



ILO EVALUATION

- **Evaluation Title: ILO Norway/Swedent Partnership Programmes: Outcome 9: Employers have strong, indepdent and representative organization**
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- **Name of consultant(s): Mikael Söderbäck, Peter Westermark, John Saegaert**

- **ILO Administrative Office: ACT/EMP**

- **ILO Technical Backstopping Office: ACT/EMP**

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- **Evaluation Manager: Andrés Yurén, ACT/EMP, ILO South Cone of Latin America**

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This evaluation has been conducted according to ILO's evaluation policies and procedures. It has not been professionally edited, but has undergone quality control by the ILO Evaluation Unit.



Final Evaluation Report

**“ILO-Norway and ILO-Sweden Partnership
Programmes’ contribution towards
Outcome 9 - Employers have strong, independent
and representative organization”**

(Independent Evaluation)

April 26, 2014

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ACCRONYMS AND ABBREVIATIONS

ACT/EMP	Bureau of Employers' Activities (ILO)
ACTRAV	Bureau of Workers' Activities (ILO)
BMO	Business Member Organisation
BOCCIM	Botswana Confederation of Commerce Industry and Manpower
CAMFEBA	Cambodian Federation of Employers and Business Association
CNPM	National Confederation of Employers of the Republic of Moldova
COHEP	Honduran Council of the Private Enterprises
CPO	Country Programme Outcome
DCED	Donor Committee on Enterprise Development
DWCP	Decent Work Country Programme
EESE	Enabling Environment for Sustainable Enterprise
EO	Employers' Organisation
GP	Global Product
ICAWB	International Centre for the Advancement of Women in Business
LDC	Least Developed Countries
MSME	Micro and Small and Medium-sized Enterprises
NP	Norwegian Partnership
OBPF	Outcome-Based Partnership Funding
OECD/DAC	Organisation for Economic Co-operation and Development/ Development Co-operation Directorate
P&B	Programme and Budget (ILO)
PPD	Public-Private Dialogue
PSD	Private Sector Development
RBSA	Regular Budget Supplementary Account
RBM	Result Based Management
SME	Small and Medium-sized Enterprises

SP	Swedish Partnership
SPF	Strategic Policy Framework (ILO)
TU	Trade Union
WED	Women Entrepreneurship Development

EXECUTIVE SUMMARY

Project background

Outcome 9 of the ILO's Programme and Budget (P&B) seeks to enhance the capacity of employers' organisations (EOs) to deliver value through targeted activities and services that their member enterprises cannot provide on their own. The strength of such organisations lies in their representative nature and their ability to function as networks. When effective, they influence the development of an enabling environment of policies, institutions, relationships and behaviours that foster private sector development, thereby producing the jobs and incomes needed to raise living standards.

ILO's Bureau of Employers' Activities (ACT/EMP) receives funding from partnerships with both Sweden (SP) and Norway (NP) to support the implementation of the Outcome 9 goals and strategy. Operationally, the funding was used to support Country Programme Outcomes (CPOs) identified in the Decent Work Country Programmes (DWCPs) of 19 countries selected from the five regions in which the ILO works and to support the development or further refinement of Outcome 9 Global Products (GPs).

The focus of the *Norwegian funded programme* is (i) strengthen the institutional capacity of employers' organisations in policy development and dialogue at national, regional and interregional levels, and (ii) to assist EOs to develop new and improved services to enable membership recruitment and retention. This programme started in April 2012 and will end in December 2014 and covers 12 countries and 3 regional activities. The total budget amounts to almost US\$ 3 Million. In respect of the NP, the current evaluation is a mid-term evaluation, which is planned to be followed by a final external evaluation in December 2014.

The *Swedish funded programme* seeks to enhance the capacity of EOs to participate in the policy dialogue on sustainable enterprise development for job-rich growth and provide these organisations with an opportunity to do more in-depth policy work that would more effectively contribute to national policy dialogues. The present phase of programme started on April 2012 and will be concluded in March 2014. It covers 13 countries and one regional activity. The budget allocated by Sida is close to US\$560,000. In respect of the SP, the current evaluation is a final evaluation.

The NP and SP funding also contributed to the elaboration of several **global products** which supported activities at country level. The NP included a new training tool, "Greening Economies, Enterprises and Jobs: The role of EOs in the promotion of environmentally sustainable economies and enterprises." In addition NP funded a global survey on women in business and management and the development of a resource network of employers to share good practices and advocacy on advancing women in business and gender equality. SP contributed to further improvements to the Enabling Environment for Sustainable Enterprise (EASE) toolkit.

Evaluation background

The main purpose of the evaluation is to examine the CPOs achieved and GPs produced under Outcome 9 that were funded by the SP and NP and assess the contribution of SP and NP towards achieving Outcome 9. The progress and achievements obtained with the support of SP and NP to the respective CPOs and GPs in terms of relevance, effectiveness, efficiency and sustainability of the outputs and outcomes should be assessed.

The Terms of Reference for the evaluation specifies 19 evaluation questions of which the last two are focussed on “lessons learned”.

The scope of the evaluation is the 19 (of 23) countries in which the two programmes operated from April 2012 until early 2014 and the GPs which were developed under the two programmes.

The audience of the evaluation are ACT/EMP headquarters and field specialists, main employers’ organisations in the countries under review, programme managers, main national partners, ILO field office directors, technical support at headquarters, field and HQ technical specialists, responsible evaluation focal points, and the donors.

Methodology

The evaluation team has based its assessments on the following main sources of information and data:

- a document review covering (i) general ILO programme and budgets, work-plans, DWCP documents and other country-level documents, (ii) more specific NP and SP programme documents, progress reports, and (iii) an overview of international literature related to EO capacity development
- interviews with ACT/EMP staff and other ILO officials in Geneva
- field missions to four countries: Botswana, Cambodia, Honduras and Moldova, including interviews with ILO field coordinators and local ILO representatives as well as a wide spectrum of representatives of EO boards and secretariats, member companies, trade unions, government officials etc.
- an EO survey based on a questionnaire that was sent to partner EOs in 13 countries which were not subject to field missions. Answers were received from all these countries.

While the evaluation is primarily focussed on the outcome level, i.e. the strengthening of capacity of partner EOs, it is also expected to comment on the contributions by COPs and GPs “towards making a significant input to broader, long-term, sustainable development changes”. The report gives a number of reasons why the assessment of impacts of EO support may be a challenging task.

However, in order to provide a basis identifying potential impacts, a generic results chain has been constructed (see figure 2, page 9). This results chain illustrates how SP and NP funded interventions through a chain of events may result in development impacts. This could be seen as a simplified illustration of a “theory of change”. References are made i.a. to research literature which provides useful illustrations of the complexities and conditions related to each of the linkages in this results chain.

Summary of findings and conclusions

The findings and conclusions of the evaluation are summarised below along the key evaluation criteria defined by the OECD/DAC: (i) relevance, (ii) effectiveness, (iii) efficiency, (iv) impact and (v) sustainability. In addition to these criteria, the evaluation is also expected to comment on the additional criteria “validity of intervention design”.

Relevance The findings from the four case studies confirm the relevance of the NP and SP funded interventions as well as the resulting CPOs and GPs. Likewise, strong mutual linkages were observed between outcome 9 and other outcome areas and with the DWCPs. It is obvious that a fruitful cooperation has been established between ACT/EMP and other departments in the work with country programmes as well as with the GPs. The findings from the country case studies in combination with the EO survey give a very clear message from EO representatives that ILO support respond well to their needs and concerns.

Validity of intervention design The four country case studies indicated that the chosen interventions to high degree were logically coherent and with realistic objectives in terms of CPO achievement.

The “Outcome-Based Partnership Funding” (OBPF) modality served its purpose well, i.e. to provide a “light earmarking” of donor funds which allow donors to track their contributions to specific priorities. However, the way that this modality has been applied in the context of the NP and SP funded programmes meant that there are special log-frames and results reports for each of these interventions. A recent independent review of the OBPF modality indicates that procedures may be simplified by relying on one single reporting structure irrespective of source of funding.

The P&B indicators are designed and work well for the purpose of aggregation of CPO results at department or agency level. However, at the same time it is obvious that the P&B indicators are not very well suited for monitoring over a longer time period of gradual increases in the capacity of a partner EO. The report provides some ideas on how such measurement tools may be developed.

Effectiveness Data presented in ILO’s Programme Implementation Report (PIR) 2012-13 paints a positive picture regarding the CPO achievements regarding Outcome 9. The set targets for 2012/13 have been surpassed and results are clearly better than the previous biennium. Compared to its resources, Outcome 9 also ranks quite high among all outcome areas (no. 3 among 19 outcome areas). NP and SP funding contributed substantially to the overall achievement of CPO indicators within the EO cooperation. The number of countries where SP funded interventions contributed to achieving a CPO indicator was higher than the ones recorded for the corresponding NP funded interventions.

The evaluation did not encounter any examples of measurement of outcomes from knowledge production, i.e. GPs, in the same standardised way as applies to country level outcomes. However, the review of GPs indicated that the NP and SP funded GP elements reached most of their set objectives.

The EO Survey painted a fairly positive picture of EO attitudes and activities in respect of gender equality and non-discrimination. The four country case studies showed that the gender dimension

were an integral part of most NP funded activities, while there were considerable challenges related to the mainstreaming of gender equality in relation to SP funded EESE processes. It was noted that in several cases the gender dimension was absent in business agendas.

Efficiency ACT/EMP's progress reports indicate that outputs were delivered in basic accordance with work-plans and milestones. It has not been feasible during this evaluation to make a detailed assessment of the quality and timeliness of the delivery of allocated resources. However, interviews with stakeholders indicate that resource delivery was fully satisfactory in respect of these dimensions.

It is expected that the SP budget for Outcome 9 was fully used at the end of the budget period, i.e. as per 31 March 2014. The NP budget had been used to 68% at the end of February 2014. It is expected that this budget will be fully used at the end of the agreement period. It appears that ACT/EMP demonstrates a good ability to manage voluntary funds provided through the OBPF modality.

Impact It usually takes time until development changes can be measured. For this and other reasons mentioned in the report, it is not realistic to expect that it should be possible to trace such changes in a short time perspective. It is obvious though, that both SP and NP funded interventions have contributed to the creation of various kinds of potentials for development change.

Sustainability The development of EO membership is a crucial factor for the sustainability of the results of EO capacity development. It is therefore positive to note that the EO survey showed a clearly positive membership trend among many of the EOs that responded to the questionnaire. At the same time country case studies raise some concerns regarding the potential for sustainability of results of NP and SP funded interventions at country level.

Although the evaluators were not able to make any in-depth assessment of the various GP elements that have been funded by NP and SP, the general impression is good. E.g. the tools for assessing various dimensions of EO capacity and for planning EO advocacy efforts are excellent. There appears to be an interesting potential for these and other GP elements to benefit a much wider spectrum of agencies within the development community in the future.

Lessons learned

In brief, the lessons that may be learned from this evaluation are all related to the special challenges that characterise capacity development of membership-based organisations.

1. The evaluation has clearly demonstrated the importance of the specific country context in which an EO partner operates and of the need to adjust design and management of EO support flexibly to a dynamic country context
2. The successful Honduras illustrates the importance of working with EOs that are truly representative of the private sector and therefore able to apply a broad perspective on the needs of business environment reform.
3. There are several examples of capacity building activities which have led to results which may not be possible to sustain without continued support from the ILO. EO membership is a critical factor to strengthen the financial capacity and representativeness of EOs.

4. Initiatives for promoting gender equality often remain as fairly “isolated islands” within organisations.
5. Constraints related to staff capacity constitute a major challenge to EO support.

Recommendations

The evaluation has resulted in the following list of recommendations:

6. ***On planning and reporting structures:*** Rely on one single structure for planning and reporting irrespective of funding based on ILO’s standard CPO and GP model (and avoid creating a separate logical planning framework for donor funded activities).
7. ***On donor support:*** Continue to support the creation of strong, independent and representative EOs. Give priority to broadening of the membership base and strengthening of EO capacity for analysis and advocacy related to business environment reform and gender equality.
8. ***On capacity development:*** Experiment with the methods for supporting capacity development. Learn from others e.g. by learning partnerships (and possibly also twinning arrangements) between EOs in different countries. Consider partnerships with various local institutions, like local economic think-tanks.
9. ***Safeguarding sustainability of EESE:*** Consider available options for ensuring the sustainability of updating over time the EESE report and data base at country level, like cost-sharing with others for periodic enterprise surveys.
10. ***Monitoring and evaluation:*** Look for ways to improve the monitoring and evaluation of EO capacity development. The EO audit tool in Module 1 of the EESE toolkit may offer an interesting opportunity. The possibility to make more active use of data on EO membership development should also be considered.
11. ***Mainstreaming of gender equality:*** Look for opportunities to make successful gender initiatives “fertilise” the various organisational structures of EOs as well as EO advocacy processes like the national business agendas.
12. ***Dissemination of EESE:*** Look for ways to disseminate the EESE toolkit as a “public good” to the global PSD development community, e.g. through the DCED (Donor Committee on Enterprise Development) and its Business Environment Working Group (presently chaired by the ILO). Other actors may also provide useful feed-back to the toolkit.

1. PROJECT BACKGROUND

Employers' organisations represent a key asset in any society: its enterprises. Successful enterprises are at the heart of any strategy to create employment and improve living standards. Employers' organisations help to create the conditions for enterprise success by influencing the environment in which they do business and by providing services that improve their individual performance. As one of the three constituents of the ILO, employers' organisations have a special relationship with the organisation. ACT/EMP is responsible for the nurturing and development of that relationship.

Outcome 9 of the ILO's Programme and Budget (P&B) seeks to enhance the capacity of employers' organisations to deliver value through targeted activities and services that their member enterprises cannot provide on their own. The strength of such organisations lies in their representative nature and their ability to function as networks. When effective, they influence the development of an enabling environment of policies, institutions, relationships and behaviours that foster private sector development, thereby producing the jobs and incomes needed to raise living standards.

ACT/EMP receives funding from partnerships with both Sweden (SP) and Norway (NP) to support the implementation of the Outcome 9 goals and strategy. Operationally, the funding was used to support Country Programme Outcomes (CPOs) identified in the Decent Work Country Programmes of 19 countries selected from the five regions in which the ILO works and to support the development or further refinement of Outcome 9 Global Products (GPs).

A table that provides an overview of the countries receiving NP and SP support is found in annex 10.

The main means of supporting the GPs and the CPOs are two programmes, GLO/12/60/SID (Swedish funding) and GLO/12/56/NOR (Norwegian funding- NP) which are described below.

1.1 The Norwegian funded programme

The title of this programme is "Strengthening Employers' Organisations for Effective Social Dialogue and Promotion of Gender Equality, Part II". It focuses in particular on two key elements: (i) strengthen the institutional capacity of employers' organisations in policy development and dialogue at national, regional and interregional levels, and (ii) to assist employers' organisations to develop new and improved services to enable membership recruitment and retention. Hence, the implementation of the programme seeks to contribute mainly to increasing the number of employers' organisations that are able to create or strengthen services to respond to the needs of existing and potential members with particular focus on the needs of women in business and women entrepreneurs, and increasing the number of national EOs that have enhanced capacity to analyse and influence policies with particular focus on gender policies.

This programme started in April 2012 and will end in December 2014. Its geographical coverage is Armenia, Bangladesh, Cambodia, Fiji, Georgia, India, Indonesia, Laos, Moldova, Montenegro,

Myanmar, Nepal as well as regional activities in Southern Africa, Asia, Eastern, Central Europe and the Caucasus. The initial budget allocation by the Ministry of Foreign Affairs of Norway covered 2012-13 and amounted US\$ 1,668,135. An additional allocation of US\$ 1,263,972 was granted in October 2013, which means that the total budget amounts to US\$ 2,932,107

In respect of the NP programme, the current evaluation is regarded as a mid-term evaluation, which is planned to be followed by a final external evaluation in December 2014.

1.2 The Swedish funded programme

The title of this programme is “Enhancing policy capacity of Employers organisations to promote enabling environment for sustainable enterprise and job-rich growth”. It was originally initiated in 2009 when many countries were revisiting their economic, and particularly employment policies, in light of the global economic crisis. It seeks to enhance the capacity of employers’ organisations to participate in the policy dialogue on sustainable enterprise development for job-rich growth and provide these organisations with an opportunity to do more in-depth policy work that would more effectively contribute to national policy dialogues.

The present phase of programme started on April 2012 and will be concluded in March 2014. It is located in Albania, Bosnia and Herzegovina, Botswana, Cambodia, FYR Macedonia, Honduras, Malawi, Moldova, Montenegro, Serbia, Southern African region, Swaziland, Vanuatu, and Zambia. The budget allocated by Sida is US\$561,215.

In respect of the SP programme, the present evaluation is regarded as a final evaluation.

1.3 Global Products financed by SP and NP

NP: The global product development included a new training tool, “Greening Economies, Enterprises and Jobs: The role of EOs in the promotion of environmentally sustainable economies and enterprises.” The first training workshop was piloted in November 2013 for an interregional group of employers’ organisations. A second GP under NP was a global survey on women in business and management and development of a resource network of employers to share good practices and advocacy on advancing women in business and gender equality.

SP: The global product involved further refinements and improvements to the Enabling Environment for Sustainable Enterprise (ESEE) toolkit. The toolkit, which was developed under the first phase of SP funding to Outcome 9, helps business membership organisations identify constraints in the development of sustainable enterprises and formulates advocacy and proposals for reform for dialogue with government. Under the 2012-13 programme refinements were made including strengthening the policy impacts assessment of the ESEE toolkit, and strengthening its gender dimension and consolidation of the ESEE on the web-space. Global deployment of the product was the main focus of this phase of the SP.

2. EVALUATION BACKGROUND

2.1 Purpose, scope and audience of the evaluation

As defined in the Terms of Reference (extract of ToR in annex 1), the main purpose of the evaluation is to examine the CPOs achieved and GPs produced under Outcome 9 that were funded by the SP and NP and assess the contribution of SP and NP towards achieving Outcome 9. The progress and achievements obtained with the support of SP and NP to the respective CPOs and GPs in terms of relevance, effectiveness, efficiency and sustainability of the outputs and outcomes will be assessed.

The scope of the evaluation is the 19 (of 23) countries in which the two programmes operated from April 2012 until early 2014 and the GPs which were developed under the two programmes.

The audience of the evaluation will be ACT/EMP headquarters and field specialists, main employers' organisations in the countries under review, programme managers, main national partners, ILO field office directors, technical support at headquarters, field and HQ technical specialists, responsible evaluation focal points, and the donors.

2.2 The evaluation team and the operational sequence of the evaluation

The evaluation was managed by an ILO Evaluation Manager; Andrés Yurén – ACT/EMP Specialist in the South Cone of Latin America - Santiago, Chile. Coordinating, administrative and logistical support was provided by relevant ACT/EMP officials at Headquarters and ILO Regional and Country Offices.

