance of timely decision-making, inclusive and thorough stakeholder consultations, transparent communication and a calibrated ILO presence throughout any handover process.

40. Despite promising progress in Phase V, Better Work has yet to clearly articulate or fully implement robust sustainability plans for its longest-running country programmes. To protect its hard-won gains, Better Work needs a pragmatic, well-defined transition strategy backed by a financing model that allows for an orderly transfer of factory-level functions. Without such a strategy, Better Work's significant accomplishments may be at risk as donor funding declines.

F. Emerging impact

Key finding 16: Academic partnerships have generated robust, policy-relevant evidence of Better Work's gains in compliance, worker welfare and productivity, strengthening stakeholder buy-in and informing Phase V methodological refinements in industrial relations and gender work.

Key finding 17: Global apparel brands remain the cornerstone of Better Work, driving factory enrolment, national buy-in and co-financing. The ILO–IFC alliance has strengthened programme governance and enhanced Better Work approaches and effectiveness. Nevertheless, examples of embedding core labour standards in international financial institutions remain limited, despite promising joint work in Uzbekistan and examples of Better Work's influence on World Bank financing in Jordan and Ethiopia.

41. Better Work's strategic alliances have been central to its success. Rigorous academic research has built an evidence base that refines methodologies, informs policy dialogue and secures stakeholder buy-in. Brand partnerships have proved the programme's most potent lever, co-financing operations and embedding labour standards in sourcing decisions to sustain national commitment to factory-level improvements. While contributing clear value, the ILO–IFC collaboration still holds untapped potential for channelling development finance and integrating Better Work's tools into broader private-sector growth strategies. Deepening these partnerships, while continuing to draw on academic insights, offers the clearest paths to making Better Work a gateway to implementing the ILO's wider reform agenda.

Recommendations

42. **Recommendation 1:** To maintain programme credibility, ensure continuity of services, and manage expectations among constituents, industry partners and donors, Better Work should accelerate planning for its phased withdrawal in long-standing programmes:

- Continue to empower each country programme to develop its own transition plan, grounded in the national context and ILO constituents' priorities and capacities.
- Shift monitoring, advisory and training to local institutions to deliver lower-cost, more efficient and scalable services while maintaining Better Work's standards:
  - Accredit and support local market-based entities or non-profit organizations to oversee core compliance assessment and advisory roles.
  - Anchor their legitimacy within a tripartite governance structure (government, workers and employers), with the ILO and the IFC providing advisory and quality assurance support.
  - Introduce robust Better Work safeguards: provide quality assurance and enhance credibility of service providers through capacity-building, certification protocols and audits.
- Establish clear timelines, division of responsibilities and measurable benchmarks to guide the phased withdrawal of Better Work from its current role delivering factory engagement activities.
- Clarify and document legal considerations, both at the national and headquarters levels, as well as required quality assurance mechanisms and standard operating procedures for conferring use of Better Work tools, methodologies and brand identity to external entities (such as foundations, market-based institutions or social partner training bodies).
- Allocate dedicated senior staff or consultants to prioritize these tasks and engage constituents and stakeholders throughout the process.
- Consider establishing a regular progress review mechanism to manage risks and ensure alignment with Better Work's quality standards.

Responsible units	Priority	Time implications	Resource implications
• Governance and Tripartism Department: ILO Better Work management group • Better Work country programme managers • ILO country office directors	High	Immediate	Medium

43. **Recommendation 2:** To strengthen its sustainability, adaptability and efficiency, Better Work should accelerate the evolution of its factory engagement model by enhancing its flexibility, scalability, cost recovery and efficiency. Specific priorities include:

- Diversify funding sources: reduce donor dependence by increasing contributions from a broader range of stakeholders, including the private sector and government, to strengthen sustainable local ownership.
- Refine programme segmentation and engagement:

   - Implement Persistently Non-Compliant and High-Performing Factory protocols to guide differentiated services, including clear exit and graduation criteria.
   - Review and broaden High-Performing Factory benchmarks to increase eligibility and secure buy-in from stakeholders and brands.
- Enhance data collection efficiency:
   - Pilot lighter compliance monitoring methods, such as sampling, baseline/endline surveys and predictive analytics, to reduce fieldwork intensity without compromising data quality or comparability.
- Expand and institutionalize Factory Ambassador training:
   - Integrate ambassador training into the Better Work Academy, local training institutions and social-partner platforms, with safeguards to protect those reporting sensitive issues.