The evaluation was carried out by external evaluators Mikael Söderbäck (MS) and Peter Westermarck (PW). MS and PW were supported by John Saegaert (JS) who was responsible for the field mission to Honduras.

The evaluation was initiated on 3 February 2014 with a desk review of programme documentation provided by the ILO and with planning of field missions. On 5-6 February consultations took place in Geneva which included interviews with key personnel in ACT/EMP, ACTRAV, GENDER and other departments. Based on the findings during these initial activities, the evaluators prepared a Draft Inception Report, which was reviewed and approved by the Evaluation Manager and ACT/EMP.

As described in the ToR, the evaluation undertook missions to Gaborone (Botswana), Tegucigalpa (Honduras), Chişinău (Moldova) and Phnom Penh (Cambodia) to hold personal interviews with relevant stake-holders of the programmes. These were e.g. key officials in the national employers' organisations, ILO officials, representatives of member associations and companies, trade union representatives and representatives of relevant public bodies. Focus group discussions were organised in some countries to gauge the views of stakeholders. In Cambodia the evaluator had the opportunity to visit a training course conducted by the national EO as well as the official launch of the EESE report and the business agenda.

The subsequent evaluation activities followed the work plan proposed in the Inception Report:

Inception Report and Questionnaires finalised	14 February
Distribution and follow-up of Questionnaire to “other” countries	17 February - 12 March
Field Mission to Botswana (PW)	17-18 February
Field Mission to Moldova (PW, MS)	24 - 26 February
Field Mission to Honduras (JS)	26 - 28 February
Field Mission by MS to Cambodia (MS)	10 - 12 March
Report on Honduras (JS to PW,MS)	12 March
Preparation of Draft Evaluation Report (PW, MS)	28 March -11 April
Submission of Draft Evaluation Report to ILO	11 April
Stakeholder comments (AY)	18 April
Final Evaluation Report (PW, MS)	26 April

The evaluation was guided by the ILO’s Evaluation Norms and Standards and by OECD/DAC’s quality standards.

3. METHODOLOGY

3.1 Evaluation criteria and evaluation questions

Each ILO evaluation is expected to assess the key Evaluation Criteria defined by OECD/DAC that are directly in line with international standards of good practise. These criteria are: (i) relevance, (ii) effectiveness, (iii) efficiency, (iv) impact and (v) sustainability. Besides these criteria, this evaluation is also expected to comment on the additional criteria “validity of intervention design”.

The Evaluation Criteria form the basis for 19 Evaluation Questions which are specified in the ToR. As the last two Evaluation Questions refer to “lessons learned” (which may rather be seen as an outcome of the evaluation of programmes along the DAC criteria), these questions are not part of the conclusions but instead presented in a separate chapter on “lessons learned”. Two further minor modifications to the Evaluation Questions were agreed during the Inception Phase.

3.2 Evaluation methods and strategy for data collection

Sources of information and data

At the beginning of the evaluation and during the visit to Geneva the Evaluation Manager and other ILO officials provided the evaluators with a substantial volume of written documentation including:

- Programme documents including concept notes and CPOs
- Annual and Semi-Annual Progress Reports
- Publications, tools and reports produced under the programmes
- ILO Programme and Budgets, Outcome Based Work-plans, ILO Programme and Implementation Reports and DWCP documents

Additional country-level material, such as studies, training and advocacy materials, was given to the evaluators during the field visits. The evaluators also made a brief review of the international research literature of relevance to EO capacity development.

For the purpose of transparency and to facilitate cooperation during the evaluation process, these documents were placed in a Dropbox folder shared with the three external consultants and the Evaluation Manager.

As already mentioned, the written documentation was complemented by interviews with both ILO officials and a wide spectrum of stakeholders during field missions to four countries.

Field Missions to four countries

Interviews with stakeholders during field missions may be described as “semi-structured” drawing upon a questionnaire which served as a checklist during the interviews. The presence in Botswana and Cambodia during the mission of ACT/EMP Field Specialists facilitated these missions considerably. It may be noticed that the ACT/EMP Field Specialists did not participate in interviews with stakeholders (apart from introductory briefings). In the case of Moldova a Skype communication was arranged between the evaluators and the ILO field coordinator.

Questionnaire to countries not visited

As mentioned above, the total scope of the evaluation is the countries in which activities have been carried out during 2012 and 2013 under ILO's partnerships with Norway and Sweden. In order to complement the written documentation provided regarding these countries with information i.a. on the perceptions among EO representatives regarding the NP and SP interventions, a questionnaire was elaborated by the evaluators. After review by the Evaluation Manager and consultation with ILO's Field Coordinators, a revised version of this questionnaire (see annex 4.6) was distributed by Field Coordinators to one EO representative in each country that was not subject to visits by the external evaluators.

All relevant EOs responded to the survey, which means that answers were received from 13 countries in total. As the same questionnaire was also completed in connection with the four field missions, the survey now covers 17 countries. All answers to the questionnaire have been compiled by the evaluators in two tables which are available in separate files. Annex 8 contains an overview of all answers, which provides the basis for conclusions presented in chapter 4.3.

Data Collection Worksheet

There are substantial differences between the character and data requirement of the 17 Evaluation Questions defined in the ToR. An assessment was made during the inception phase of the need and availability of data to respond as effectively as possible to each of these 17 Evaluation Questions. In this process the evaluators endeavoured - to the extent possible - to "triangulate" data by using several sources of information to reflect different views or perspectives on the same question. In line with ILO's guidelines¹, a Data Collection Worksheet was prepared (see annex 5). This worksheet gives an overview of the proposed methods to collect data.

3.3 The Outcome-Based Partnership Funding (OBPF) modality

The partnerships with Sweden and Norway are both based on ILO's "Outcome-Based Partnership Funding" (OBPF) modality. This modality may be seen as an intermediate option between classic fully ear-marked project support ("Project-based Technical Cooperation Funding") and an un-earmarked funding ("Regular Budget Supplementary Account", RBSA). The OBPF modality allows donors to "lightly ear-mark" their funding depending upon their specific thematic and country priorities.

The OBPF modality was recently subject to an independent review covering the application of OBPF across all ILO's Outcome Areas. The report from this review was generally positive to use the OBPF modality and recommended that the ILO should continue to promote the OBPF modality, while donors should continue to provide voluntary funds to the ILO through OBPF. At the same time the ILO was recommended to consider revising its reporting procedures for OBPF based on "a single annual report against DWCPs and/or target CPOs and/or outcomes, irrespective of funding. The focus of RBM should be on results rather than funding sources or modalities and, without the requirement to report by sources/modality".

¹ Reference is made to ILO's "I-eval Resource Kit".

When it comes to the SP and NP support to Outcome 9, the OBPf modality has been applied in such a way that the two programmes have clear similarities with classic project support. E.g. the concept note prepared for the two programmes included log-frames which specified how contributions to selected outputs at country level and to specific GP outputs would lead to the achievement of higher level objectives defined for each programme. Several of the indicators related to these two log-frames were different from the ones that are used in ILO's outcome-based work-plan. Separate progress reports are being prepared by ACT/EMP for NP and SP in line with the respective log-frame (although without reporting on all indicators described in the concept notes).

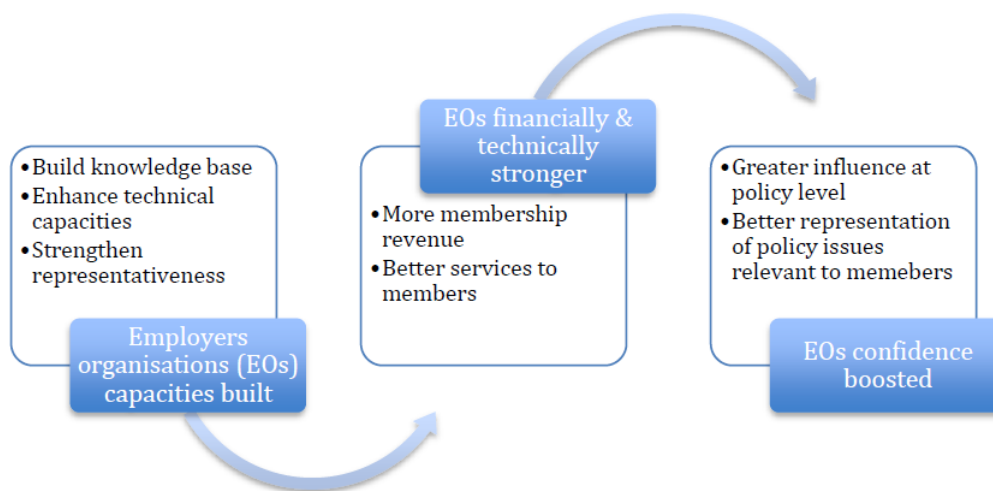
After having studied the documentation for the NP and SP programmes, the evaluators agree with the OBPf review that procedures could be simplified by applying a unified reporting (and planning) structure based on unified reporting on results (CPOs and GPs), irrespective of funding. Earmarking of donor funding could still be done within Outcome 9 to specific regions/countries/CPOs and/or GPs.

3.4 Program logic: how to assess impacts?

As already described, this evaluation is primarily focused on the achievement of the objectives of ILO Outcome 9, i.e. “Employers have strong, independent and representative organisations”, and the NP and SP contributions to this objective.

In its annual progress report to Norway for 2012, ACT/EMP provided the following illustrative “system model” at outcome level for describing the links between various dimensions of Outcome 9. It would even have been possible to add a “virtuous loop” whereby boosting of member confidence “back-feed” into increased member revenues which make it possible to enhance the EO’s technical capacity.

Figure 1 The “Outcome 9 system”



While the evaluation is focussed on the Outcome level, the evaluators are also expected to respond to the Evaluation Question asking how the “achievement of the CPOs and GP

production contribute towards making a significant input to broader, long-term, sustainable development changes". This question may be seen against the background of the above-mentioned OBPF review² where it was stated that, although reporting in general was considered to be good, in some cases it "lacked a focus on the results chain / theory of change that underlay the P&B Outcome strategy".

There are many reasons why assessment of impacts of EO support may be a challenging task:

Firstly, the development objectives of both the NP and SP intervention are basically defined at outcome level ("contribute to the strengthening the capacity of employers' organisations"). At the same time the objective statement contains a link to a broader purpose like in the SP "to effectively participate in the policy dialogue to promote enabling environment for sustainable enterprise and employment" (while the NP purpose links to "decent and productive work for men and women"). As quite common in the context of support to capacity building, the NP and SP concept notes do not contain details on *which* broader changes that may be achieved and *how* they are supposed to be realised.

Secondly, baseline data are scarce, which makes it difficult to compare the situation *before and after* an intervention.

Thirdly, there are many factors which influence processes of change relating to economic institutions which makes it difficult to draw conclusions regarding attribution of impacts (i.e. the case *with and without* a certain intervention). It may be noted in this context that results chains related to institutional development and processes of policy change are often more complex than for many other types of development interventions³.

Fourthly, it often takes time until impacts emerge and can be observed. Given the short time that has passed since EO activities took place (n.b. that the NP funded programme is still ongoing), it may be questioned whether it is realistic to assume that impacts are already observable.

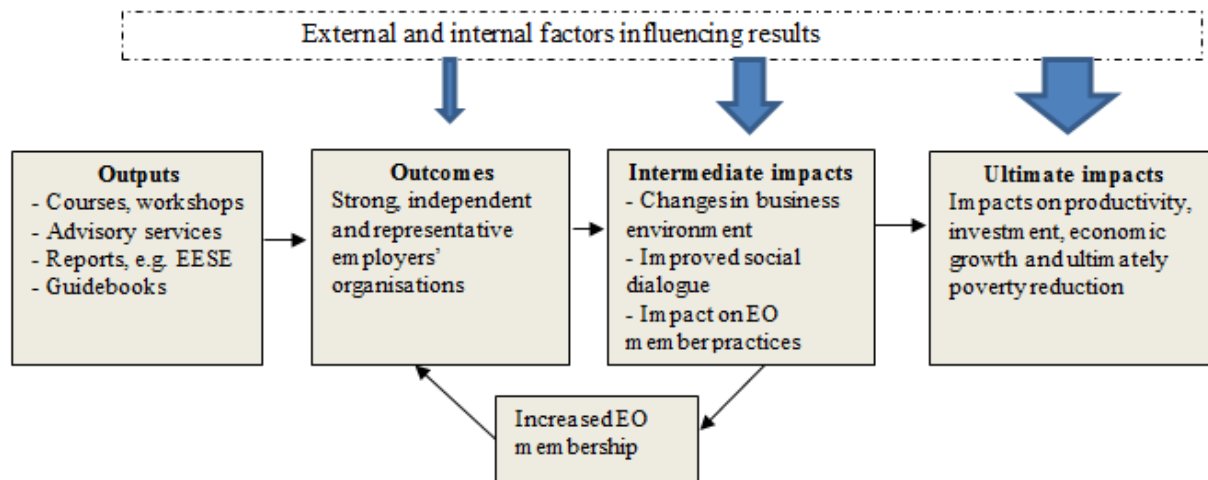
Fifthly, NP and SP-funded programmes cover a large number of countries, which means that each country activity is fairly small and consequently with limited total impact at the level of individual countries.

In spite of these challenges, it is important to discuss the potential contribution of NP and SP interventions to processes of institutional and policy change. For this purpose figure 2 below includes a generic results chain which illustrates how SP and NP funded interventions through a chain of events may result in development impacts. This is a simplified illustration of a "theory of change" which e.g. does not clearly separate between the different dimensions of EO capacity (e.g. related to service provision, social dialogue or advocacy).

Figure 2: A generic results chain for support to EO capacity building

² Ref. Shields (2013) which stated that in some cases reporting was "too focused on activities, rather than the results of activities (i.e. what happened after capacity building? Or what happened as a result of global products being launched?)" and "lacked a focus on the results chain / theory of change that underlay the P&B Outcome strategy".

³ ODI (2011), *A guide to monitoring and evaluating policy influence*, Background Note



Research literature and other evaluations provide useful illustrations of the complexities and conditions related to each of the linkages in this results chain. It is not possible in this report to go into any detail on the present frontiers of such research. However a few examples from literature may be useful:

- a) The present thinking and complexities related to *capacity development* (including the links between *outputs and outcomes*) are discussed in-depth in an interesting recent evaluation of Dutch support to capacity development.⁴
- b) The links between *outcomes to intermediate and ultimate impacts* are assessed in a well-known article on “Business Associations and Economic Development: why some associations contribute more than others”.⁵ This article examines empirical research on business associations and describes how institutional strength and performance are linked to a number of internal and external factors.
- c) The World Bank publication “Building the Capacity of BMOs: Guiding Principles for Project Managers”⁶ provides a useful overview of the literature on impacts of support to Business Membership Organisations.
- d) Typical business environment reform (BER) projects, like the ones included the World Bank/IFC technical assistance portfolio, are usually much more explicit about the linkages in their result chains than is the case with ILO’s advocacy support to EOs (which share the same overall purpose as e.g. IFC projects).⁷ BER-projects are usually focussed on specific

⁴ Netherlands Ministry of Foreign Affairs (2011), *Facilitating resourcefulness: Synthesis evaluation report of Dutch support for capacity development*

⁵ Doner, Richard F. and Ben Ross Schneider: *Business Associations and Economic Development: Why Some Associations Contribute More Than Others*, in: *Business and Politics*, Vol. 2 (2000), No. 3, pp. 261-288.

⁶ The World Bank Group, Small and Medium Enterprise Department (2005), *Building the Capacity of BMOs: Guiding Principles For Project Managers*, Second edition

⁷ Lindahl, C. et al. (2011), *The Role and Effectiveness of SECO Cooperation in Business Environment Reform*

constraints in the business environment in a country and consequently lend themselves much more easily to monitoring of results like changes in laws and regulations. At the same time such projects are normally limited in time and scope (“applying a hit-and-run model”) compared to the type of long-term partnership that is the basis for ILO’s support to EOs.

- e) Finally the World Development Report 2013⁸ include an overview of research on how labour market institutions (including social dialogue) affect economic development, i.e. the link from *intermediate to ultimate impacts* in the above results chain. The report clearly demonstrates that these linkages are highly context-specific.

3.5 The challenge of attribution

To establish *a causal relationship* between a certain intervention and observed changes at outcome level may involve some challenges. For example the ACT/EMP progress report illustrates the intervention logic for NP with a case reported by the national EO in Cambodia whose “number of members had increased remarkably after ACT/EMP supported the first phase of the intervention on Promoting Sound Industrial Relations in Cambodia”. In this specific case it was reported that the increase in membership was the direct result of a membership drive. However, in many situations one could not exclude that there are also other factors which explain the increasing number of members. A key challenge for any evaluation is to assess *the extent to which observed changes could be attributed to an intervention*.

A number of approaches have been proposed in the literature to address such analytic challenges. Support to capacity building is an example of the fairly common situation where more rigorous assessment methods are not practical or even possible. An interesting alternative method is the *contribution analysis* approach developed by John Mayne in various articles⁹. A key element in this approach is “verifying the theory of change that the programme is based on, and paying attention to other factors that may influence the outcomes, provides reasonable evidence about the contribution being made by the programme”.

3.6 Defining indicators of change

An important element in ILO’s system for results based management is a set of indicators to measure the results for each of the Outcome Areas in ILO’s Strategic Policy Framework and in the P&B. The following three main P&B indicators apply to Outcome 9¹⁰:

1. Number of national EOs that with ILO support, adopt a strategic plan to increase effectiveness of an employers’ organisation, management structures and practices;
2. Number of national EOs that with ILO support, create or significantly strengthen services within an employers’ organisation to respond to the needs of existing and potential members;

⁸ World Bank (2012), *World Development Report 2013: Jobs*, Washington DC

⁹ John Mayne (2008), Contribution analysis: An approach to exploring cause and effect, ILAC Brief 16

¹⁰ Annex 9 shows the full set of measurement criteria for Outcome 9 including 7 sub-indicators.

3. Number of national EOs that with ILO support, have enhanced the capacity to analyse the business environment and influence policy development at the national, regional and international levels.

It is noted that the P&B indicators are only supposed to record changes that could be attributed to support from ILO. This means that the issue of attribution of results is “embedded” in the indicator measurement, which in some instances may be somewhat challenging. E.g. it might not always be clear-cut to know whether a “greater media coverage” or “adopted legislation” (as described in sub-indicators to indicator 9.3) should be attributed to ILO support or whether other factors are more important.

From this point of view the P&B indicators remind of the so called “universal impact indicators” such as the number of “net additional jobs created” which form part of “Standard for Results Measurement”¹¹ published by the Donor Committee on Enterprise Development (DCED). These indicators are primarily designed to facilitate aggregation of results of donor interventions in the field of private sector development (PSD). In the same way as the DCED “universal impact indicators”, the P&B indicators are primarily used - and appear to be well suited - for aggregation of results at outcome level. E.g. they provide the basis for progress reporting to donors and to ILO’s Governing Body on the number of countries which are on target for achieving their outcome targets.

Capacity development of an EO is a process that usually will take many years and where support from the ILO is only one of the many different factors that contribute. The P&B indicators are derived from sub-set of (either-or) statements like (i) the endorsement of a strategic plan, (ii) the adoption of a budgeted plan to extend services or (iii) the participation in consultations with government. From this it is evident that the P&B indicators are not really designed to answer question like “to what extent has an EO (or a group of EOs) during the last five years progressed towards the overall objective of Outcome 9 that *employers have strong, capable and representative organisations*”. For the purpose of monitoring gradual increases in EO capacity over a longer time periods some kind of capacity index would be required.

In the literature there are examples of models which probably lend themselves better to such monitoring, such as the use of some kind of “evaluation wheel” for organisational assessments.¹² An interesting example of how such a model has been applied to capacity assessment of business membership organisations is provided by the ENABLE (Enhancing Nigerian Advocacy for a Better Business Environment) project in Nigeria.¹³ ENABLE has developed a BMO diagnostic toolkit to track changes in advocacy capacity based on eight capacity criteria.

¹¹ DCED (2013), *The DCED Standard for Measuring Results in Private Sector Development*

¹² See Chapter D.4.4 (page 149) in Herzberg, B. and A. Wright (2006), *The PPD Handbook; A Toolkit for Business Environment Reformers*, World Bank

¹³ ENABLE (Enhancing Nigerian Advocacy for a Better Business Environment) Case Study, *Making Business Membership Organisations work for the Poor*.

An interesting option may be to use a model similar to the one presented by Module 1.1 in the EESE Toolkit for capacity audit of EOs. Such an application could presumably be based on self-assessments by EOs. In addition to presenting results of such an audit in an “evaluation wheel” it could in principle be possible to calculate some kind of aggregate EO capacity index (in the same way as the ENABLE project has done).

Given the long-term nature of ACT/EMPs cooperation with national EOs, it would also seem quite useful to monitor the development over time of EO membership data. Indicators that may be considered include the total number of member associations and individual companies, number of paying members¹⁴, number of "members of members", total number of employees covered by member associations and member companies, aggregate revenues, etc. As pointed out to the evaluators¹⁵ there are a number of challenges involved in collecting and making data on EO membership public. Given the fact that ACT/EMP evidently already collects some statistical data for EOs on a biannual basis, there seem to be good reasons for reviewing the possibilities to use such data for monitoring EO change processes over longer time periods.

While this section so far has been focussed on indicators for measuring changes in EO capacity, i.e. *the outcome level* in figure 2, the *impact levels (intermediate and ultimate)* are obviously also of interest (considering i.a. that one of the SP-funded GPs is geared towards such measurement). In fact, considerable international interest and efforts have been devoted during the last decade to creating tools for measuring results of support to business environment reforms. The World Bank Group/IFC started to use a set of standardised BER indicators in 2008 and the DCED has recently published practical guidance on results measurement in this field.¹⁶ It must at the same time be remembered that assessing impacts of BER support is a highly challenging task.¹⁷

3.7 Validity of methods and instruments

Quantitative data is available regarding outputs of NP and SP interventions and regarding area 9 outcomes (as defined above) as well as regarding resource use. To some extent, the questionnaire to all countries focussed upon in this evaluation also provides scope for quantitative assessments.

The information generated through the interviews forming part of the four country case studies constitutes a crucial element for drawing overall conclusions. For this reason the representativeness of these four countries is an important issue to consider. The selection of Botswana, Cambodia, Honduras and Moldova is defined in the ToR. It was made by ACT/EMP and aimed at representing the regional diversity that characterises this global programme. In addition, it was aimed at getting a reasonable representation of both SP and NP interventions in LDC countries.

¹⁴ It is reported that in various cases like e.g. Botswana there are many members who do not pay their membership fees. In such cases the indicator “paying members” may give a more accurate picture of the true situation.

¹⁵ E-mail communication from ILO’s Evaluation Manager, Mr. Andrés Yurén April 2014

¹⁶ DCED (2013), *Supporting business environment reforms: Practical guidance for development agencies; Annex: Measuring donor-supported business environment reform results*

¹⁷ Lindahl, C. et al. (2011), *The Role and Effectiveness of SECO Cooperation in Business Environment Reform*, (page 12)

In respect of the volume of donor funding during 2012/13¹⁸, it may be noted that all four countries subject to case studies had received fairly representative amounts of Swedish funding (25-50.000 USD during 2012/13). Only two of the four countries, Cambodia and Moldova, had received Norwegian support, but these were the far largest receivers of Norwegian support (respectively receiving 246,000 and 190,000 USD to be compared to an average of 105,000 USD for 14 countries). While the relatively large amounts of funding in these countries is a motive for studying their results more deeply, it should be kept in mind that in respect of activity volumes, these two countries are not quite representative for the typical EO receiver of Norwegian support.

In several instances the information and viewpoints coming out of the EO Survey to all countries forming part of the Outcome 9 programme help to complement (and “triangulate”) the information provided through the case studies. For this reason these two sources together form the basis for the answers to many of the Evaluation Questions presented in chapter 5.

3.8 Cross-cutting themes

Gender is not only an important component in NP and SP programmes, but the gender dimension is also high-lighted in the ToR as “a cross-cutting concern throughout the methodology, deliverables and final report of the evaluation”. Efforts were made by ILO Field Coordinators to establish a relevant balance between men and women among stakeholders interviewed during field missions.

3.9 Stakeholder participation in evaluation process

Stakeholders were invited by ILOs Field Coordinators to provide comments at an early stage during the preparation of the field missions to the four countries¹⁹. Stakeholders in all relevant EOs have also been invited to submit comments on the Draft Evaluation Report. As described above, EO representatives were able to present their views on the respective country programme through the EO survey.

¹⁸ Ref. Documents No. 021 and 022

¹⁹ The evaluators were provided with a copy of a set of highly relevant comments provided by an EO staff in Moldova to the ILO Field Coordinator before the start of the Evaluation.

4. MAIN FINDINGS

This chapter will present findings related to country programme outcomes (CPOs) and global products (GPs). The chapter starts with a review of country level results which is followed by a presentation of findings from the four country case studies. After that we summarise findings based on the survey to EOs in all countries participating in the NP and SP funded programmes and finally present findings related to NP and SP funded GP outputs. Together the presentations of findings in the five sections of this chapter, will form the basis for drawing overall conclusions in chapter 5 for each the 17 evaluation questions.

4.1 Assessment of country programme outcomes

ILO's system for results based management provides a useful tool for aggregating results achieved within country programmes. Table 1 below is based on ILO's Programme Implementation Report (PIR) 2012-13²⁰ presented to ILO's Governing Body in March 2014. Information has been inserted regarding contributions from NP and SP funded programmes (based on information compiled in annex 10).

Table 1: Have CPO targets been achieved for Outcome 9 during 2012/13?

The table shows the number of EO's which have achieved a specific CPO indicator. The numbers within brackets show the number of countries where NP or SP have contributed to the CPO achievement.

CPO indicator	2010-11 results	2012-13 targets	2012-13 results	Africa	Americas	Arab States	Asia-Pacific	Europe-Central Asia
9.1	10	14	10 (2)	1	3	1	5 (2)	0
9.2	15	18	33 (5)	7	15	0	10 (4)	1 (1)
9.3	15	9	27 (9)	8 (4)	3 (1)	0	13 (2)	3 (1)

The above table shows that targets were more than fulfilled for two of the three indicators used to measure Outcome 9. The targets for indicator 9.2 (strengthening of services to existing or potential EO members) as well as for 9.3 (improved capacity for policy advocacy) were substantially exceeded, while indicator 9.1 (internal management structures and practises) underperformed marginally. In total the development was quite positive also compared with the previous biennium.

Another positive observation is that the overview in ILO's Programme Implementation Report (2012-13) of aggregate results by outcome and category indicated that support to EOs (Outcome 9) ranks as number three among the 19 outcome areas with regard to the total number of CPOs

²⁰ Table 2 in Document No. 023

achieved.²¹ This is in spite of the fact that Outcome 9 receives less than the average budget for ILO's 19 Outcome areas.

The table also demonstrates that NP and SP funded interventions made a substantial contribution to the overall achievement of CPOs in the cooperation with EOs. NP contributed to 16%²² of all cases where CPO indicators 9.1 and 9.2 were achieved while SP contributed to 33% of the CPOs related to Indicator 9.3.

The outputs and outcomes from knowledge production, i.e. GPs, do not seem to be measured and reported in the same stringent way as for CPOs. To the extent that GPs provide the tools for country level activities, like in the case of the SP funded support to EESE, GP outputs may result in changes measured by CPO indicators. Other results of GP outputs are more long-term and/or related to global public goods. We will later in this chapter revert to the achievements related to GPs.

4.2 Findings from the country case studies

As already mentioned, case studies were carried out in four countries: Botswana, Cambodia, Honduras and Moldova. All these countries had undertaken SP-funded EESE processes, while only Cambodia and Moldova had received support from the NP programme.

Annex 6 contains reports from each country case study including brief overviews of the country settings and the scope of the SP and NP interventions as well as assessments along the OECD/DAC criteria (relevance, effectiveness, efficiency, impact and sustainability). Assessments are also made of gender equality (as a cross-cutting issue).

In this section we will present selected findings from the case studies in Annex 6 along each of the above-mentioned criteria.

Relevance

The four countries do not only represent four different regions, they also provide interesting illustrations of the huge differences that exist between the political, social and economic environments in which EOs (and the ILO) operate. To adjust approaches and methods for supporting EO partners to such different environments could be expected to create considerable challenges to ACT/EMP.

As exemplified in the reports from the case studies, interviews with EO stakeholders demonstrated that ACT/EMP has succeeded well in designing its support to the specific needs and priorities of EOs. This is clearly illustrated by the examples of Honduras and Cambodia:

- *The EESE process in Honduras:* The relevance of the Honduras EESE project may be seen from three perspectives prevailing at the start of the project: (i) the serious social and economic crisis in the country, (ii) the upcoming presidential and legislative elections,

²¹ See Table 4 on page 8 in Document 023

²² It appears that the number of NP funded contributions has probably been somewhat underestimated due to definitional issues.

and (iii) the urgent need for the EO (COHEP) to promote a new management model oriented based on mid- and long term strategic planning. The EESE process and its outputs had an important role to play from each of these three perspectives. Before ILO's intervention, COHEP was managed based on priorities and short term strategies, often arising ad-hoc from critical emerging issues and problems. There was however rarely consensus among all COHEP's member on the relevance of these issues and their relative importance. The strengthening of COHEP's technical capacity made it possible to develop common objectives of all member EOs, and to establish a common strategic and structured agenda. The project also allowed COHEP to change the way it performs advocacy into a more professional approach whereby policy proposals are derived from evidence-based assessments and tools.

- *Social dialogue in Cambodia*: The general situation in Cambodia with regard to industrial relations and the events in the garment sector in early 2014 strongly underline the strategic relevance in Cambodia of ILO's third overall strategic objective, i.e. to "strengthen social dialogue and tri-partism".²³ Strengthening the capacity of employers' organisations (i.e. Outcome 9) is an important element in this strategy. As an example there is a strong case for strengthening the EO's (CAMFEBA) capacity regarding legislation on work-place discrimination and accompanying principles.

All four countries demonstrated clear positive linkages between the NP and SP funded interventions within the ILO Outcome 9 area and other ILO Outcomes²⁴ and to the DWCP agenda at a more general level. The SP interventions supporting the EESE process had e.g. strong linkages to the Employment related objectives (Outcome 1, 2 and 3), while the NP interventions were closely linked to outcomes aimed at promoting social dialogue (Outcome 10, 11 and 12) as well as to outcomes related to standards and fundamental principles and rights at work.

Both Botswana and Cambodia provide illustrations of the fact that there are often several important policy processes ongoing at the same time in the field of business environment reform. The EO needs to position itself in relation to these processes in order to give a voice to the overall employer community. The Honduras case study underlines the importance for the ILO of working with and supporting EOs that are truly representative of the private sector.

Interviews with stakeholders in Moldova (including representatives of government, trade unions and management, members associations and individual companies) confirmed the relevance of both the SP and NP funded programmes. The support for the EESE process is well justified not least in light of problems related to the business environment in Moldova including corruption and unnecessary state interference. Stakeholders generally confirmed the relevance of investing in building advocacy capacity within the EO (CNPM) although some questioned the Government's preparedness to initiate business-friendly changes.

Moldova at the same time provides an example of an intervention where the evaluators had a question mark regarding relevance. This relates to the expansion of social dialogue services to

²³ ILO's Strategic Policy Framework 2010-14 (Document No. 003)

²⁴ See list of Outcomes in annex 11.

districts in Moldova. Such expansion is positive because it (i) helps to strengthen EO membership and representativeness in Moldova, (ii) improves the provision of services to employers and (iii) creates platforms for tripartite local social dialogue e.g. on local constraints in the business environment. However given the small size of Moldova it may be questioned whether it is really meaningful to aim for collective bargaining at the district level. Such bargaining would appear to be more effective to carry out at the level of individual enterprises or sector-wise.

Effectiveness

Written reports and stakeholder interviews clearly document that the NP and SP-funded support during 2012/13 to the four respective EOs reached its objectives at the outcome level. According to the assessments by the evaluators all relevant outcome indicators were achieved²⁵. This demonstrates a high level of effectiveness of the NP and SP interventions.

The Cambodia case study provides an interesting illustration. All three standardised indicators for Outcome 9 have been achieved. With support from the ILO, CAMFEBA has:

- a) implemented capacity building programmes in line with its strategic plan;
- b) established new member services through its branch office in Siem Reap; and
- c) improved its internal structures to formulate advocacy strategies based on membership views, developed well-researched policy positions and advocacy materials, and obtained greater media coverage of its policy positions.

In spite of the short duration of the country missions, the Cambodia visit also gave the evaluation team an interesting opportunity to attend on-going programme activities. The evaluator got a highly positive impression from visiting one of CAMFEBA's courses on industrial relations and labour law and interviewing several course participants. This kind of training programme does not only contribute to developing essential knowledge among EO members' staff, it also helps to strengthen CAMFEBA's revenue earning capacity and to build a positive perception among its members on the usefulness of CAMFEBA as a voluntary business membership organisation.

The evaluator also had the opportunity to participate in the high-profile event that took place on March 12 and included the launch of the Cambodia EESE publication²⁶ by ILO representatives and of CAMFEBA's "Business Vision 2020" by its Vice Chair. Both these documents effectively communicate important messages to Government on needs for business environment reforms. The launch seminar attracted strong attention by media.

The Botswana and Cambodia case studies provide examples of typical problems related to limited staff capacity. Although the ILO support to large extent is focussed on building such capacity, there still remain considerable challenges in this respect. Underlying problems are

²⁵ It may be noted that ILO's official results monitoring for the biennium 2012/13, states that only one of the three Outcome 9 indicators were achieved, namely indicator 9.3. For reasons not quite clear to the evaluators, indicator 9.2 has not been formally recorded in spite of the successful NP funded geographical extension of EO services to new districts.

²⁶ ILO Enterprises Department (2014), *The enabling environment for sustainable enterprises in Cambodia* (Document No. 005 – CAMBODIA)

related both to the limited financial resources of EOs depending upon membership fees and to the general lack of staff with appropriate educational background.

Efficiency

Case studies confirm that almost all planned outputs and milestones were achieved. During interviews many EO stakeholders expressed their satisfaction with the quality and timeliness of the support from ACT/EMP.

Apart from support provided by ILO staff, funding was often also used for services procured from local expertise. The Honduras case study found that an important factor for the success of the project was that the surveys were made by a local company, independent of the EO, recognised within the country and supported by ILO. This approach clearly helped to improve (i) the understanding of culture and local circumstances in the country, (ii) to be involved with local people, (iii) to communicate in the same language and above all, (iv) to avoid distrust regarding the use of survey information.

The Honduras study also stressed that the participatory manner in which the activities were conducted in combination with a well-functioning coordination mechanism allowed partners to fulfil the common goals for the project in an efficient way.

Impact

While the outcomes of the NP and SP funded interventions in the form of increased EO capacity have been easy to verify, it is much more difficult to trace impacts such as changes in the business environment, improved social dialogue or changes in member practices. Reference is made to the discussion on impacts and attribution in section 3.4 and 3.5.

One example is provided in the Cambodia case study where ILO's support to CAMFEBA's legal training, advisory services and guide products could be expected to have an impact on member firms and in a wider perspective on the functioning of the labour market. However to verify such impacts would have required some kind of quasi-experimental tracer study, which was obviously not feasible within the context of this evaluation.

At the same time the Cambodia case provides information on developments during the last decade which further illustrate the potential result chain described in figure 1 in Chapter 3.4. A report on the garment sector²⁷ clearly illustrates how the development of labour market institutions in Cambodia contributed to improved dispute resolution. Furthermore the recent World Bank Poverty Assessment²⁸ shows the role of this sector in the process of pro-poor growth between 2004 and 2011. It seems likely to assume that CAMFEBA has contributed to some extent to this process. However, it may at the same time be noted that these developments took place before the NP and SP funded interventions.

²⁷ Adler, A. and Hwang, H. (2012)

²⁸ World Bank (2013)

All four country studies report that it is generally too early to assess impacts. E.g. in the case of Botswana, the ILO intervention helped the EO (BOCCIM) to establish a good platform for advocacy, including a national business agenda/policy position. This platform is expected to have long term effect by bringing together and enhance the co-operation between key business actors in Botswana. However, it is too early to expect any concrete impacts in the form of adopted government policies, new legislation etc.

In the case of Honduras it is reported that since a National Meeting of Private Enterprises held in October 2013, several measures to improve the business environment have been adopted by the Government. With the information collected during the business environment assessment, it will be possible to construct a base line with a set of indicators through which results and impacts could be measured over time.

In the case of Moldova it is reported that while the EESE and Women's Economic Development (WED) processes as well as the expansion of EOs at district level have largely helped to strengthen the EO's (CNPM) capacity, it will probably take time until wider impacts may be recorded, e.g. in the form of improved governance at national and local level. However, one concrete example was given by local EO representatives where it appears that intense dialogue and advocacy efforts had concrete results, i.e. the abuse by district authorities of the right to issue various kinds of local taxes.

Sustainability

The country case studies give a number of examples of challenges related to the sustainability of the results of the SP and NP interventions. Several EOs indicate a need of continued support from the ILO to sustain the results which have been achieved.