Responsible units	Priority	Time implications	Resource implications
• Governance and Tripartism Department: ILO Better Work management group • Better Work country programme managers	High	Immediate to medium-term	Variable

44. **Recommendation 3:** To further reinforce synergy within the ILO, Better Work and ILO technical specialists and units should deepen their collaboration through integrated programming that reinforces the ILO's core mandate:

- Continue joint efforts to strengthen industrial relations, grievance handling mechanisms, wage policies and social protection systems through coordinated, cross-departmental initiatives.
- Pursue funding opportunities that support the launch of new Better Work programmes under a "One ILO" approach, ensuring adequate resources for a minimum programme duration of five years (or longer) based on context. Maintain the practice of conditioning entry into new countries on host government commitments to labour legislation reforms and broader enabling conditions.

Responsible units	Priority	Time implications	Resource implications
• Governance and Tripartism Department: ILO Better Work management group • Better Work country programme managers • ENTERPRISES, PARTNERSHIPS, EMPLOYMENT, Universal Social Protection Department, Conditions of Work and Equality Department (WORKQUALITY) • Priority action programme on decent work outcomes in supply chains (AP/SUPPLYCHAINS) • ILO country office directors	Medium	Immediate	Variable

45. **Recommendation 4:** Better Work should continue strengthening the capacity of ILO national constituents to use its approaches, tools and data effectively:

- Enhance access to compliance data by further developing its information systems and promoting greater transparency (with appropriate safeguards).
- Increase the usability of Better Work tools by translating them into local languages and tailoring them to meet the diverse needs of different constituents; invest in data visualization and dashboard tools to make compliance and impact data more accessible to constituents, brands and policymakers.

Responsible units	Priority	Time implications	Resource implications
• Governance and Tripartism Department: ILO Better Work management group • Better Work country programme managers	High	Immediate to long-term	Variable

46. **Recommendation 5:** Better Work should continue its efforts to influence brand practices:

- Further develop the Better Work Academy and move towards financial sustainability by refining and implementing a viable business model.
- Maintain collaboration with brands on interventions that promote the empowerment of women workers, trade union representatives and under-represented groups, such as migrant workers and persons with disabilities.
- Sustain ongoing dialogue and joint initiatives with brands and relevant multi-stakeholder platforms aimed at reducing audit duplication, strengthening engagement with national labour market institutions and improving responsible business conduct.

Responsible units	Priority	Time implications	Resource implications
• Governance and Tripartism Department: ILO Better Work management group • Better Work country programme managers	High	Immediate to long-term	Variable

▶ Office response

47. The Office welcomes the high-level evaluation, takes note of its findings and commits to implementing the recommendations. The Office will report on the evaluation plan of action during the November 2026 session of the Governing Body and take its guidance into account to inform the Better Work Phase VI Strategy.

48. On **recommendation 1**, the Office reaffirms its commitment to timely, responsible and inclusive transition planning for long-standing Better Work programmes. Country-based teams are co-designing context-specific plans based on constituents' priorities and, where relevant, Decent Work Country Programmes (DWCPs). Better Work will clarify timelines, roles and measurable benchmarks, and will regularly review plans within the programme's global governance structure and with tripartite project advisory committees at the national level. Standard operating procedures and quality frameworks are under development to guide the conferral of tools to external entities. For example, in Indonesia and Bangladesh, private and/or public partners will deploy harmonized tools and methodologies at the enterprise level.

49. On **recommendation 2**, the Office will support Better Work in advancing efficiency measures, cost recovery and the scalability and sustainability of its factory model. Funding has diversified to include contributions from buyers, factories, governments, employers and export agencies. These contributions increasingly cover the costs of factory operations (between 63 and 100 per cent) in country-based programmes. Further funding diversification is being pursued. Additionally, Better Work is implementing the recommendations of the high-level evaluation on resource efficiency and conferring the use of tools and will explore further options to accelerate sustainability, reduce costs and enhance model replicability.