This is obvious not least when it comes to the continuation of the EESE processes by the partner EOs. Developing research capacity of employers' and business organisations requires long-term and systematic engagement in order to achieve sustainable results. This may not be possible without continued external support from the ILO or other partners.

In Botswana BOCCIM's advocacy capacity has been considerably strengthened during the last few years. In spite of these achievements, the continued update of EESE data and related analytic work may still be challenging to BOCCIM given its limited staff resources.

In Honduras, the project was successful in establishing a strong sense of ownership among partners. Sustainability was considered and built all along the project period. Institutional capacity-building was a central element in the technical cooperation approach. Furthermore, capacities were integrated into the organisation whereby they may be sustained in the longer perspective. However, in order to safeguard sustainability there is probably a need not only of financial support but also technical support from the ILO.

Cambodia illustrates the importance of safeguarding financial sustainability through increasing EO membership. ACT/EMPs 2012 progress report to Norway²⁹ used CAMFEBA as an example of a virtuous development loop at outcome level where better services to members and more membership revenues are key factors (illustrated in Figure 1). CAMFEBA's progress report as per 31 December described a continued positive membership development (which increased by 39 members in 2013, i.e. a 20% net increase). The increasing number of members and increasing revenues from legal services and courses has created better conditions for CAMFEBA's financial sustainability.

At the same time the Cambodia case demonstrates that although geographic expansion (through the new branch office in Siem Reap) helps to increase membership, such a strategy may not in the short run improve the overall financial situation.

Cross-cutting issues: gender equality

The Moldova case study provides an interesting example of a kind of duality in relation to gender equality. The CNPM has successfully taken a number of steps to promote gender equality. Activities such as workshops for employers in gender/work life balance training and the WED study have been crucial for building awareness and to open up for improved economic activity for women. Given the positive response that these initiatives have received, the chances appear to be good that this may trigger positive future developments ("We witnessed that things started to change after this project had started"). E.g. women entrepreneurs are more often invited to round-table discussions and training events than before.

At the same time it is noted that there are no references to gender equality in the EESE report or in the CNPM Business Agenda. This may be interpreted as an indication that there are still substantial challenges to reaching a situation where gender equality has been fully mainstreamed within CNPM. However, after the visit by evaluators to Moldova, CNPM informed that upon the completion of the WED project, gender equality has now become one of the priority areas in the business agenda.

As further discussed in section 4.5, also other case country studies provide examples of similar dualities. While gender equality was fairly well mainstreamed in the EESE reports in Botswana and Cambodia, this dimension was more or less absent in the business agendas.

CAMFEBA has successfully taken a number of steps to promote gender equality including promotion of gender equality at the level of the Executive Board. CAMFEBA also developed a guidebook for employers on promoting equality and preventing discrimination at Work in Cambodia. The secretariat has conducted training on Promoting Equality and Preventing Discrimination at Work for at least 50 people. The training course referred to above provided a highly positive example of practical mainstreaming of gender equality: the course leader was a woman and women participated actively in group discussions.

²⁹ ILO Enterprises Department (2014), *The enabling environment for sustainable enterprises in Cambodia* (Document No. 005 – CAMBODIA)

The EESE project in Honduras is reported to have had direct effects on gender dimensions. A gender committee was established in 2012 and is working to promote gender equality within enterprises. As a part of its activities it has conducted two surveys regarding women situation in enterprises in Honduras. These surveys were made in Tegucigalpa and San Pedro Tula and are considered a valuable resource to be used in the action plan which is being developed by the committee. Gender equality was fully mainstreamed in the EESE report and, at least partly, in the national business agenda.

4.3 Findings from the EO Survey

A compilation of the answers from EO Survey is found in annex 8. In this section findings have been distilled from this survey and structured along the DAC Evaluation Criteria.

Relevance and validity of intervention design

A majority of the EOs report that the prerequisites for advocacy for a better business environment are reasonably good and that social dialogue is accepted and applied. EOs are reported to be recognised as reliable and responsible social partners that advocate for business environment improvement, and which initiate numerous activities related to social dialogue. Some EOs have even launched special flyers/brochures on social dialogue for companies.

In a country like Serbia which is currently passing through a period of harsh economic crisis resulting in job losses, it is no surprise that the national context is not regarded as conducive for social dialogue.

Almost all EOs confirmed that activities conducted with the support of ACT/EMP were coherent and met the needs and priorities of employers. Only one EO did not comment.

Effectiveness

Fifteen (15) countries responded positively to the question on whether activities carried out with the support of the ILO had produced the expected results, i.e. if the EO capacity had been strengthened. Only two EOs reported that their capacity had only partly been strengthened.

Over 90% of the EOs reported that ILO support had helped to enhance the capacity to analyse business environment. Over 70% inform that ILO support contributed to the adaptation of a strategic plan to increase the EOs management effectiveness and structures. Slightly over 50% of EOs felt that services to members had been strengthened and reported an upswing in service activities and provision of feedback to the members. Several countries expressed that more could be done especially for SME's and women entrepreneurs, where additional ILO's support would be beneficial.

Most of the EOs which have received SP funded support report that the EESE successfully served its purpose to identify constraints and providing the basis for developing a business agenda. 8 out of 11 EOs who had been supported by the EESE project were in position of such an agenda.

Efficiency

All EOs except for two clearly expressed that the support provided by ACT/EMP had been adequate and useful and that activities had taken place as planned.

Sustainability

Numerous EOs have gained enhanced capacity to analyse the business environment thanks to EESE. However, a number of countries report that, in spite of successful support to building capacity, they still suffer from capacity gaps. The question is whether EOs will be able to continuously survey and follow-up on changes taking place in the business environment. E.g. many EOs informed that they would not have the capacity to develop a business agenda on their own.

The capacity of an EO is closely linked to the development of its membership. It is therefore most positive that many EOs report increasing membership affiliation during the past two years.

Cross-cutting issues

About 40% of the EOs reported that they had been successful (or very successful) to influence the business agenda in order to promote gender equality at their workplace. Some of them are very active, for example RUEA in Armenia which has a separate unit on women entrepreneurship development (WED). A strategy had been developed specifying the goals of RUEA regarding advocacy and WED and how to conduct lobbying to influence state policy and support programs. Montenegro is described as very successful. MEF in Montenegro has - among other things - convinced employers (among member associations of MEF) to improve working conditions for women and to encourage women's empowerment in the workplace. MEF has also organised round-table discussions on "Principles of Decent Work for Women".

4.4 Findings related to the GP elements funded by Norway

Background and scope of the GP elements

Norway supports two out of six GP outputs carried out by ACT/EMP during 2012/13. These are:

(i) *Employers organisations reaching out to women/gender*. This output of the global product specifically targets women in business and women entrepreneurs aiming to contribute towards closing the 'gender gap'. The sub-outputs are as follows:

- Global report in English on Women in Business and Management: Beyond the Glass Ceiling. This will be accompanied by a shorter executive summary capturing key data and trends and identifying strategic policy options translated into several languages
- Series of short country briefs on women in business and management, mainly in English, French and Spanish;
- Series of reports from the employers' regional workshops in English;
- Report from the interregional employers' meeting in English, and translated into various languages;
- Media briefs in different languages
- Advocacy and information materials for employers on various gender-related issues.

(ii) *Climate change and employers organisations* Under the first phase of the NP, ACT/EMP developed a guide and training materials on climate change aimed at assisting EOs and their members in playing a proactive role related to climate change. In the present phase ACT/EMP collaborates with the Green Jobs Programme and the IOE in further developing and rolling out training and awareness-raising materials. The planned sub-outputs are:

- Development of case studies on employer organisations/businesses taking action in the area of climate change to supplement the guide/training materials.
- Validation workshop of trainers in sub-region.
- Update of ACT/EMP Webpages on Climate Change.

Relevance

The two GP outputs financed by Norway were developed by the ILO upon requests from employer constituents. Given the high priority that Norway as well as the ILO gives to gender equality and climate change, the relevance of these two themes is obvious. ILO's previous experience from cooperating with the EO community on these themes also contributes to their relevance for NP funded support.

Effectiveness and efficiency

According to ACT/EMP's draft progress report to Norway³⁰ outputs have been produced and objectives achieved under these GP elements. There are obvious linkages between the NP support to the gender-related GP element and the activities at country level, e.g. in Moldova and Cambodia where issues like gender discrimination and women entrepreneurship have been high on the EO agenda.

It has not been feasible within the frame of this evaluation to assess the quality of the NP funded GP outputs regarding the gender and climate change themes. However, generally positive comments were received from visited EOs regarding the usefulness of ILO's gender-related products.

Impact and sustainability

It is obviously too early to assess the impact and sustainability of the NP funded GP elements. Although there is a clear potential for such impacts, it must be noted that there are formidable challenges involved in the mainstreaming of gender and climate change policies.

4.5 Findings related to the GP element funded by Sweden

Background and scope of the GP

The EESE toolkit is a set of comprehensive analytical instruments which was developed during the last biennium to help employers and business associations assess the national business environment, develop advocacy strategies and institutional capacities to support their policy work. The GP elements supported by Sweden during 2012/13 are as follows:

³⁰ Document No. 022

(i) *Strengthening the policy impact assessment of the EESE toolkit.* An impact assessment methodology and tool is developed to measure the impact of the policy advocacy work done under the EESE toolkit. The following outputs were planned:

- Tool on policy impact assessment (policy tracker)
- Validation and testing in EESE project countries

(ii) *Strengthening the gender dimension of the EESE toolkit.* An assessment tool is developed focussing on two areas, women's labour market participation and enabling environment for women's entrepreneurship, and resulting in the following planned outputs:

- Enhanced gender dimension of the policy analysis and tools, including a specific tool on tool on WED
- Validation and testing

(iii) *EESE Web Page* The content and design of the EESE tool was finalised in 2011 and the demonstration model uploaded on the dedicated website. During 2012/13 the web design was to be finalised and an exchange platform created to upload information on on-going work and generated knowledge. Planned output:

- Finalised webpage for EESE

Relevance

Interviews with stakeholders in the case study countries confirm the relevance of the EESE toolkit for strengthening the advocacy and analytic capacity of EOs. The modules available on the EESE website are designed to serve the specific needs of EOs in this respect.

Efforts to strengthen the EESE toolkit appear clearly relevant as EESE processes may offer interesting opportunities to highlight various dimensions of gender equality (discrimination issues, women in management, women entrepreneurship etc). The idea of investing in an attractive web platform for the EESE toolkit is also supported as this helps to improve the outreach and impact of EESE not only within the ILO and among its partners but also to the wider development community.

The relevance of putting efforts into the development of impact assessment tools for EOs is not as clear-cut. It should be remembered that business environment reforms are highly complex policy processes which do not lend themselves easily to impact assessment. As previously mentioned even international finance institutions have been struggling with this issue. Given the observed capacity weaknesses among EOs in e.g. the case study countries, it may be questioned whether EOs in the LDC group will actually have the capacity to carry out impact assessments (including cost benefit analysis of regulatory reforms). For stronger EOs in middle- or high-income countries information on such tools within the EESE toolkit may however be useful. It appears that ACT/EMP is aware of the challenges related to impact assessment and is primarily aiming at providing tools for policy tracking (impact review).

Effectiveness

The work with the gender dimension in EESE and with the final updating of the EESE website was basically finalised in March 2014. However, the policy impact assessment tool has not yet been finalised. This means that two of the three planned GP outputs with SP funding have been basically achieved during the project period. There is however still some scope for improving the website, e.g. by including a library with all previous EESE country reports and business agendas.

Efficiency

Within the context of this evaluation it has not been feasible to make any detailed assessment of the overall EESE toolkit nor of the components which have been developed during 2012/13. However positive comments have been received from stakeholders. The evaluators' general impression and a random study of parts of the toolkit give a very positive impression. The toolkit appears to have an impressive potential which could provide value to a wide spectrum of professionals and agencies interested in business environment reforms and advocacy.

Impact

It is not easy to assess the marginal impact of the strengthening of the gender dimension or the consolidation of the EESE website, especially considering that these were completed only towards the end of the project period.

The value of the EESE toolkit may primarily be judged from its impact on the quality of EO assessments of the business environment and of their advocacy capacity and strategy. The following two observations from the country case studies are of interest in this context:

1. Some EESE documents use the variable "labour force participation" as the only employment-related indicator in overviews of "macro-economic indicators". Given that the highest percentages of "labour force participation" are often observed in countries where a large part of the population are engaged in household farming, this variable (in isolation) does not seem to be a good indicator for "productive employment". The use of this variable as the only variable that describes employment among the macro-economic indicators in EESE-reports should preferably be avoided. This may possibly also have a bearing on the EESE toolkit.
2. The below table illustrates the evaluators' assessment of the extent to which gender equality was mainstreamed into two of the main outputs of the SP funded programme in the four visited countries, i.e. the EESE reports and the business agendas.

Table 2: Extent to which gender equality was mainstreamed in EESE report and Business Agenda (or equivalent advocacy document)

Rating categories: 0= absent; 1= partly mainstreamed; 2= fully mainstreamed

Country	Mainstreaming gender in the EESE report	Mainstreaming gender in the Business Agenda
Botswana	1-2	0-1
Cambodia	2	0

Honduras	2	1
Moldova	0	0

The lack of mainstreaming of the gender dimension especially in the business agendas may to some extent be explained by the fact that the gender dimension in EESE toolkit had not yet been improved at the time that these documents were produced. It should probably also be seen in the light of the general challenges related to gender mainstreaming in many countries where there are still strong social, cultural and traditional barriers to gender equality and where public policy efforts are insufficient. We will revert to this issue when drawing conclusions on gender mainstreaming in the next chapter.

Sustainability

Once that the investment in the EESE toolkit has been done, it is likely that the cost to maintain it will be fairly low. The main challenges related to sustainability are obviously related to the limited analytical capacity within EOs and the indications that a continued EESE process will probably require strong support from the ILO. Without such support, there may be a risk that at least the weaker EOs will not make much future use of the EESE toolkit.

5. CONCLUSIONS

Based on the findings described in the previous chapter structured according to CPOs and GPs, this chapter will summarise conclusions for each of the 17 evaluation questions.

Relevance DAC defines relevance as “the extent to which the objectives of a development intervention are consistent with beneficiaries’ requirements, country needs, global priorities and partner and donor policies”.

Question 1: What was the relevance of the outputs from NP and SP-funded interventions³¹ to the Outcome 9 Strategy in the ILO Programme and Budget and Outcome Based Work-plan?

The findings from the case studies presented in the previous chapter demonstrate the relevance of the interventions funded by NP and SP as well as the resulting CPOs. The findings also confirm the relevance of the GP elements funded by NP and SP.

Question 2: How well did the GP’s and CPO’s link and/or contribute to other ILO Outcomes and DWCPs?

Findings from the case country studies and stakeholder interviews strongly confirm that there are many and strong linkages between CPOs for Outcome 9 and other ILO outcomes as described in DWCPs.

³¹ This wording was agreed in connection with the Inception Report (with a slight modification compared to the original ToR).

The same observation is made for GPs, where interviews with officials from ACT/EMP and a number of other bureaus representing different perspectives (workers organisations, environment, green jobs, gender equality etc) confirm the existence of strong cross-linkages between support to EOs and activities within other areas. The evaluators got the impression that a fruitful cooperation climate had been established and that persons from bureaus representing other perspectives than ACT/EMP were clearly satisfied with the way that their comments had been taken into account in NP and SP funded GP elements.

Question 3: Were the ILO interventions consistent with employer organisations' needs and concerns?

The findings from the country case studies in combination with the EO Survey presented above give a very clear message from EO representatives that ILO support respond well to their needs and concerns.

<i>Validity of the intervention design</i>

Question 4: What factors were considered in selection of CPOs and GPs for SP and NP funding?

Common country support criteria for the NP and SP interventions were that they both gave priority to Least Developed Countries (LDCs) and to countries where the EOs had demonstrated a strong commitment, ownership and support on the ground.

In addition NP funding gave priority to countries with (i) good opportunities for bipartite collaboration with workers' organisations at national level, (ii) previous gender related activities and (iii) favourable policy environment for interventions. There has been an understanding between ACT/EMP and ACTRAV to endeavour working in the same countries with joint or parallel activities where possible, focussing on promoting social and policy dialogue.

SP funding gave priority to EOs which had already undertaken a full or partial EESE assessment or to EOs that expressed a strong interest in such assessments. These criteria should be seen against the experience that delivering policy reforms is a long-term exercise.

Question 5: Were the interventions chosen for the CPO's and GPs logically coherent and realistic?

The four case studies indicate that the chosen interventions were to high degree logically coherent and with realistic objectives in terms of CPO achievement. However, the issues raised below under Evaluation Question 17 regarding the sustainability of some of the outputs may also to some degree affect the assessment of the realism of the chosen interventions.

The "Outcome-Based Partnership Funding" (OBPF) modality has served its purpose well, i.e. to provide a "light earmarking" of donor funds which allow donors to track their contributions to specific priorities. However, as explained in chapter 3.3, procedures could have been simplified by applying a unified structure for (planning and) results reporting irrespective of funding.

Question 6: How useful and appropriate have the P&B indicators been in assessing progress towards Outcome 9? Are the means of verification for the indicators appropriate?

As discussed above in Chapter 3, the P&B indicators and related measurement statements provide an easy tool for aggregating (at department or agency level) CPO results achieved with support from the ILO.

At the same time it is noted that the P&B Outcome indicators are not fully consistent given that one of the sub-indicators is recording an activity (“a capacity-building programme is implemented”) rather than the outcome (i.e. strengthened capacity), while another is recording impacts in the form of legislative/policy changes at government level (“the positions of the EOs are reflected in the adopted legislation or policy at the national, regional or international levels”).

It is also important to note that capacity development of an EO is usually a process that will take many years. ILO support is only one of a number of influencing factors. As explained in chapter 3.6 the P&B indicators are not well suited to monitor over a longer time period how an EO gradually progresses towards the ultimate objective of Outcome 9 that “employers have strong, independent and representative organisations”.

As mentioned in Chapter 3, Module 1.1 in the EESE toolkit could provide the basis for creating an aggregate capacity index for EOs. If such an indicator would be used to monitor changes in EO capacity over time, it would obviously be necessary to make a separate assessment of the extent to which capacity changes could be attributed to ILO interventions. Such an assessment would obviously be more transparent than the one which is today “embedded” in the measurement of CPO indicators.

Effectiveness DAC defines effectiveness as “the extent to which the development intervention’s objectives were achieved, or are expected to be achieved, taking into account their relative importance.”

Question 7: To what extent have the CPO’s and GPs been achieved or are likely to be achieved?

Our findings presented in Chapter 4.1 based on ILO data of country level results paint a positive picture regarding the CPO achievements within the EO cooperation. The set targets for 2012/13 have been surpassed and results are clearly better than the previous biennium. Compared to its resources, Outcome 9 also ranks quite high among all outcome areas (no. 3 among 19 outcome areas).