50. On **recommendation 3**, the Office will continue to strengthen Better Work's synergies within the ILO to support various programme and budget priorities and sustain impact through stronger policy and institutions. For example, joint initiatives with ILO technical units are under way focused on labour administration, industrial relations, wages, grievance mechanisms and social protection, including joint resource mobilization. Future Better Work programmes will follow a "One ILO" framework and be designed with adequate time and resources to ensure meaningful impact. For example, in Benin, a Better Work feasibility study will be conducted alongside consultations on the DWCP to ensure an integrated approach.

51. On **recommendation 4**, the Office recognizes the importance of strengthening constituents' capacity to effectively use Better Work tools, approaches and data. Better Work will accelerate efforts to improve data accessibility and usability to meet constituents' needs and support evidence-based dialogue. For example, the programme is testing technology to share data directly with constituents and ILO technical and policy units. Better Work is also collaborating with the ILO's International Training Centre to develop a sustainable business model for the Better Work Academy to embed tools, training and capacity-building within local and market-based institutions.

52. On **recommendation 5,** anchored in international labour standards, national labour laws and Better Work experience, the Office will support efforts to engage with brands and inform their due-diligence processes to promote decent work and increase compliance. Better Work is deepening collaboration with brands to promote labour rights, including fundamental principles and rights at work, gender equality, migrant workers and persons with disabilities, and the establishment of grievance mechanisms. In coordination across the Office, it will continue engaging with brands and multi-stakeholder platforms to reduce duplication and promote responsible business conduct.

▶ Part III. Independent high-level evaluation of the ILO's Decent Work Country Programme strategies and activities in the ILO subregion of Central America, with emphasis on Costa Rica, Honduras and Mexico (2020–24)

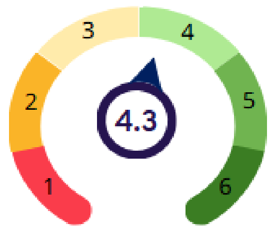
Purpose and scope

53. This high-level evaluation evaluates the ILO's work from 2020 to 2024 in the Central America subregion: Costa Rica, Cuba, Dominican Republic, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua and Panama. It uses a utilization-focused, participatory, mixed-methods approach, drawing on 22 project evaluations, document reviews and three case studies (of Costa Rica, Honduras and Mexico). Primary data included 147 interviews (91 women, 56 men)

and 60 surveys: 41 from ILO staff (24 women, 15 men, 2 other) and 19 from constituents (8 women, 11 men).

Overall assessment

54. Between 2020 and 2024, the ILO's interventions in Central America aligned well with the Decent Work Agenda, national priorities and global frameworks such as the UN Sustainable Development Cooperation Frameworks (UNSDCFs). The tripartite model enhanced national ownership in formalization, labour rights, skills, and occupational safety and health. Collaboration with UN actors improved institutional coherence, technical reach and thematic alignment. Strategic efforts addressed gender equality, non-discrimination and a just transition, while normative and technical support fostered innovation, networks and policy reforms beyond projects.



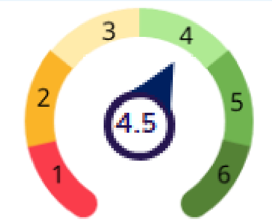
Overall assessment

55. Challenges persist as cross-cutting themes such as gender equality remain confined to individual projects, while weak political will, staff turnover and poor coordination limit impact. Participation is often procedural rather than transformative, and donor-driven priorities undermine local ownership. Bureaucratic processes, weak monitoring systems and uneven resource allocation further constrain adaptability. Without clear exit strategies and workforce planning, decent work outcomes risk being short-lived and lacking long-term relevance.

Key findings by evaluation criteria

A. Relevance

Key finding 1: Between 2020 and 2024, the ILO's country programme outcomes and projects were largely aligned with national priorities and global frameworks, showing strategic focus on areas such as formalization, labour inspection, skills, and occupational safety and health. However, perceptions of addressing vulnerable groups' needs varied, due to structural challenges, weak institutions and limited cross-cutting focus.