The evaluators have not seen examples of measurement of outcomes from knowledge production, i.e. GPs, in the same standardised way as applies to country level outcomes. Our review of GPs in Chapter 4.8 and 4.9 indicates that the NP and SP funded GP elements reached most of their set objectives.

Question 8: To what extent did the NP and SP funding help in achieving Outcome 9 CPO targets under the 3 Outcome 9 indicators? How many targets were achieved with NP and SP funding as a proportion of all Outcome 9 targets achieved in 2012-13?

Table 1 in Chapter 4.1 shows that NP and SP funding contributed substantially to the overall achievement of CPO indicators within the EO cooperation. The number of CPOs where SP funded programmes contributed (i.e. Indicator 9.3) was higher than the ones recorded for NP programmes (Indicator 9.1 and 9.2).

Question 9: To what extent was gender equality mainstreamed in the programme interventions?

The answers to the three questions which focussed on gender in the context of the business environment in the EO Survey (Question 12-14) painted fairly positive pictures of EO attitudes and activities regarding gender dimensions.

The previous chapter also gave an overview of the how the gender dimensions were dealt with in (i) the programme interventions in the four visited countries and (ii) the GP-elements funded by NP and SP.

This overview clearly demonstrates that the gender dimension were an integral part of *most NP funded activities*. Activities like the one in Cambodia for preparation of a set of guides on equality in the workplace (and translation them into languages understood by important categories of employers) are highly interesting. Although it is not possible to isolate the impact of this kind of initiatives, it seems likely that they may contribute to gradually changing attitudes among employers towards workplace equality.

The gender dimension in the EESE toolkit has been strengthened as a part of the SP support to GPs. However, table 2 in the previous chapter illustrates that there are still considerable challenges related to the mainstreaming of gender equality in relation to the EESE processes at country level. In several cases the gender dimension was absent in business agendas. In some countries, like Moldova, Serbia and Montenegro, this could be explained by the fact that separate efforts were made to strengthen women's economic empowerment. However, evaluators see no really good reasons why the results of such work could not also have been reflected in the business agendas.

An illustrative example is Moldova, where an initiative for assessing the environment for women entrepreneurship in Moldova is an excellent example of this kind. It appears to have contributed to mobilising women entrepreneurs and raising awareness regarding gender dimensions. At the same time the gender dimension was absent in both the EESE report and in the business agenda.

Efficiency of resource use DAC defines efficiency as “a measure of how economically resources/ inputs (funds, expertise, time, etc.) are converted to results.”

Question 10: Were outputs funded by NP and SP produced and delivered as per the work-plans/ milestones?

ACT/EMP's Progress Reports indicate that outputs were delivered in basic accordance with work-plans and milestones.

Question 11: What was the quality and timeliness of delivery of allocated resources?

It has not been feasible during this evaluation to make a detailed assessment of the quality and timeliness of the delivery of allocated resources. However, interviews with stakeholders indicate that quality and timeliness of resource delivery was fully satisfactory.

Question 12: Was there a logical and optimal use of resources?

The same conclusion applies to the use of these resources.

Question 13: Was the SP budget used 100% (delivery)?

It is expected that the SP budget for Outcome 9 amounting to 556,064 USD will be fully used at the end of the budget period, i.e. as per 31 March 2014.

Question 14: Is the NP on track to 100% delivery?

The NP budget amounting to 2,881,514 USD had been used to 68% at the end of February 2014. It is expected that the budget will be fully used at the end of the agreement period. It appears that ACT/EMP demonstrates a good ability to manage voluntary funds provided through the OBPf modality.

Impact DAC defines impact as “the positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended.”

Question 15: How will achievement of the CPOs and GP production contribute towards making a significant input to broader, long-term, sustainable development changes?

While the outcomes of the NP and SP funded interventions in the form of strengthening of EO capacity are easy to identify and measure, it is much harder to trace changes further along the results chain (such as the intermediate and ultimate impacts exemplified in figure 2). E.g. there is no doubt that the EESE processes funded by SP have helped to build EO advocacy capacity in the four visited countries and that well-argued business agendas have been produced. It is also evident that NP funded activities e.g. have helped to set up branch offices and expand EO membership, social dialogue and services in some cities/local areas. The awareness of the importance of removing obstacles to women entrepreneurship has increased among many stakeholders as a result of the ILO programmes.

However, to trace development impacts of ILO programmes e.g. in the form of changes in government policies and regulation is not an easy task. It is also obvious that such impacts are highly context-specific and depending upon the current winds blowing within the political economy in each country. While EO representatives in Moldova do not seem to be very hopeful that their advocacy efforts in the short perspective will lead to visible improvement in the business climate, the business community in Honduras appears to be highly optimistic.

To conclude, both the SP and NP funded interventions have contributed to the creation of various kinds of potentials for development change. Because of the time required for such change to take place, as well as other reasons mentioned in Chapter 3, it is obviously not realistic to expect that it should be possible to trace such changes in a short time perspective. Strong continued advocacy

efforts will be required by EOs to avoid the classical phenomena that well documented policy reports soon start “collecting dust on decision-makers’ bookshelves”.

Question 16: To what extent was the gender dimension integrated/mainstreamed into policy proposals resulting from the programmes?

For the same reasons that make it difficult to trace the impacts of the SP and NP funded programmes on the business environment reforms in the various countries, it is not possible, at least in the short perspective, to assess the mainstreaming of gender dimensions into (government) policy proposals.

Sustainability DAC defines sustainability as “the continuation of benefits from a development intervention after major development assistance has been completed, i.e. the probability of continued long-term benefits and the resilience to risk of the net benefit flows over time”.

Question 17: To what extent did the CPOs produce (or are on the way to producing) durable results³² that can be maintained, or even scaled up and replicated, within the local development context, or in the case of a GP – sustainable as a global approach or policy?

CPOs

As discussed earlier the development of EO membership is a crucial factor for the sustainability of the results of efforts to strengthen the capacity of partner EOs. It is therefore positive to note that as reported in Chapter 4.1, the EO survey showed a clearly positive membership trend among many of the EOs that responded to the questionnaire.

At the same time country case studies raise some concerns regarding the potential for sustainability of results of NP and SP funded interventions at country level. These related to (i) the EESE processes and (ii) the geographical expansion of EOs:

- (i) *Sustainability issues relating to the SP funded EESE processes:* Given the weaknesses of many EOs regarding resources for economic and social policy analysis, it appears that EOs often seem to depend upon continued support from the ILO to carry on with the evidence-based advocacy processes that have been initiated through the EESE.

In this context it must be remembered that the ILO’s ambitions with EESE are quite high. The EESE aims (for good reasons) to cover a much broader and more holistic spectrum of issues than the World Bank Enterprise Surveys and Investment Climate Analysis. EESE also includes not only formal but also informal enterprises and individual workers. The flagship survey that was carried out in Honduras covered in total 2352 companies (of which 744 were informal) which is very high e.g. in comparison with the World Bank Enterprise Surveys which in smaller countries (like the ones subject to our case studies) have a target of reaching only some 400 companies every third year with a fairly limited

³² This wording was agreed in connection with the Inception Report (with a slight modification compared to the original ToR).

set of questions.

Although other EESE surveys are smaller than the one in Honduras, there still seem to be reason for the ILO to consider what should be a realistic strategy for keeping the EESE data and analysis up-dated (e.g. regarding volume, frequency and number and type of questions to be covered by surveys). An important issue to consider may be the opportunities to cooperate with others in the collection and updating of enterprise data.

- (ii) *Sustainability issues relating to EO geographical expansion:* The NP funded geographical expansion with new EO branches in Cambodia and Moldova raises interesting issues. On one hand such expansion may help to expand membership which is a crucial factor for the financial sustainability of EOs. On the other hand, such offices may from start not be financially self-supporting. A realistic assessment of the chances for sustainability appears to be of great importance.

GPs

Although the evaluators have not been able to make any in-depth assessment of the various *global product* elements that have been funded by NP and SP, the general impression is good. E.g. the tools for assessing various dimensions of EO capacity and for planning EO advocacy efforts are excellent. There appears to be an interesting potential for these and other GP elements to benefit a much wider spectrum of agencies within the development community.

6. LESSONS LEARNED

1. One of the basic insights from this evaluation is the importance of **adjusting EO support to the specific country context** in which the EO partner operates. The four country case studies illustrate just how huge the difference is between different country contexts. Generalisations are often dangerous in such situations and the design and management of EO support must be prepared to adjust flexibly to a dynamic country context. The country case studies offer several interesting examples of activities which successfully have seized opportunities that have emerged in the specific local context and at a certain point in time.

2. The successful Honduras case offers several lessons to be learned for interventions aimed at enhancing the EO capacity for policy advocacy. One such lesson is about the **importance of working with EOs that are truly representative of the private sector** and therefore able to apply a broad perspective on the needs of business environment reform.³³

3. Sustainability remains a challenge in support to capacity development. The evaluation gives several examples of capacity building activities which have led to **results which may not be possible to sustain** without continued support from the ILO. At the same time EO support could also actively contribute to increasing the EO membership and thereby help to strengthen the financial capacity and representativeness of EOs. It is important for the ILO to find ways in its cooperation with specific EOs to assess how a certain activity will affect EO sustainability.

4. Successful **initiatives for promoting gender equality often remain as fairly “isolated islands” within organisations**. Conscious strategies are required, and the ILO could probably play an important role in the gradual mainstreaming of gender equality within an EO. A first step could be to critically review the business agendas of partner EOs from a gender equality perspective.

5. The **constraints related to staff capacity** is a major challenge to EO support. Problems are not only related to lack of financial resources to hire qualified staff, but also to a general lack of suitably qualified staff in many countries. In addition there is often room for improvement of EOs' human resource management including planning of the development of each individual's skills and competence. In order to avoid continued dependence upon ILO staff and/or international consultants to carry out economic analysis and updates of EESE, concerted efforts are required by many EOs to gradually develop their staff resources. It is noted in this context that presently there do not seem to exist any training courses related to the EESE toolkit at the ILO/ITC in Turin.

³³ A detailed account of the lessons to be learned from the Honduras case is included in annex 12.

7. RECOMMENDATIONS

1. To ILO (ACT/EMP and PARDEV) and donors with **high/immediate priority**

Rely on one single structure for planning and reporting irrespective of funding based on ILO's standard CPO and GP model (and avoid creating a separate logical planning framework for donor funded activities).

2. To ILO (ACT/EMP and PARDEV) and donors with **high/immediate priority**

Continue to support the creation of strong, independent and representative EOs. Give priority to broadening of the membership base and strengthening of EO capacity for analysis and advocacy related to business environment reform and gender equality.

3. To ILO (ACT/EMP and EOs) with **medium/long-term priority**

Experiment with the methods for supporting capacity development. Learn from others e.g. by learning partnerships (and possibly also twinning arrangements) between EOs in different countries. Consider partnerships with various local institutions, like local economic think-tanks.

4. To ILO (ACT/EMP and EOs) with **medium/long-term priority**

Consider available options for ensuring the sustainability of updating over time the EESE report and data base at country level, like cost-sharing with others for periodic enterprise surveys.

5. To ILO (ACT/EMP) with **high/long-term priority**

Look for ways to improve the monitoring and evaluation of EO capacity development. The EO audit tool in Module 1 of the EESE toolkit may offer an interesting opportunity. The possibility to make more active use of data on EO membership development should also be considered.

6. To ILO (ACT/EMP and GENDER) with **medium/long-term priority**

Look for opportunities to make successful gender initiatives "fertilise" the various organisational structures of EOs as well as EO advocacy processes like the national business agendas.

7. To ILO (ACT/EMP and ENTERPRISE) with **medium/long-term priority**

Look for ways to disseminate the EESE toolkit as a "public good" to the global PSD development community, e.g. through the DCED and its Business Environment Working Group (presently chaired by the ILO). Other actors may also provide useful feed-back to the toolkit.

ANNEX 1: TERMS OF REFERENCE

“ILO-Norway and ILO-Sweden Partnership Programmes’ contribution towards Outcome 9 - Employers have strong, independent and representative organization” (Independent Evaluation)

(EXTRACT)

Introduction and Rationale

In line with ILO Evaluation Policy and at the request of donors, evaluations of ILO’s Outcome- based funding modality in 2012-13 focussing on those ILO Outcomes which received extra-budgetary funding from the Swedish and Norwegian donors are being undertaken. Under the current partnership agreements with Norway and Sweden, funding is not project, but outcome-based (Outcome-Based funding- OBF) and aligned with the Strategic Policy Framework (SPF) 2010-15 and the Programme and Budget for 2012-13 and 2014-15. Outcome 9 in the ILO Programme and Budget focussing on “Employers have strong, independent and representative organizations” is one of the outcomes which received funding support from both the Norwegian and Swedish donors in the 2012-13 biennium.

The combined contributions of Swedish and Norwegian funds to Outcome 9 amount to 3.4 million USD in 2012-13. Given the combined size of these funds, an external and independent evaluation of the contributions provided by Sweden (SP) and Norway (NP) to Outcome 9 will be conducted. The focus of the evaluation will be on the Country Program Outcomes (CPOs) achieved and Global Products produced under two separate programmes that have been delivered through the ILO’s Bureau for Employers’ Activities (ACT/EMP).

The evaluation will highlight for the donors the value of the funding and how it furthered the ILO agenda and promoted internal learning and accountability. An additional aim is to feed the learning from the evaluation into a longer-term goal of establishing monitoring and evaluation procedures under Outcome-based funding.

Background and Context

Employers' organizations represent a key asset in any society: its enterprises. Successful enterprises are at the heart of any strategy to create employment and improve living standards. Employers' organizations help to create the conditions for enterprise success by influencing the environment in which they do business and by providing services that improve their individual performance. As one of the three constituents of the ILO, employers' organizations have a special relationship with the Organization. ACT/EMP is responsible for the nurturing and development of that relationship.

Outcome 9 of the ILO’s Programme and Budget seeks to enhance the capacity of employers’ organizations to deliver value through targeted activities and services that their member enterprises cannot provide on their own. The strength of such organizations lies in their representative nature and their ability to function as networks. When effective, they influence the development of an enabling environment of policies, institutions, relationships and behaviours that foster private sector development, thereby producing the jobs and incomes needed to raise living standards.

ACT/EMP received funding from both the Swedish donor (SP) and the Norwegian donor (NP) to support the implementation of the Outcome 9 goals and strategy. Operationally, the funding was used to support Country Programme Outcomes (CPOs) identified in the Decent Work Country Programmes³⁴ of 19 countries selected from

³⁴ Decent Work Country Programmes (DWCPs) are the main instrument for ILO cooperation with member States throughout the world.

the five regions in which the ILO works and to support the development or further refinement of Outcome 9 Global Products (GPs). The main means of supporting the GPs and the CPOs were two programmes, GLO/12/60/SID (Swedish funding) and GLO/12/56/NOR (Norwegian funding- NP). Descriptions of the two programmes can be found below.

GLO/12/56/NOR: “Strengthening Employers’ Organizations for Effective Social Dialogue and Promotion of Gender Equality, Part II”

Description of the history and current status of the intervention: The programme focuses in particular on two key elements: (i) strengthen the institutional capacity of employers’ organizations in policy development and dialogue at national, regional and interregional levels, and (ii) to assist employers’ organizations to develop new and improved services to enable membership recruitment and retention. Hence, the implementation of the programme seeks to contribute mainly to increasing the number of employers’ organizations that are able to create or strengthen services to respond to the needs of existing and potential members with particular focus on the needs of women in business and women entrepreneurs, and increasing the number of national EOs that have enhanced capacity to analyse and influence policies with particular focus on gender policies.

- Duration: This programme started in April 2012 and will end in December 2014.
- Geographical coverage: Armenia, Bangladesh, Cambodia, Fiji, Georgia, India, Indonesia, Laos, Moldova, Montenegro, Myanmar, Nepal as well as regional activities in Southern Africa, Aisa, Eastern, Central Europe and the Caucasus.
- Donor: Ministry of Foreign Affairs of Norway
- Budget: Initial allocation (2012-13): US\$ 1,668,135.

Additional allocation of US\$ 1,263,972 (in October 2013).

Total budget = US\$ 2,932,107

- Implementation phase: Mid-term evaluation
- This programme is subject to a final external, independent evaluation at the end of the programme, December 2014.

GLO/12/60/SID: “Enhancing policy capacity of Employers organizations to promote enabling environment for sustainable enterprise and job-rich growth”

Description of the history and current status of the intervention: The programme was implemented at a time when many countries were revisiting their economic, and particularly employment policies, in light of the global economic crisis. The programme sought to enhance the capacity of employers’ organizations to participate in the policy dialogue on sustainable enterprise development for job-rich growth and provide these organizations with an opportunity to do more in-depth policy work that would more effectively contribute to national policy dialogues.

- Duration: This programme started on April 2012 and concluded on December 2013.
- Location: Albania, Bosnia and Herzegovina, Botswana, Cambodia, FYR Macedonia, Honduras, Malawi, Moldova, Montenegro, Serbia, Southern African region Swaziland, Vanuatu, and Zambia
- Donor: Ministry of Foreign Affairs of Sweden
- Budget: US\$561,215.-
- Implementation phase: Final evaluation

A list of the Country Programme Outcomes supported by each programme appears below. Countries in which both programmes had interventions are highlighted in red.

	Country	SP	NP	CPO
1.	Albania			ALB 801
2.	Armenia			ARM 801
3.	Bangladesh			BGD 801●
4.	Bosnia and Herzegovina			BIH 801
5.	Botswana			BWA 801
6.	Cambodia *			KHM 130
7.	Fiji			FJI 801
8.	FYR Macedonia			MKD 801
9.	Georgia			GEO 801●
10.	Honduras			HND 804
11.	India			IND 801
12.	Indonesia			INS 801●
13.	Laos			LAO 801
14.	Malawi			MLW 801
15.	Moldova *			MDA 801
16.	Montenegro *			MNE 801●
17.	Myanmar			MMR 801
18.	Nepal			NPL 801
19.	Serbia			SRB 801
20.	Southern African Region			SHA 801
21.	Swaziland			SWZ 801
22.	Vanuatu			VUT 801
23.	Zambia			ZMB 801

● Commencing in 2014

Global Products under SP and NP

SP: The global product which was supported under the SP involved further refinements and improvements to the Enabling Environment for Sustainable Enterprise (ESEE) toolkit. The toolkit, which was developed under the first phase of Swedish funding to Outcome 9, helps business membership organizations identify constraints in the development of sustainable enterprises and formulates advocacy and proposals for reform for dialogue with government. Under the 2012-13 programme, refinements were made including strengthening the policy impacts assessment of the ESEE toolkit, and strengthening its gender dimension and consolidation of the ESEE on the webpage. Global deployment of the product was the main focus of this phase of the SP.

NP: Under NP, global product development included a new training tool, "Greening Economies, Enterprises and Jobs: The role of EOs in the promotion of environmentally sustainable economies and enterprises." The first training workshop was piloted in November 2013 for an interregional group of employers' organizations. A second GP under NP was a global survey on women in business and management and development of a resource network of employers to share good practices and advocacy on advancing women in business and gender equality.

Purpose, scope, and audience of the evaluation

The main purpose of the evaluation is to examine the CPOs achieved and Global Products produced under Outcome 9 that were funded by the SP and NP and assess the contribution of SP and NP towards achieving Outcome 9. The progress and achievements obtained with the support of SP and NP to the respective CPOs and GPs in terms of relevance, effectiveness, efficiency and sustainability of the outputs and outcomes will be assessed.

The scope of the evaluation is the 19 (of 23) countries in which the two programmes operated from April 2012 until early 2014 and the GPs which were developed under the two programmes. The audience of the evaluation will be ACT/EMP headquarters and field specialists, main employers' organizations in the countries under review, programme managers, main national partners, ILO field office directors, technical support at headquarters, field and HQ technical specialists, responsible evaluation focal points, and the donors.

Evaluation Criteria and Questions

Each evaluation conducted by the ILO is expected to assess the key evaluation criteria defined by OECD/DAC that are directly in line with the international standards of good practices. These criteria are: relevance, effectiveness, efficiency, impact and sustainability. During the evaluation process, the following key questions should be addressed:

Relevance:

1. What was the relevance of the CPO's and GPs funded by NP and SP to the Outcome 9 Strategy in the ILO Programme and Budget and Outcome Based Workplan?
2. How well did the GPs and CPO's link and/or contribute to other ILO Outcomes and DWCPs?
3. Were the ILO interventions consistent with employer organizations' needs and concerns?

Validity of intervention design

4. What factors were considered in selection of CPOs and GPs for SP and NP funding?
5. Were the interventions chosen for the CPO's and GPs logically coherent and realistic?
6. How useful and appropriate have the P&B indicators been in assessing progress towards Outcome 9? Are the means of verification for the indicators appropriate?

Effectiveness

7. To what extent have the CPO's and GPs been achieved or are likely to be achieved?

8. To what extent did the NP and SP funding help in achieving Outcome 9 CPO targets under the 3 Outcome 9 indicators? How many targets were achieved with NP and SP funding as a proportion of all Outcome 9 targets achieved in 2012-13?
9. To what extent gender equality was mainstreamed in the programme interventions?

Efficiency of resource use

10. Were CPO and GP outputs produced and delivered as per the workplans/milestones?
11. What was the quality and timeliness of delivery of allocated resources?
12. Was there a logical and optimal use of resources?
13. Was the SP budget used 100% (delivery)?
14. Is the NP on track to 100% delivery?

Impact

15. How will achievement of the CPOs and GP production contribute towards making a significant input to broader, long-term, sustainable development changes?
16. To what extent was the gender dimension integrated/mainstreamed into policy proposals resulting from the programmes?

Sustainability

17. To what extent did the CPOs produce (or are on the way to producing) durable interventions that can be maintained, or even scaled up and replicated, within the local development context, or in the case of a GP– sustainable as a global approach or policy?

Lessons Learned

18. Which good practices and lessons can be drawn from the support provided by NP and SP for the CPOs/GPs and overall implementation of the programmes that could be applied in the future?
19. What are the recommendations for future XBTC support to the CPOs and GPs in addressing the strengthening of employers' organizations?

Cross-cutting Themes

The gender dimension should be considered as a cross-cutting concern throughout the methodology, deliverables and final report of the evaluation. In terms of this evaluation, this implies involving both men and women in the consultation, evaluation analysis and evaluation team. Moreover the evaluators should review data and information that is disaggregated by sex and gender and assess the relevance and effectiveness of gender-related strategies and outcomes to improve lives of women and men. All this information should be accurately included in the inception report and final evaluation report.

Methodology

The evaluation will start off at ILO Headquarters in Geneva where the evaluator will undertake a desk review of appropriate material, including the programme documents, progress reports and outputs of the programmes, Outcome Based Workplans, Programme and Budgets and Programme Implementation Reports followed by briefings and interviews with key personnel in ACT/EMP (in field and headquarters), ACTRAV, GENDER and other departments as appropriate. A desk review will lead to a number of initial findings that may point to additional or fine-tuned evaluation questions.

Thereafter the evaluator will undertake missions to Gaborone (Botswana), Chişinău (Moldova), Phnom Penh (Cambodia), and Tegucigalpa (Honduras) to hold personal interviews with relevant stake-holders of the programme(key officials in the national employers' organizations), ILO officials, and other relevant key stakeholders. Focus group discussions or evaluation workshops may be conducted to gauge the views of stakeholders. Visits to several areas on the ground where the programmes are operational may also be undertaken, if time allows, to obtain first-hand information and perspectives of employers and other programme stakeholders.

Main Outputs

The expected outputs to be delivered by the evaluator/s are:

- A. A desk review of programme related documents
- B. An inception report prepared by the evaluator identifying key aspects to address as well as approach and methods to be used
- C. Data collection and interviews in Geneva
- D. Preparation of questionnaire for field based colleagues and partners
- E. Email and telephone interviews with ILO staff and partners as identified
- F. Draft evaluation report
- G. Final Report including:
 - Executive Summary with key findings, conclusions and recommendations
 - Description of the CPOs,
 - Clearly identified findings, including for each CPO and GP
 - Clearly identified conclusions and recommendations
 - Lessons learned
 - Potential good practices and effective models of intervention.
 - Appropriate Annexes including the TORs for the independent evaluation

The report should follow the outline that is considered the most appropriate given the purpose and scope of the evaluation, and focus on giving a clear and concise analysis of the effectiveness of the programme in attaining the expected results and achievements.

The total length of the report should be a maximum of 50 pages, excluding annexes; additional annexes can provide background and details on specific components of the programme evaluated.

All drafts and final outputs, including supporting documents, analytical reports and raw data should be provided both in paper copy and in electronic version (both in PDF and MS WORD compatible formats).

Ownership of data from the evaluation rests exclusively with the ILO. Use of the data for publication and other presentations can only be made with the written agreement of the ILO. Key stakeholders can make appropriate use of the evaluation report in line with the original purpose and with appropriate acknowledgement.

The final report will be circulated to key stakeholders for their review. Comments from stakeholders will be consolidated by the Evaluation Manager and provided to the evaluator. In preparing the final report the evaluator should consider these comments, incorporate as appropriate and provide a brief note explaining why any comments might not have been incorporated.

Sources of Information

Prior to the evaluation the evaluator will receive all relevant programme documentation as listed below from ACT/EMP headquarters. This will be supplemented during the missions to the regions by documents provided by the national employer organizations visited. Documents to be reviewed include:

- Programme documents including concept notes and CPOs.
- Annual and Semi-Annual Progress Reports
- Publications, tools and reports produced under the programmes.
- ILO Programme and Budgets, Outcome Based Workplans, and ILO Programme and Implementation Reports, DWCP documents as appropriate.

Additional country-level material, such as studies, training and advocacy materials, will be given to the evaluator/s during the field and ILO-HQ visit.

ANNEX 2: LIST OF PERSONS INTERVIEWED

ILO, Geneva

- Ms. Deborah France-Massin, Director, ACT/EMP
- Ms. Ilka Schoellmann, Outcome Coordinator ACT/EMP
- Ms. Anne-Brit Nippierd, Programme Manager, (Norway funding), ACT/EMP
- Ms. Sanchir Tugschimeg, Programme Manager, (Sweden funding), ACT/EMP
- Mr. Pawel Gmyrek, Partnerships and Development Cooperation Department (PARDEV)
- Mr. Magnus Berge, Bureau for Workers' Activities (ACTRAV)
- Ms. Susan Maybud, Gender Equality Bureau
- Mr. Edward Lawton, Gender Equality Bureau
- Mr. Pierre Moulet, ACT/EMP Financial Officer
- Mr. Luis Gonzalez, ACT/EMP Desk Officer, Americas
- Mr. Kees van der Ree, Director, ILO Green Jobs Programme
- Mr. Craig Russon, Senior Evaluation Officer, Evaluation Department

Other ILO (Evaluation Manager)

- Mr. Andrés Yurén, Senior Employment Specialist in Santiago,

Botswana

ILO

- Mrs Rose Anang, Senior Employment Specialist in Pretoria

BOCCIM- Botswana Confederation of Commerce Industry and Manpower

- Mr Lekwalo Mosienyane, President of BOCCIM
- Ms Maria Machailo Ellis, CEO of BOCCIM
- Ms Maria Thato Bolokwe, Sector Coordinator Policy Advocacy
- Director of Policy and Advocacy, Mr Dichaba Molobe (Focal Person for EESE)
- Mr Norman Moleele, Director for Membership Services BOCCIM, Chief Executive of SPSF regional program supported by Norway and, Monitoring and Evaluation for PSD Programme
- Business Development Services, Mrs Zoe A. Isaacs

Other Employers' Organisations

- Sector Chairperson for Youth in Business, Mr Sebusang
- CEO of HATAB, Affiliated association to BOCCIM, Mrs Lily Rakorong

Member Companies

- Wilderness Holding, Large member company of BOCCIM, Mrs Sally-Anne Follet-Smith
- Soulbeat Ltd, SME member company of BOCCIM, Mr Agripa Mbulawa

Government

- Labour Commissioner Ministry of Labour and Home Affairs, Ms Rose P. Sennanyana

- International Relations Ministry of Labour and Home Affairs, Mr Michael Saen Koorapetse

Others

- Botswana Free Trade Union (BFTU), Mr Mhotoka

Cambodia

ILO

- Mr. Gary Rynhart, Senior Employment Specialist in Bangkok
- Mr. Tun Sophorn, ILO National Coordinator, ILO-Joint Projects Office

Swedish Embassy, Phnom Penh

- Ms. Kristina Kuhnel, Counsellor, Head of Development Cooperation
- Mr. Magnus Saemundsson, Program Officer (Labour Market Programmes)

Cambodian Federation of Employers & Business Associations (CAMFEBA)

- Mr. The Sing, Vice President, CAMFEBA
- Mr. Danh Engkakada, Deputy Executive Director, CAMFEBA
- Mr. Soum Chamrong, Senior Legal Manager, CAMFEBA

Other Employers' Organisations

- Mr. Kaing Monika, Business Development Manager of the Garment Manufacturers Association in Cambodia (GMAC)

Member Companies

- Mr. Yang Navuth, Head of HR of Smart Axiata Co., Ltd
- Ms. So Thiday, Senior Associate/Human Resource of RHB Indochina Bank Ltd.
- Participants at CAMFEBA training on Labour Law

Government

- Mr. Huon Soeur, Deputy Director of Department of Labour Dispute, Ministry of Labour and Vocational Training

Others

- Meeting with Mr. Sok Lor, Executive Director of the Arbitration Council Foundation (ACF)

Honduras

ILO

- Mr. Lorenzo Pelaez, Senior Employment Specialist in Central America
- Mr. Mario Berrios, ILO EMP/SEED Specialist, ILO Geneva

Consejo Hondureño de la Empresa Privada (COHEP)

- Ms. Aline Flores, Presidenta, COHEP
- Mr. Armando Urtecho, Director Ejecutivo, COHEP
- Mr. Santiago Herrera, Gerente Centro de Investigaciones Económicas y Sociales, COHEP

Other business associations

- Mr. Tethey Martínez, Gerente General, Cámara Hondureña de Aseguradores
- Mr. Rafael Medina, Gerente General, Cámara de Industrias y Comercio de Tegucigalpa

Companies

- Mr. Ricardo Romero, Director Ejecutivo, Le Vote (empresa encuestadora, para el EESE)
- Ms. Victoria Asfura de Diaz, Directora Ejecutiva de CEAL

Trade Unions

- Mr. Daniel Durón /CGT. Representante de la Central General de Trabajadores
- Mr. Benjamín Vazquez Gutiérrez, Representante de Gremial de Trabajadores
- Mr. Humberto Lara, Representante de Gremial de Trabajadores

Others

- Mr. Roldan Duarte, Representante de Asociación Hondureña de Economistas (integrante Focus Group)
- Mr. Raul Pineda, Líder de Opinión Ex Diputado Nacional (integrante de Focus Group)
- Ms. Ana Cristina Mejía de Pereira, Responsable de formulación de la Estrategia de Empresas Sostenible

Moldova

ILO

- Mr. Dragan Radic, Senior Employment Specialist in Budapest (by Skype)
- Ms Ala Lipciu, National ILO Coordinator Moldova

CNPM- National Confederation of Employers of the Republic of Moldova

- Mr. Leonid Cerescu, (President)
- Mr. Vlad Camisnchi (Head of Department)
- Ms. Iulia Drumea (Project Coordinator)
- Focus group discussions on EESE with board members of CNPM (also heads of business associations)

Other Employers' Organisations

- Focus group discussion with employers from the targeted districts
- Mrs. Elena Aculai, President of Association of Women

Member Companies

Focus group discussion with women entrepreneurs

Government

- Mr. Valeriu Berlinschi, Secretary of the NCCCB (National Commission for Consultation and Collective Bargaining) Social Dialogue Project
- Mr Igor Coloci, Deputy Director of State Labour Inspectorate, Ministry of Labour Social Protection and Family
- Mr. Sergiu Sainciuc, Deputy Minister of Ministry of Labour, Social Protection and Family,
- Mrs. Lilia Pascal, Head of Equal Opportunities and Violence Prevention Department

CNSM- The National Confederation of Trade Unions of Moldova,

- National Vice President Mr Petru Chiriac,
- Head of Social and Economic Protection Department, Mrs Ana Moldovanu

Others

- Mr Vladimir Lungu, Project Coordinator EU, Consolidation of Migration Management Capacities in the Republic of Moldova

Swedish Embassy

- Mr. Henrik Huitfeldt, Counsellor, Head of Development Cooperation

ANNEX 3: LIST OF DOCUMENTS PROVIDED BY THE ILO

- 001 doc - ILO program and budget final 2012-2013
- 002 doc - ILO program and budget final 2014-2015
- 003 doc - ILO strategic policy frame work 2010 -2015
- 004 doc - Review of RBSA funded activities in Africa, including of some outcome 9 CPO
- 005 doc - Shields, D. (2013), *Cross partnership review of outcome-based funding modality (Ireland, Norway, Sweden)*, Final Draft
- 006 doc - Tajgman, D. (2013), *Independent evaluation of support to the strengthening of the capacity of employers' and workers' organisations in Asia and the Pacific region*,
- 007 doc - DRAFT - outcome 9 contribution to the 2012-13 Implementation Report
- 008 doc - DRAFT - outcome 9 contribution to the 2012-13 Implementation Report (annex)
- 009 doc - Decent Work Country Program for Botswana
- 010 doc - Decent Work Country Program for Moldova
- 011 doc - Decent Work Country Program for Cambodia
- 012 doc - Decent Work Country Program for Honduras
- 013 doc - Outcome 9 GLO Knowledge Based Policy Capacity
- 014 doc - Outcome 9 GLO Capacity Building
- 015 doc – Concept Note/ Norway Partnership Agreement - 2012-14 ACTEMP
- 016 doc - ILO - Norway Partnership Funding REPORT for 2012
- 017 doc – Concept Note/ Sweden Partnership Agreement 2012-2013 - FINAL approved
- 018 doc - Annual Progress Report 2012 prepared by the ILO Office on the entire Swedish Partnership Agreement.
- 019 doc - SIDA project report January 2013, which was prepared by ACTEMP to provide input to the Office-wide progress
- 020 doc - Haarberg, K. (2013), *Evaluation of ILO Project Strengthening of employers' organisations capacity for effective social dialogue*
- 021 doc – Sida Outcome Based Report 2012/13
- 022 doc – ILO Outcome based report 2012/13 to Norway
- 023 doc - ILO programme implementation 2012-13

- 001 - BOTSWANA – BOCCIM Ministerial Ratings Final Report
- 002 – BOTSWANA – BOCCIM Business Advocacy Agenda and Implementation Strategy
- 003 – BOTSWANA – BOCCIM Research –Levies and Taxes REPORT
- 004 – BOTSWANA – BOCCIM Strategic Plan
- 005 – BOTSWANA – EESE Africa Advocacy Agenda.
- 006 – BOTSWANA – SHA MISSION REPORT
- 007 – BOTSWANA – EO ADVOCACY TRAINING- Joburg -22-23 APRIL, 2013
- 008 – BOTSWANA – Report Botswana on Enabling Environment of Sustainable Enterprise (EESE), 2013

- 001 – CAMBODIA – CAMFEBA concept note 2012-13
- 002 – CAMBODIA – CAMFEBA concept note 2014
- 003 – CAMBODIA - CAMFEBA (2014), Pathways to Prosperity: Policy Priorities to Create an Enabling Environment for Sustainable Enterprise Development and Creation in Cambodia, Business Vision 2020
- 004 – CAMBODIA - CAMFEBA Project Report Expanding Professional Services and technical capacities of employers in Cambodia to promote social dialogue and gender equity 1 July 2012 to 31 December 2013
- 005 – CAMBODIA – ILO Enterprises Department (2014), The enabling environment for sustainable enterprises in Cambodia

- 001 – HONDURAS - Honduras DWCP report
- 002 - HONDURAS - Evaluación del entorno para empresas sostenibles Honduras 2013

- 001 - MOLDOVA - info sent by the employers
- 003 – MOLDOVA – concept note final 2012
- 004 – MOLDOVA – concept note final 2013
- 005 - MOLDOVA - REPORT 2013 - Environment for women entrepreneurship (Norway project)

006 - MOLDOVA - REPORT 2013 - Key constraints on the business environment (Swedish project)

007 - MOLDOVA - REPORT 2013 – Obstacles for business (Swedish project)

008 – MOLDOVA - CNPM (2013), An agenda for improving business climate in the Republic of Moldova, 7 obstacles for business

009 – MOLDOVA - CNPM (2013), *Together we are powerful*

001 – Regional & Sub regional – Concept note – EO services on labour law

002 – Regional & Sub regional – Concept note –EU Directives

003 – Regional & Sub regional – Asian Confederation Employers concept note 2012

004 – Regional & Sub regional – South Africa – SADC concept note 2012-2013

005 – Regional & Sub regional – Central Asia & Caucasus

006 – Regional & Sub regional – South Africa concept note 2013-2014

001 – GLOBAL PRODUCT- ITC concept note TRAINING PACKAGE on green growth

002 – GLOBAL PRODUCT- Women in Business and Management – Strategy 2014

001 – ARMENIA – concept note

001 – BANGLADESH – concept note

002 – BANGLADESH – BEF WORKPLAN

001 – GEORGIA – concept note

001 – INDIA – concept note 2012-13

001 – INDONESIA – concept note 20013-20014

001 – LAOS – concept note 20013

001 – MONTENEGRO - concept note 2013

002 – MONTENEGRO – Work plan, budget 2013

001 – MYANMAR – concept note

001 - FIJI - Progress rep for NOR project

002 – FIJI – Concept note phase 2 of IR Project

001- NEPAL- Annual Progress Report 2013

002 – NEPAL – concept note 2012-13

003 – NEPAL – Work plan for 2012-13004 – NEPAL – Work Plan proposal for 2014

ANNEX 4: LIST OF LITERATURE

Adler, A. and Hwang, H. (2012), *From law on the books to law in action: A note on the role and regulation of in the production of good jobs in Cambodia's garment sector*