Relevance

Key finding 2: The ILO's efforts emphasized SDG 8 and UNSDCFs, boosting credibility and collaboration. Implementation was stronger in countries with robust institutions (for example, Mexico, Costa Rica). While efforts were aligned with the programme and budget outcomes overall, outcomes 4 (sustainable enterprises), 7 (social protection) and 8 (policy coherence) and enabler A (knowledge and advocacy) received limited attention.

Key finding 3: Although the ILO frameworks highlight gender equality, labour migration and youth themes, implementation remains uneven and project-based. Weak follow-up, institutional capacity and political will hinder cross-cutting progress. Legal and institutional barriers further limit social dialogue and labour rights, revealing a gap between normative goals and systemic impact.

56. ILO projects in Central America are closely aligned with national priorities, regional frameworks, SDG 8 and the programme and budget outcomes, supported by the Organization's tripartite model and focus on policy and capacity-building. ILO staff highlighted strong strategic coherence, particularly for workers in the informal economy, indigenous peoples and youth, while constituents emphasized projects' relevance for workers in the informal economy and women. However, limited engagement with persons with disabilities and other vulnerable groups – such as caregivers, domestic workers and socially marginalized populations – together with political and structural barriers, has constrained sustainability and local ownership. Moreover, while outcome 6 (protection at work) is prioritized, other areas – including outcome 4 (sustainable enterprises), outcome 7 (social protection), outcome 8 (policy coherence) and enabler A (knowledge and advocacy) – receive less attention, limiting the overall impact of the projects.

57. The ILO promotes labour standards and social dialogue, but effectiveness is constrained in weak institutional contexts. Gender equality mainstreaming progressed in care work and manufacturing, but broader impact is limited by institutional gaps and poor follow-up. Inclusion of indigenous peoples, labour migrants, persons with disabilities and youth remains fragmented, and just transition efforts are inconsistently applied across the region.

B. Coherence

Key finding 4: The ILO is well integrated within the UN system, improving coordination on care work, child labour, formalization and labour migration. However, structural barriers, competition among agencies, internal coordination gaps and limited understanding of the ILO's mandate hinder deeper and sustainable collaboration.

Key finding 5: Adaptation in fragile contexts has been reactive and short-term, lacking systemic impact. Political caution, high staff turnover and limited presence in sensitive areas reduce effectiveness and credibility in high-risk settings.

Key finding 6: Constituents' participation is uneven, mostly consultative and less inclusive at the subnational level. Donor influence, political factors and varied capacities weaken participation, making it procedural rather than transformative. More consistent and inclusive engagement is needed.

58. Across several countries, the ILO has integrated into national strategies areas such as care work, child labour, formalization and labour migration, aligned with major UN and multilateral frameworks. Project-level collaboration, notably with the United Nations Development Programme, has been strong, although systemic barriers (such as overlapping roles, rigid procedures and partners' limited understanding of the ILO's mandate) reduce effectiveness.

59. Regional strategies (on topics such as formalization and labour migration) and crisis responses in fragile contexts (Haiti and Nicaragua) demonstrate the ILO's adaptability. However, its response often remains reactive, as restrictive rules governing its mission, high staff turnover and limited knowledge transfer mechanisms (such as specialists in the DWT) undermine operational flexibility and institutional continuity, making it difficult to sustain proactive interventions.

60. Constituents' participation has been central in inclusive design processes for UNSDCFs and projects (such as in Mexico, El Salvador), boosting legitimacy and national ownership. However, participation levels within the countries vary, and more consistent and inclusive subnational engagement is needed, along with efforts to overcome operational, political and structural barriers.

C. Effectiveness

Key finding 7: The ILO advanced most in the programme and budget outcomes on protection at work and social dialogue. Results are stronger in stable contexts; fragile settings reveal a need for better risk management.

Key finding 8: Positive unintended outcomes include expanded technical and collaborative networks with new partners, such as agricultural service providers and financial groups in Haiti, and labour inspector networks in the Dominican Republic.