DCED (2013), *The DCED Standard for Measuring Results in Private Sector Development*

DCED (2013), *Supporting business environment reforms: Practical guidance for development agencies; Annex: Measuring donor-supported business environment reform results*

Doner, R. and B. Ross Schneider, *Business Associations and Economic Development: Why Some Associations Contribute More Than Others*, in: *Business and Politics*, Vol. 2 (2000), No. 3, pp. 261-288

ENABLE (Enhancing Nigerian Advocacy for a Better Business Environment) Case Study, *Making Business Membership Organisations work for the Poor* (www.publicprivatedialogue.org/case_studies/EnableNigeriaCaseStudyJanuary2013.pdf)

Herzberg, B. and A. Wright (2006), *The PPD Handbook; A Toolkit for Business Environment Reformers*, World Bank

Lindahl, C. et al. (2011), *The Role and Effectiveness of SECO Cooperation in Business Environment Reform*

Mayne J. (2008), *Contribution analysis: An approach to exploring cause and effect*, ILAC Brief 16

Netherlands Ministry of Foreign Affairs (2011), *Facilitating resourcefulness: Synthesis evaluation report of Dutch support for capacity development*

ODI (2011), *A guide to monitoring and evaluating policy influence*, Background Note

Sen N. (2012), *Attribution: Measuring attributable change caused by a programme*, DCED

World Bank (2005), *Building the Capacity of BMOs: Guiding Principles For Project Managers*, Second edition, Small and Medium Enterprise Department

World Bank (2012), *World Development Report 2013: Jobs*, Washington DC

World Bank (2013), *Where have all the poor gone? Cambodia Poverty Assessment 2013*

World Bank (2013), *Doing Business 2014*, Washington DC

ANNEX 5: DATA COLLECTION WORKSHEET

Evaluation questions	Statement of data/indicators	Sources of data; methods
<p><u>Relevance:</u></p> <p><i>The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs and priorities, partner and donor policies.</i></p> <p>20. What was the relevance of the CPO's and GPs funded by NP and SP to the Outcome 9 Strategy in the ILO Programme and Budget and Outcome Based Workplan?</p> <p>21. How well did the GP's and CPO's link and/or contribute to other ILO Outcomes and DWCPs?</p> <p>22. Were the ILO interventions consistent with employer organizations' needs and concerns?</p>	<p>Assessment of implicit result chains/theory of change for each CPO and GP funded by NP and SP combined with information from stakeholders</p> <p>Identification and assessment of links for each NP and SP component in the four visited countries in relation to other ILO Outcomes and DWCPs in those countries</p> <p>Compilation of stakeholder opinions in all NP and SP countries</p>	<p>(i) Brief literature survey, (ii) document studies, (iii) semi-structured field mission interviews with stakeholders in the four visited countries (ILO staff, EO representatives, EO members, government, CSOs, other donors etc); (iv) questionnaire to EOs and ILO Coordinators in other NP and SP countries</p> <p>Same as (ii) and (iii) for question 1 above.</p> <p>Same as (iii) and (iv) for question 1 above</p>
<p><u>Validity of intervention design</u></p> <p>23. What factors were considered in selection of CPOs and GPs for SP and NP funding?</p> <p>24. Were the interventions chosen for the CPO's and GPs logically coherent and realistic?</p> <p>25. How useful and appropriate have the P&B indicators been in assessing progress towards Outcome 9? Are the</p>	<p>SP and NP partnership history documented</p> <p>Assessment of logical frameworks for NP and SP interventions in relation to CPOs and GPs</p> <p>Assessment of how indicators and means of verification function in</p>	<p>Document studies, interviews with ILO staff</p> <p>Same as (i), (ii), (iii) and (iv) for question 1 above</p> <p>Same as (i), (ii) and (iii) for question 1 above</p>

<p>means of verification for the indicators appropriate?</p>	<p>theory and practise in the four visited countries</p>	
<p><u>Effectiveness</u></p> <p><i>A measure of the extent to which an aid activity attains its objectives.</i></p> <p>26. To what extent have the CPO's and GPs been achieved or are likely to be achieved?</p> <p>27. To what extent did the NP and SP funding help in achieving Outcome 9 CPO targets under the 3 Outcome 9 indicators? How many targets were achieved with NP and SP funding as a proportion of all Outcome 9 targets achieved in 2012-13?</p> <p>28. To what extent was gender equality mainstreamed in the programme interventions?</p>	<p>Assessment of (expected) degree of achievement of objectives in four visited countries with additional information whenever available from other countries</p> <p>Same as for question 8 above with special focus on role of NP and SP funding</p> <p>Analysis of theoretical opportunities to mainstream gender equality and the extent these opportunities were exploited in NP and SP interventions</p>	<p>Progress reports and stakeholder interviews in the four visited countries combined with questionnaire to EOs and ILO Coordinators in other countries.</p> <p>Same as for question 7 above with special focus on role of NP and SP interventions</p> <p>Study of documents and stakeholder interviews with a special focus on gender equality</p>
<p><u>Efficiency of resource use</u></p> <p><i>Efficiency measures the outputs -- qualitative and quantitative -- in relation to the inputs.</i></p> <p>29. Were outputs funded by NP and SP produced and delivered as per the workplans/ milestones?</p> <p>30. What was the quality and timeliness of delivery of allocated resources?</p>	<p>Assessment of degree of achievement of NP and SP funded workplan targets and milestones in four visited countries with additional information whenever accessible from other countries. Same assessment for NP and SP funded GPs.</p> <p>Same as question 10 above</p>	<p>Study of progress reports and interviews with stakeholders in four visited countries plus questionnaire to EOs in other countries</p> <p>Same as question 10 above</p>

<p>31. Was there a logical and optimal use of resources?</p> <p>32. Was the SP budget used 100% (delivery)?</p> <p>33. Is the NP on track to 100% delivery?</p>	<p>Assessment of resource use in four visited countries</p>	<p>Study of progress reports and interviews with stakeholders in four visited countries</p> <p>Information from ILO accounts</p>
<p><u>Impact</u></p> <p><i>The positive and negative changes produced by a development intervention, directly or indirectly, intended or unintended.</i></p> <p>34. How will achievement of the CPOs and GP production contribute towards making a significant input to broader, long-term, sustainable development changes?</p> <p>35. To what extent was the gender dimension integrated/mainstreamed into policy proposals resulting from the programmes?</p>	<p>Assessment of project logics and implicit result chains/theory of change, compilation of views expressed by recipients, beneficiaries and other stakeholder</p> <p>Assessment of past and ongoing policy processes in the four countries related to NP and SP funding</p>	<p>(i) Brief literature survey, (ii) study of ILO documents, (iii) semi-structured field mission interviews with stakeholders (ILO staff, EO representatives, EO members, government, CSOs, other donors etc); (iv) questionnaire to EOs in other countries</p> <p>Document studies and interviews with stakeholders in four countries.</p>
<p><u>Sustainability</u></p> <p><i>Sustainability is concerned with measuring whether the benefits of an activity are likely to continue after donor funding has been withdrawn.</i></p> <p>36. To what extent did the CPOs produce (or are on the way to producing) durable <i>results</i> that can be maintained, or even scaled up and replicated, within the local development context, or in the case of a GP – sustainable as a global approach or policy?</p>	<p>Assessment of the degree to which the NP/SP-interventions are leading to sustainable results in the four selected countries. This will be combined with a broader assessment of the potential for global replication.</p>	<p>Document studies combined with stakeholder interviews in four visited countries combined with information from questionnaire to EOs in other countries</p>

ANNEX 6 CASE STUDIES

Annex 6.1 Botswana case study findings

Country background

Botswana is an upper middle income country with a population of two million inhabitants and among the fastest growing economies in Africa for the last 40 years. The skills mismatch that characterises the workforce in Botswana affects the country's competitiveness and overall economic performance. According to the Ease of Doing Business Index³⁵ Botswana ranks number 56 out of 189 economies in the world. Botswana scores badly with regard to several dimensions of regulatory quality including cross border trade. In contrast, high level of political stability, good governance and low levels of corruption benefit private sector development and provide good opportunities for market reform.

Botswana's economy is driven by the diamond mining industry (30% of the GDP) and tourism (10%). Agriculture accounts for only 2% and manufacturing 4%, while the construction sector embraces 7% of the GDP. The country is heavily dependent upon imports from South-Africa. The informal sector has been one of the fastest growing sectors in the last ten years with retail trade as the predominant activity.

The High-Level Consultative Council (HCCL), the National Employment Manpower and Incomes Council (NEMIC) and the Labour Advisory Board (LAB) are major recognised institutions of social dialogue in Botswana. The social dialogue is generally considered strong by business leaders in Botswana (according to the EESE survey). However the dialogue appears mainly to involve government and employers.

Botswana Federation of Trade Unions (BFTU) is the worker labour federation representing the workers in the country, while the Botswana Confederation of Commerce, Industry and Manpower (BOCCIM) represents employers in all sectors of the Botswana economy. BOCCIM is an apex organisation which organises employers' associations, bigger individual companies and some institutions and chambers. The Women in Business Association (WIBA) created by BOCCIM is also a member and has a seat in the Council.

BOCCIM employs some 18 persons including three in Francistown. BOCCIM has been criticised for not responding effectively to demands from its stakeholders. During the last 2-3 years BOCCIM has commenced significant internal reforms. The new structure especially the formation of a new department for policy advocacy has made a big difference.

Between 2009 and 2013 membership showed a positive trend by growing from 2005 to 2739 members (including employers' associations). The number of paying members has not increased at all (and remains around 750 members), which is probably a more relevant indicator for membership development.

Scope of the Programme

³⁵ World Bank (2013), *Doing Business 2014*

BOCCIM received support under the NP in 2010-11 which laid the foundation for enhanced capacity for social dialogue for policy influence towards private sector development and growth for later work under SP funding. A bipartite forum between BOCCIM and Botswana Federation of Trade Unions (BFTU) was formed under the NP Social Dialogue Project. A policy advocacy agenda of mutual interest was developed. High on the agenda was the 'Dispute Settlement Mechanism' which had led to a backlog of 600 cases and impacting negatively on business and jobs. A joint BOCCIM/BFTU research was carried out leading to a recommendation upon which BOCCIM and BFTU have engaged the government in the review of Trade Dispute Act currently on-going.

The aim of the SP funded support is to enhance the capacity of BOCCIM. Technical support is provided under the EESE project to enhance BOCCIM's ability to advocate for policies for an enabling business environment. In 2011 under the first phase of the SP programme, BOCCIM started a full EESE assessment which was finalised in the first half of 2012. Based on this assessment, the ILO helped BOCCIM develop a national business agenda supported by an implementation plan and advocacy campaign.

Outputs:

- a) EESE assessment validated and published;
- b) National business agenda with the implementation plan developed and advocacy campaign initiated.

It should be noted that BOCCIM has not only benefitted from the SP funded programme, but also from NP funded activities, e.g. the regional workshop on "Training on EESE Toolkit" in October 2012 and "Effective Lobbying and Advocacy towards Sustainable Enterprises" in April 2013; both taking place in Johannesburg. This was to complement BOCCIM's capacity to implement its business agenda and its evidence based policy advocacy.

Relevance

The objective of the SP intervention is to contribute to the CPO 9 "Enhanced capacity for the Employers' Organisations to influence the national policy environment". Overall this intervention has met the needs and priorities of the BOCCIM. Botswana was one of the first countries where the EESE methodology was tested. BOCCIM was at that time in a pronounced need to upgrade its advocacy capacity and became strongly inspired by the EESE methodology.

The DWCP priorities in Botswana include the following priority areas:

- a) Employment Creation,
- b) Social Protection,
- c) Tri-partism and Social Dialogue and
- d) Workers' Rights.

There are a number of linkages between the SP intervention and CPOs under these four DWCP priority areas. E.g. under the DWCP priority area 1, outcome areas such as Employment Promotion and Sustainable Enterprises are likely to be positively influenced by the business agenda based on the EESE and the advocacy campaign to be implemented. Under priority 1 a

Draft National Employment Policy has been developed with the participation of BOCCIM which had reflected its outputs on reforms for sustainable enterprise for the creation of jobs and is currently awaiting cabinet's approval.

It is important to note that there are also other important policy processes related to the business environment in Botswana where BOCCIM needs to play a role in order to maintain its position for the overall employer community. For example, the overall PSD strategy was an initiative by BOCCIM which became embraced by the Botswana Government and is now a part of the Botswana National Development Plan 10. The Government is supportive of this program to the extent that BOCCIM has been given the mandate to lead the monitoring and evaluation of the interventions. The PSDP has reached a highly advanced stage and is successful.

BOCCIM has good chances to take advantage of resources released from the PSD Programme backed by EU and CDE thereby boosting its own capacity and competence. For example, three international experts (legal, financial and organisational experts) are planned to take on key issues within the BOCCIM mandate. Benchmarking and other tools for organisational development and public-private dialogue (PPD) is another area where BOCCIM can get assistance from the PSD programme.

There are several ongoing initiatives for modernisation and renewal taking place which are important for BOCCIM to join in order to maintain its present position as the leading and driving organisation to engage the government for reforms. One example is the plan formulated by government for opening up new ways to structure the comparative advantage of districts by introducing clustered development models.³⁶ This could lead to the formation of thematic working groups with implications for the present set up with HLCCs on national (chaired by the country's President), sectorial and local levels.

Effectiveness

There is no doubt that the ILO support during 2012/13 has reached its outcome objective, i.e. outcome indicator 9.3 ("with ILO support, have enhanced capacity to analyse the business environment and influence policy development at the national, regional and international levels"). Two of the three measurement criteria for this indicator have been achieved by BOCCIM.

In 2010 BOCCIM developed a strategic plan for 2010-14 to be reviewed following the restructuring of BOCCIM with the aim to turn BOCCIM into the apex organisation of the private sector empowering the social dialogue further. Until 2-3 years ago BOCCIM experienced considerable problems related to lack of member commitment, lack of resources and staff capacity. BOCCIM is still facing some challenges e.g. with staff capacity, but the new strategic plan for 2014-16, just approved, is well elaborated to reposition BOCCIM as the premier voice of the private sector and address its inadequacy of resources and staff capacity to deliver on its changing mandate. The plan was developed with the help of the ILO Employers' Specialist.

The EESEs study published 2013 reflects the perceptions of 150 enterprise leaders in Gaborone and Francistown. It is perceived as a well needed tool to provide evidence base for the policy

³⁶ Inspired by Dr Michael Porter

reform getting the government to listen. BOCCIM is presently remodelling its web site in order to incorporate the documents and tools related to the EESE process.

Effective PPD – public partnership dialogue - requires regular contact between the public and private sectors for understanding and consensus. BOCCIM is working towards elimination of too many PPD structures and duplication of work trying to limit the different committees and councils to six essential entities.³⁷ The enhanced awareness and ability to advocate for policies for an enabling business environment is now in place.

Continued consultations with members and other partners on priority setting have led to a well-accepted and anchored business agenda: the Business Advocacy Agenda and Strategy for 2013-2016. This agenda, which is intended to lead advocacy efforts and private-public dialogue (PPD) on behalf of the business community, is now ready to be implemented.

Efficiency

The technical support provided from ACT/EMP with SP funding was implemented according to plan and resulted in the EESE assessment, a BOCCIM strategic plan and focus group discussions as well as workshops to develop a business advocacy agenda. These training events and workshops, especially in lobbying and advocacy have strengthened BOCCIM in its efforts to develop the business agenda. Surveys have been completed regarding public service delivery and levies/taxes on business. According to interviews with stakeholders the quality of outputs provided through the ILO intervention was generally good.

ILOs regional workshops, like the one funded by NP which took place in Pretoria in April 2013, contributed to BOCCIM's ability in communicating and lobbying for its business agenda

Impact

As described in the previous section, the ILO intervention helped BOCCIM to establish a good platform for advocacy, including a national business agenda/policy position. This platform is expected to have long term effect by bringing together and enhance the co-operation between key business actors in Botswana. At the same time it is too early to expect any concrete impacts in the form of adopted government policies, new legislation etc.

The major PSD Programme financed by CDE, EU, and other donors has reached its implementation phase and is now ready to take on major tasks. BOCCIM is represented by the Director of Membership as the head of monitoring and evaluation pushing for the success of the programme. In order for BOCCIM to enhance its advocacy efforts, an interesting option may be to further involve strong members to take on tasks that BOCCIM is doing on its own today.

Sustainability

³⁷ These are (i) the National Business Conference, (ii) the High Level Consultative Council (HLCC), (iii) the HLCC Sector Level Consultative Councils, (iv) the HLCC Local Consultative Councils, (v) the National Doing Business Committee (NDBC), and (vi) the National Committee on Trade Policy (NCTPN).

BOCCIM's advocacy capacity has been considerably strengthened during the last few years. It has put in place strategies to ensure that their policy advocacy is strengthened. A Director of Policy Advocacy has been recruited who is supported by industry sector research committees as well as district committees. In spite of these achievements, the continued update of EESE data and related analytic work may still be challenging to BOCCIM given its limited staff resources.

Developing research capacity of employers' and business organisations requires long-term and systematic engagement in order to achieve sustainable results. This may not be possible without continued external support from the ILO or other partners.

Cross-cutting issues

Gender related issues are regularly being referred to the Women in Business Association; a member of BOCCIM. Gender equality is well integrated into the EESE report for Botswana, but this dimension is not well reflected in the national business agenda. It does also not appear to be fully integrated into the strategic work of BOCCIM.

Summing-up the Botswana case study

The relevance of the SP funded support to BOCCIM has been clearly demonstrated during the visit by the evaluator to Botswana. The overall objective of this support has been fully achieved as measured by the CPO 9.3 indicator. Activities were fully implemented and outputs produced as planned. Stakeholders expressed satisfaction with the quality of the outputs. At present it is too early to measure actual impacts in the form of changes in legislation etc. leading to improvements in the business environment. While BOCCIM has capacity to drive the EESE process forwards, the sustainability of the results of the SP intervention will to some extent depend upon continued support from the ILO or other agencies.