Key finding 9: Cross-cutting progress is most visible in international labour standards, gender equality and labour migration. Progress is lagging for themes such as a just transition, non-discrimination, persons with disabilities and indigenous peoples.

Key finding 10: ILO coordination supported thematic alignment, but complexity and fragmentation hindered coherence. Tools for tracking and monitoring interventions exist but are inconsistently used, and follow-up was often limited to reporting, reducing decision-making impact and overall effectiveness.

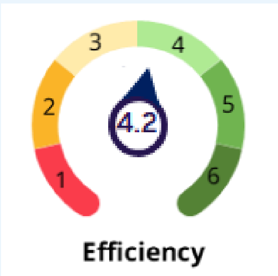
61. While the ILO has advanced the Decent Work Agenda in Central America, notably in protection at work and social dialogue, progress was limited in sustainable enterprises and social protection. Few results emerged for the knowledge and advocacy enabler. Mexico led in the subregion on efforts via legal reforms and dialogue mechanisms.

62. Insecurity (Honduras) and budget constraints (Haiti and Panama) highlight the need for improved risk management. The ILO interventions also yielded positive unintended effects, such as new technical networks in the Dominican Republic and Haiti, and enhanced perceptions of women's economic roles through training. Cross-cutting themes advanced on the care economy, diversity certifications, health protocols for labour migrants, and inclusive employment, but progress was often fragmented and project-based due to limited funding and weak institutional integration.

63. The ILO's decentralized structure supports alignment with national priorities and tailored actions through regional platforms, such as the Inter-American Centre for Knowledge Development in Vocational Training (CINTERFOR) and the Formalization Strategy for Latin America and the Caribbean (FORLAC). Nonetheless, ILO-internal factors – such as limited flexibility, slow decision-making, communication gaps and poor integration of monitoring tools – reduce agility, coordination, continuity and strategic learning, limiting broader systemic change.

D. Efficiency

Key finding 11: The ILO subregion's delivery rate was 76 per cent, with uneven performance across programme and budget outcomes. Employment promotion was efficient (14 per cent of country programme outcome results achieved with 7 per cent of spending) as was gender equality (12 per cent of results achieved with 2 per cent of spending), while normative actions had low efficiency (12 per cent of results achieved with 23 per cent of spending). Country-level efficiency varied. Improved planning and strategic budgeting are needed to boost impact.



Key finding 12: Partnerships improved short-term efficiency but were mostly non-institutionalized, especially with non-UN actors, such as universities and nongovernmental organizations. Often project-specific, they lacked integration into long-term strategies. The absence of coordination platforms and learning mechanisms limited sustainability and replication of good practices.

Key finding 13: Time allocation for regular budget staff focused on social protection and a just transition, while gender equality and sustainable enterprises were underserviced. High staff turnover and a lack of an established regional or subregional human resources talent strategy reduced technical capacity, continuity and institutional memory. Workforce and proactive planning remain critical gaps.

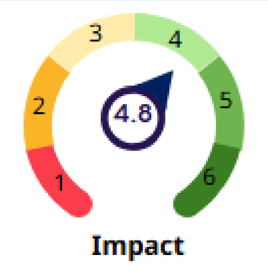
64. The efficiency analysis, which used budget expenditure against results under country programme outcomes as a proxy, found that the ILO's work in the subregion has been moderately efficient and largely cost-effective, with the highest returns in country programme outcomes on employment and gender equality and weaker results in normative action. Costa Rica, Guatemala and Mexico performed strongly, while Nicaragua and Panama showed low results despite high costs. Some projects suffered from poor planning and a lack of budgeting for gender equality. This efficiency analysis has inherent limitations and may not fully reflect complexity issues and qualitative outcomes or long-term impact but still highlights the need for better planning and resource use.

65. Despite perceived relevance, partnerships were often project-based rather than part of long-term strategies. Weak institutionalization, inadequate coordination mechanisms and insufficient systems to capture and replicate successful practices were identified as barriers that limited sustainability and knowledge transfer.

66. Staff time focused on employment for a just transition and social protection, with less attention devoted to gender equality and sustainable enterprises. Staff shortages, turnover and a lack of an established regional/subregional human resources (HR) talent strategy hindered progress. Despite constituents' appreciation of the ILO's expertise, gaps in internal technical capacity remain a concern.

E. Sustainability and impact

Key finding 14: In terms of impact, the ILO made notable progress in the care sector, gender equality and labour migration, although the results are not fully institutionalized. These efforts reflect normative commitments but need stronger national ownership for lasting sustainability.



Key finding 15: Sustainability depends on institutional ownership and political will. Despite some reforms, progress is hindered by inconsistent leadership, a lack of exit strategies and short project cycles. Without clear institutionalization and capacity-building plans, there is a risk of gains being reversed.

Key finding 16: Exit strategies are often weak or absent. In fragile contexts with limited capacity, clear transition plans are crucial. Sustainability must be built into project design, not assumed.

67. In terms of impact, Costa Rica, Guatemala and Mexico made notable progress in international labour standards and social protection, especially in advancing in reforms in the areas of care, child labour, domestic work and labour migration, as well as developing national employability and labour recovery strategies. Social protection systems also strengthened institutional frameworks, including pension sustainability. In social dialogue, notable progress has been seen in Honduras, Guatemala and Mexico. Vulnerable groups benefited from ILO-led assistance (for example, childcare in Guatemala and care systems in the Dominican Republic). However, better alignment with local priorities to increase the impact of the ILO's work is needed.

68. Sustainability depends on actions backed by political will, adequate resources and UN cooperation, such as the launch of Costa Rica's Labour Migration Information System and Mexico's efforts to promote and protect labour migrants' rights. However, weak planning, limited funding, leadership turnover and the absence of exit strategies or broad stakeholder engagement have hindered long-term success. Pilots such as Mexico's Vision Zero Fund and the Ending Child Labour in Supply Chains initiative in Honduras require stronger institutional support to achieve sustainable impact.

Recommendations

69. **Recommendation 1:** Strengthen strategic alignment, coordination, communication and learning across the ILO country offices and the DWT in Central America:

- Develop and implement a DWT action plan for countries in the Central America subregion to coordinate the Decent Work Agenda. It should support regional strategies such as those for domestic work, formalization and labour migration, guide DWCP development where relevant, and be aligned with national priorities for decent work. The plan must include annual strategic reviews and mapping of needs and capacities to tailor approaches per country. A subregional theory of change should guide the plan and be adapted locally.
- Establish thematic subregional coordination mechanisms for the DWT to provide sustained structural support, beyond isolated actions. This should include standard operating procedures to improve planning, coordination and communication between the ILO Decent Work Technical Support Team and Country Office for Central American Countries (DWT/CO-San José) and the ILO Country Office for Mexico and Cuba (CO-Mexico), reducing fragmentation and ensuring coherent messaging and delivery of efforts to ensure decent work.

Responsible units	Priority	Time implications	Resource implications
• DWT/CO-San José • CO-Mexico • Regional Office for Latin America and the Caribbean (ROLAC) • relevant headquarters departments	High	Long-term	Medium

70. **Recommendation 2:** Reinforce the ILO's work in thematic areas where limited progress has been reported:

- **Outcome 4 – sustainable enterprises:**
  - Consider replicable models (such as Haiti's enterprise clusters, "My Green Business" in El Salvador and Honduras, green jobs in Mexico) for countries with limited progress, and develop partnerships with associations, cooperatives and agencies to adapt positive models.

- **Outcome 7 – social protection:**
    - Lead a regional diagnostic study on actions regarding coverage, financing and governance of social protection for vulnerable groups, considering the experiences of Mexico's migrant health protocol and the Dominican Republic's "care communities".
- **Outcome 8 – social justice:**
    - Systematize and analyse successful initiatives for replication (for example, gender equality, social protection and youth employment).
    - Consider co-developing diagnostic studies for Costa Rica, the Dominican Republic and Panama on institutional gaps, regulatory reviews and national policy road maps.
- **Enabler A – evidence for advocacy:**
    - Strengthen evidence-based research and country-based political intelligence on labour statistics and market dynamics to inform programming and advocacy.
    - Integrate advocacy in reporting and develop accessible products that turn data into persuasive narratives.
- **Cross-cutting issues:** Prioritize persons with disabilities, indigenous peoples, a just transition and non-discrimination, while continuing work on gender equality, international labour standards, labour migration and youth (for example, projects in Guatemala).

Responsible units	Priority	Time implications	Resource implications
• DWT/CO-San José • CO-Mexico • ROLAC • relevant headquarters departments	High	Medium-term	Medium

71. **Recommendation 3:** Foster an adaptive approach that responds to evolving contextual challenges, while strengthening national ownership. This approach should be anchored in long-term sustainability and explicitly address the needs and priorities of vulnerable groups:

- Design solutions considering local absorption capacity, using needs assessments, context analysis, scenario planning and risk management tools integrated into project templates with adaptive triggers (such as budget shifts and political change) to ensure context sensitivity and alignment with the ILO's mandate.
- Maximize constituents' participation at all levels during project design to ensure relevance and ownership, using a "participatory design checklist" for engagement and validation, supporting long-term sustainability.
- Ensure sustainability from the start by integrating exit strategies and follow-up mechanisms co-developed with constituents and local actors. Focus on monitoring implementation beyond formal agreements, anchoring results locally and nationally. Use sustainability workshops and designate focal points to maintain continuity amid staff turnover.

Responsible units	Priority	Time implications	Resource implications
• DWT/CO-San José • CO-Mexico • ROLAC/Regional Programming Unit (RPU)	High	Long-term	Medium

72. **Recommendation 4:** Revise financial management, HR and strategic partnership frameworks to ensure more flexible, results-oriented and tactical resource allocation:

- Diversify extra budgetary financing by prioritizing multi-year strategic partnerships with donors (such as Canada, the European Union and Japan) to reduce dependency on a limited number of donors and secure sustainable, nationally relevant funding. Engage the private sector for long-term financing (for example, the Ford Foundation for social justice and the Mastercard Foundation for youth employment). Identify donors and match engagement to emerging subregional and national needs.
- Strengthen structured coordination with the UN system and establish multi-year cooperation with key partners, focusing on underdeveloped cross-cutting areas (such as the United Nations Population Fund for indigenous peoples and youth, the International Organization for Migration and the United Nations Development Programme for labour migration, and the Food and Agriculture Organization of the United Nations for rural populations). Define clear roles to avoid duplication, ensure complementarity and build long-term alliances using the tripartite ILO structure.
- Map the ILO HR capacities in Central America by programme and budget outcomes, identify gaps and imbalances, and promote realistic staff allocations and rotations to under-addressed areas. Consider South–South exchanges to fill thematic gaps.

Responsible units	Priority	Time implications	Resource implications
• DWT/CO-San José • CO-Mexico • ROLAC/RPU • relevant headquarters departments	High	Medium-term	Low

73. **Recommendation 5:** Strengthen the systematic monitoring tools, streamlined decision-making processes and continuous learning mechanisms to reinforce operational aspects:

- Develop a regional or subregional knowledge management strategy with clear principles for documentation, information-sharing and learning. Assign focal points, include collaborative platforms such as joint monitoring dashboards, and foster communities of practice. Incorporate exit, handover and onboarding processes to preserve knowledge and ensure continuity.
- Promote consistent use of design, monitoring and review tools across offices. Organize cross-review sessions to share progress and challenges, standardize monitoring adapted to country contexts and ensure real-time access to joint monitoring dashboards. Set minimum communication standards, with regular discussions and systematic sharing of lessons and good practices.

- Ensure that monitoring and reporting reflect the ILO cross-cutting priorities using suitable indicators and disaggregated data.
- Create institutional mechanisms to identify, document and scale successful initiatives, especially pilots, through a shared internal registry maintained by the DWT or the Regional Office.

Responsible units	Priority	Time implications	Resource implications
• DWT/CO-San José • CO-Mexico • ROLAC/RPU	Medium	Medium-term	Medium

74. **Recommendation 6:** Establish a capacity-building action plan for ILO staff to ensure shared standards in the design, monitoring and evaluation, and reporting of project results and technical assistance, while allowing for adaptation to contextual challenges:

- Develop a regional or subregional capacity-building plan defining core competencies and learning outcomes for staff in project design, monitoring and evaluation, and reporting, ensuring consistency with flexibility for local contexts.
- Strengthen institutional and staff capacities for strategic risk management and adaptation by creating simple protocols for political economy analysis, scenario planning and adaptive decision-making. Provide targeted training on operational management, early warning, risk assessment, context analysis and mitigation for staff in fragile contexts.
- Offer ongoing training on gender-responsive approaches, including gender-responsive budgeting.
- Continue technical capacity-building on monitoring and evaluation and results reporting.

Responsible units	Priority	Time implications	Resource implications
• DWT/CO-San José • CO-Mexico • ROLAC/RPU	Medium	Medium-term	Medium

Office response

75. **Recommendation 1:** The Regional Office for Latin America and the Caribbean (ROLAC) supports the call for a subregional action plan and theory of change to improve alignment. However, Mexico and the Central American countries differ in institutional scale and mandate, so the theory of change must be flexible and adapted to national contexts. The San José and Mexico country offices will lead the development of a concise, tailored theory of change and use it to guide existing annual planning and review processes, ensuring alignment with regional strategies such as those on formalization (FORLAC 2.0), labour migration, social dialogue and labour relations and the care economy, and others to be developed. ROLAC will provide strategic oversight and facilitate exchanges between offices to reduce fragmentation.

Any new coordination mechanisms will build on current structures, remain light-touch and avoid duplicating bureaucratic layers.

76. **Recommendation 2:** ROLAC fully supports accelerating progress on outcomes 4 (sustainable enterprises), 7 (social protection) and 8 (social justice – priority action programmes) and enabler A (evidence for advocacy). The San José and Mexico offices will lead diagnostics on social protection and policy coherence and adapt relevant good practices. Replication will be selective and context-specific. ROLAC will strengthen evidence-based advocacy and integrate issues concerning persons with disabilities and indigenous peoples and a just transition.

77. **Recommendation 3:** ROLAC accepts this recommendation. Project templates will integrate risk management (new global platform to be launched), needs assessments and participatory design. Country offices will lead engagement and develop exit strategies, with the Regional Office and the Regional Programming Unit providing guidance and training (tools developed by EVAL and ROLAC are already available for this purpose). This aims to enhance sustainability.

78. **Recommendation 4:** ROLAC agrees on the need to diversify funding and strengthen partnerships. Recognizing this need, a regional position of Technical Officer on Partnerships for Policy Coherence was created in 2024; similar positions may also be also considered for decentralization from headquarters to DWTs and country offices as part of the ILO review. The recently launched subregional Resource Mobilization Committee will pursue multi-year donor agreements and carefully explore private sector partnerships that align with the ILO's mandate; ROLAC will not engage with partners whose priorities conflict with decent work principles. Mapping of human resources and rotations will be coordinated with headquarters. South–South exchanges will help fill thematic gaps.

79. **Recommendation 5:** ROLAC endorses improving knowledge management and monitoring but caution that comprehensive dashboards and new tools require significant investment and constant updates. Instead, it will build on existing platforms and revitalize the Regional Evaluation Committee to track implementation and promote continuous learning. Importantly, the planned evaluation of the impact of knowledge in the Americas (2026), for which it is hoped that funds can be leveraged from the regular budget supplementary account, will inform a Regional Knowledge Strategy and help prioritize realistic improvements to monitoring and learning.

80. **Recommendation 6:** ROLAC fully endorses developing a regional capacity-building plan. The San José and Mexico offices will identify skills gaps and organize targeted training in project design, monitoring and evaluation, gender budgeting and risk management, drawing on support from ROLAC, the Regional Programming Unit and headquarters. The plan will build on existing programmes and be sensitive to national contexts.

▶ Draft decision

81. **The Governing Body requested the Director-General to take into consideration the recommendations of the three independent high-level evaluations presented in document GB.355/PFA/6 (paragraphs 22–25, 42–46 and 69–74), and to ensure their appropriate implementation aligned with the Office response.**