Annex 6.2 Cambodia case study findings

Country background

Cambodia's formal economy is to large extent based on the garment, tourism and construction sectors, which have recently driven growth and job creation. The agriculture sector accounts for more than two-thirds of total employment, but this employment is mostly informal and a means of subsistence, accounting only for one third of total GDP.

During the last 15 years Cambodia's economy showed impressive growth and recovered rapidly even after the 2008-09 global crisis.³⁸ According to a recent World Bank report³⁹ on poverty in Cambodia, the growth during the period 2004-2011 "resulted in poverty decreasing from 53.2 %

³⁸ From 2004 to 2011 per capita GDP (in constant 2000 USD) grew by 54.5%.

³⁹ World Bank (2013), *Where have all the poor gone? Cambodia Poverty Assessment 2013*

to 20.5%”. A major reason behind this highly positive outcome has been the pro-poor pattern of growth in Cambodia.⁴⁰

These positive developments have taken place in spite of a business environment characterised by a number of serious constraints to investment and productivity. Among most serious concerns are corruption, electricity supply, political instability, business registration and contract enforcement.

Since the restoration of peace in Cambodia in 1993, ILO has been an active partner in the country’s economic, social and democratic recovery. The Decent Work Country Programme (DWCP) for 2011–2015 has provided the basis for ILO’s ongoing contributions which are focussed on three priority areas, one of which is “Improving Industrial Relations and Rights at Work”.⁴¹ Weak capacity of actors is described as an important challenge to improving industrial relations. Among unions “fragmentation and proliferation (particularly in the garment sector where some factories have more than ten unions present), as well as personal and political rivalries” is seen as a key problem.

On the employers’ side, the Garment Manufacturers Association in Cambodia (GMAC) is the oldest and most important employers’ organisation in the country, despite it only representing a single sector.⁴² CAMFEBA serves as the main constituent of the ILO in its dealings with the Cambodian private sector. CAMFEBA is an umbrella organisation whose membership presently consists of 9 business associations, 23 associate members and 210 ordinary members (i.e. individual enterprises) and in total represents more than 1,000 enterprises across numerous sectors. CAMFEBA participates actively (and chairs the working group on industrial relations) in the Government-Private Sector Forum (G-PSF), the leading mechanism for public-private dialogue in Cambodia.

Cambodia has ratified relevant Conventions but in practice serious challenges remain to the implementation of equality and non-discriminatory principles and CAMFEBA has reported a number of disputes arising from discrimination.⁴³

Up till 2013 a gradual improvement of industrial relations over a 10 year period had been documented in various reports⁴⁴ and Cambodia was actually referred to as a clearly positive case in the World Development Report 2013.⁴⁵ This positive trend was broken by a series of politically driven strikes combined with violent demonstrations in early 2014. These

⁴⁰ Unlike many other countries where growth during the past decade has been combined with increasing levels of inequality, the percentage increase in consumption was higher for poor than for rich households in Cambodia during this time period.

⁴¹ Tajgman, D. (2013), Independent evaluation of support to the strengthening of the capacity of employers’ and workers’ organisations in Asia and the Pacific region, (Document No. 006)

⁴² The Ministry of Commerce has decreed that garment factories that wish to export from Cambodia must join GMAC, and be subjected to independent monitoring on labour law and working conditions by the ILO’s Better Factories Cambodia (BFC) programme.

⁴³ Ref. to ILO’s Programme Implementation Report 2012/13 (Document No. 023)

⁴⁴ Adler, A. and Hwang, H. (2012), From law on the books to law in action: A note on the role and regulation of in the production of good jobs in Cambodia’s garment sector

⁴⁵ See Box 4.9 in World Bank (2012), *World Development Report 2013: Jobs*, Washington DC

developments have created some tensions in the relations between CAMFEBA and the ILO, e.g. relating to the interpretation of ILO Convention No. 87 in respect of the right to strike.

Scope of the Programme

CPO 9 in Cambodia has been defined as “Professional and technical capacities of employers’ organisations strengthened” (KMH130). The DWCP Outcome Report estimated the total cost for achieving this CPO during 2012/2013 to 230,000 USD. Sweden and Norway were the only external donors providing 38,000 and 79,500 USD respectively; i.e. 51% of the total Area 9 budget for Cambodia. The Concept Notes for the Swedish and Norwegian support 2012/2013⁴⁶ indicated the following outputs during 2012 and 2013:

Sweden:

- a) EESE toolkit training conducted for CAMFEBA;
- b) research, assessment and prioritisation on the policy issues implemented;
- c) position paper(s) developed; and
- d) CAMFEBA’s lobbying strategy developed and implemented.

Norway:

- a) social dialogue services expanded to Siem Reap: CAMFEBA Office operational in Seam Reap and CAMFEBA membership increased by more than 200% by the end of 2012;
- b) promoting gender equality and preventing discrimination at the workplace: Guidebook and code of conduct for employers developed and Training of Trainers (ToT) conducted;
- c) legal services of CAMFEBA strengthened: new product and service on understanding TU Law in Cambodia, which will contribute towards enhancing labour relations in Cambodia;
- d) Quarterly Labour Journal produced and disseminated.

Two previous evaluations have direct relevance to this case study. Firstly, an internal evaluation was carried out in 2012 of the Norwegian support to Outcome Area 9.⁴⁷ Secondly, an independent evaluation of support to the strengthening of the capacity of employers’ and workers’ organisations in Asia and the Pacific was carried out in 2013, which included an in-depth case study on Cambodia.⁴⁸ The findings presented in both these evaluation reports have been taken into consideration in the present evaluation. The Cambodia case study in the Asia evaluation provided an interesting and detailed description of the challenges related to social dialogue in Cambodia.⁴⁹

Relevance

⁴⁶ Document No. 015 and 017

⁴⁷ Haarberg, K. (2013), Evaluation of ILO Project Strengthening of employers’ organisations capacity for effective social dialogue, ILO, (Document No. 020)

⁴⁸ Tajgman, D. (2013), Independent evaluation of support to the strengthening of the capacity of employers’ and workers’ organisations in Asia and the Pacific region, (Document No. 006)

⁴⁹ However, somewhat surprisingly, the report did not provide any reference to the EESE process which was well underway at the time that the case study was carried out (August 2013).

The relevance of the EESE project should be seen in light of the constraints in the business environment which may seriously limit future economic growth. Interviews with various stakeholders like representatives of CAMFEBA management, board members, member associations and individual member companies confirmed that CAMFEBA has an important role to play in this respect.

The general situation in Cambodia with regard to industrial relations and the recent events in the garment sector strongly underline the strategic relevance in Cambodia of ILO's third overall strategic objective, i.e. to "strengthen social dialogue and tri-partism".⁵⁰ Strengthening the capacity of employers' organisations (i.e. Outcome 9) is an important element in this strategy. As an example there is a strong case for strengthening CAMFEBA's capacity regarding legislation on work-place discrimination and accompanying principles. Cambodia also provides an obvious illustration of the strong linkages between the Outcome 9 and other Outcome Areas in achieving the third strategic objective as well as the objectives defined in the Cambodia DWCP.

It may finally be mentioned that CAMFEBA's project report for 2012/13⁵¹ underlined the consistency of the NP funded intervention⁵² with CAMFEBA's own priorities defined in their strategic plan for 2012-15.

Validity of intervention design

The successful implementation of the ILO interventions described in the following section, demonstrates that their designs were logically coherent and realistic.

Effectiveness

Written reports and stakeholder interviews clearly document that the ILO support during 2012/13 to CAMFEBA reached its objectives at the outcome level. All three standardised indicators for Outcome 9 have been achieved. With support from the ILO, CAMFEBA has:

- d) implemented capacity building programmes in line with its strategic plan;
- e) established new member services through its branch office in Siem Reap; and
- f) improved its internal structures to formulate advocacy strategies based on membership views, developed well-researched policy positions and advocacy materials, and obtained greater media coverage of its policy positions.

Interviews with representatives of CAMFEBA members and other external organisations demonstrated the view that CAMFEBA during the last few years has strengthened its role as a representative of employers in Cambodia and, not least during recent months, has given public voice to concerns among members regarding industrial relations in Cambodia.

⁵⁰ ILO's Strategic Policy Framework 2010-14 (Document No. 003)

⁵¹ Document No. 004 - CAMBODIA

⁵² CAMFEBA Project Report *Expanding Professional Services and technical capacities of employers in Cambodia to promote social dialogue and gender equity 1 July 2012 to 31 December 2013* (Document No. 004 – CAMBODIA)

The evaluator visiting Cambodia had the opportunity to participate in a session of a CAMFEBA course on industrial relations and labour law and interviewed several course participants. The impression was highly positive. This kind of training programme does not only contribute to developing essential knowledge among EO members' staff, it also helps to strengthen CAMFEBA's revenue earning capacity and to build a positive perception among its members on the usefulness of CAMFEBA as a voluntary business membership organisation.

The EESE process including the EESE training workshops has helped to develop CAMFEBA's policy advocacy capacity. A concrete outcome of this process is the "Business Vision 2020"⁵³ recently published by CAMFEBA. The evaluator had the opportunity to participate in the high-profile event that took place on March 12 and included the launch of the Cambodia EESE publication⁵⁴ by ILO representatives and of CAMFEBA's "Business Vision 2020" by its Vice Chair. Both these documents effectively communicate important messages to Government on needs for business environment reforms. The launch seminar attracted strong attention by media.

Efficiency

The CAMFEBA Project Report referred to above⁵⁵ provides a detailed account of the implementation of activities and outputs funded by NP. Resources were applied and most activities implemented according to plan. Furthermore there was a high degree of achievement of planned outputs. Only one planned output, i.e. the publication of a periodical Labour Law Journal was not implemented due to an expected lack of financial viability.⁵⁶

CAMFEBA representatives expressed their satisfaction with the quality of activities and outputs produced by ILO/ACT/EMP. The various ILO products including the EESE report and related business survey have been clearly useful for CAMFEBA. The survey included a module with questions to CAMFEBA members on their views on CAMFEBA's services and activities. This module provides a good starting point for CAMFEBA to monitor member satisfaction with regular "user" surveys.

The evaluator had two observations relating to the EESE report. The first one concerned the use of the variable "labour force participation" as the prime employment indicator, which is discussed in section 4.3 in the main report. The second observation concerned the description of the development of poverty and income distribution which appeared not to be fully in line with the conclusions published in above-mentioned World Bank Poverty Assessment⁵⁷.

Impact

⁵³ CAMFEBA (2014), *Pathways to Prosperity: Policy Priorities to Create an Enabling Environment for Sustainable Enterprise Development and Creation in Cambodia, Business Vision 2020* (Document No. 003 – CAMBODIA)

⁵⁴ ILO Enterprises Department (2014), *The enabling environment for sustainable enterprises in Cambodia* (Document No. 005 – CAMBODIA)

⁵⁵ Document No. 004 – CAMBODIA

⁵⁶ This is an interesting example of the tough financial realities that characterise the operation of many national EOs. A labour law journal would probably be useful for EO members and more generally but CAMFEBA found that it would just not be financially sustainable.

⁵⁷ World Bank (2013), *Where have all the poor gone? Cambodia Poverty Assessment 2013*

In chapter 3.4 various mechanisms were outlined through which support to CAMFEBA may have an impact on the functioning of the labour market. It should in principle be possible to trace positive impacts at firm-level of CAMFEBA's legal training, advisory services and guide products to which ILO has contributed. This would however have required some kind of quasi-experimental tracer study, which was obviously not feasible within the context of this evaluation.

The EESE process and the strengthening of CAMFEBA's advocacy capacity are meant to influence Government policy-making and lead to an improved business environment. However it may take time until such developments can be verified. CAMFEBA is presently discussing with the ILO the possibility to build a tracking mechanism to monitor progress on CAMFEBA's policy priorities.

In spite of the challenges relating to measuring impact of development of labour market institutions, it is interesting to note that recent Cambodia-related reports cast some light on the potential result chain described in figure 1 in Chapter 3.4. The above-mentioned report on the garment sector⁵⁸ clearly illustrates how the development of labour market institutions in Cambodia contributed to improved dispute resolution. Furthermore the recent World Bank Poverty Assessment⁵⁹ shows the role of this sector in the process of pro-poor growth between 2004 and 2011. It seems likely to assume that CAMFEBA has contributed to some extent to this process.

Sustainability

ACT/EMPs 2012 progress report to Norway⁶⁰ used CAMFEBA as an example of a virtuous development loop at outcome level where better services to members and more membership revenues are key factors (illustrated in Figure 1). CAMFEBA's progress report as per 31 December described a continued positive membership development (which increased by 39 members in 2013, i.e. a 20% net increase). The increasing number of members and increasing revenues from legal services and courses has created better conditions for CAMFEBA's financial sustainability.

With regard to the output level, CAMFEBA mentions in its progress report that the new branch office in Siem Reap is not financially sustainable and will continue to depend upon financial support from the ILO during 2014. An increase from present 16 members (mainly in the tourism sector) to 25 would be required for sustainability. This example demonstrates that although geographic expansion helps to increase membership, such a strategy may not in the short run improve the overall financial situation.

When it comes to the sustainability of the EESE process, it is not realistic to expect that CAMFEBA in a short-term perspective will have capacity to undertake major revisions of the EESE report. At present CAMFEBA lacks capacity to carry out qualified economic analysis. Under condition that an economic analyst is recruited (for which support from the ILO is

⁵⁸ Adler, A. and Hwang, H. (2012)

⁵⁹ World Bank (2013)

⁶⁰ ILO Enterprises Department (2014), *The enabling environment for sustainable enterprises in Cambodia* (Document No. 005 – CAMBODIA)

discussed), CAMFEBA should be able to undertake activities like preparation of policy positions on issues of importance to CAMFEBA's members, managing advocacy processes and annual updates of the EESE report using the latest data.

Cross-cutting dimensions

CAMFEBA has successfully taken a number of steps to promote gender equality including promotion of gender equality at the level of the Executive Board. CAMFEBA also developed a guidebook for employers on promoting equality and preventing discrimination at Work in Cambodia. The secretariat has conducted training on Promoting Equality and Preventing Discrimination at Work for at least 50 people. The training course referred to above provided a highly positive example of practical mainstreaming of gender equality: the course leader was a woman and women participated actively in group discussions. Furthermore the results of two of three group discussions were presented by women. It is also positive to note that the EESE report gives high attention to various gender dimensions. At the same time the Cambodia business agenda does not contain any reference at all to gender equality.

Summing up the findings of the Cambodia case study

The strategic importance of good industrial relations and social dialogue to Cambodia's economic development highlights the relevance of ILO's support to labour market institutions including CAMFEBA. The set objectives of the support to CAMFEBA have been largely achieved and outputs have been produced timely and with good quality in spite of recent tensions between ILO and CAMFEBA. Although it is too early (and not feasible within the present evaluation) to trace any direct impacts of the support provided during 2012/13, recent literature provides interesting evidence regarding the potential impacts of improved industrial relations in Cambodia. The sustainability of the results of ILO support to CAMFEBA depends upon a continued virtuous loop based on increasing membership and service revenues. There appear to be good chances for such development, while the the Siem Reap Branch Office and of the EESE process in the short-term will probably not be sustainable without continued support from the ILO.

Annex 6.3 Honduras case study findings

Background

Honduras is the second poorest country in Central America. It has a population of 7.9 million with a GDP per capita of 4243 USD in 2013, and 53% of urban population.⁶¹ Two-thirds (68%) of Honduran households were under the poverty line in 2011, with 47% falling under the definition of extreme poverty. The National Statistics Institute, INE, reported an illiteracy rate of 15% among all over-15-year olds (rising to 22% in rural areas) for the same year. Income distribution is highly unequal even compared to the average for Latin America, the most unequal region in the world.⁶²

⁶¹ http://www.bti-project.de/uploads/tx_jpddownloads/BTI_2014_Honduras.pdf

⁶² The Gini coefficient average in the 2000-2011 period was 58%.

While historically dependent on the export of agricultural products, Honduras has diversified its export base to include apparel and automobile wire harnessing. Nearly half of Honduras's economic activity is directly tied to the United States (US), with exports to the US accounting for 30% of GDP and remittances for another 20%. The US-Central America-Dominican Republic Free Trade Agreement (CAFTA-DR) came into force in 2006 and has helped foster foreign direct investment, but physical and political insecurity, as well as crime and perceptions of corruption, may deter potential investors; about 70% of Foreign Direct Investment is from US firms.

The Honduran Council of the Private Enterprises⁶³ (COHEP) is the leading Employers Organisation in Honduras. It is an apex organisation with a membership consisting of more than 70 business associations (i.e. no individual enterprises are members). COHEP is the leading employers' organisation in Honduras and considered truly representative of the private sector.

Scope of the programme

The subject of this case study is ILO's support to the project "Enabling Business Environment". This project was funded under SP and targeted towards achieving Outcome 9, and particularly on enhancing capacity building for the EO to influence policy on the national business environment. Tools and methodologies from the EESE Toolkit were developed jointly by ACT/EMP and EMP/SEED.

The main objectives of the project were:

- a) provide COHEP with the necessary tools to carry out an analysis of the business environment for sustainable enterprises development in the Honduras
- b) carry out this analysis through the EESE methodology developed by ILO
- c) develop a National Honduran Business Agenda, which should include a main action plan and recommendations on how to advocate for a more enabling environment to support viable and sustainable enterprises and, to promote greater investment in the country.

Milestones and major outputs were:

- a) assessment of the strengths and weaknesses of COHEP's technical capacities
- b) the largest enterprise survey conducted in the country
- c) a comprehensive assessment of the business environment
- d) focus groups meetings
- e) development of a National Business Agenda,
- f) validation within COHEP's members, and
- g) design of a strategy to promote the National Business Agenda.

Relevance

The relevance of the Honduras EESE project may be seen from three perspectives prevailing at the start of the project: (i) the serious social and economic crisis in the country, (ii) the upcoming

⁶³ Consejo Hondureño de la Empresa Privada

presidential and legislative elections, and (iii) the urgent need for COHEP level to promote a new management model oriented based on mid- and long term strategic planning. The EESE process and its outputs had an important role to play from each of these three perspectives.

Due to the social and economic crisis that the country was coping with at the time of project implementation, there were clear positive linkages to other ILO Outcomes (particularly Outcomes No. 1, 2, 3, 5, 12 and 13⁶⁴) and to the DWCP agenda at a more general level.

Before ILO's intervention, COHEP was managed based on priorities and short term strategies, often arising ad-hoc from critical emerging issues and problems. There was however rarely consensus among all COHEP's member on the relevance of these issues and their relative importance. The strengthening of COHEP's technical capacity made it possible to develop common objectives of all member EOs, and to establish a common strategic and structured agenda.

The project also allowed COHEP to change the way it performs advocacy into a more professional approach whereby policy proposals are derived from evidence-based assessments and tools.

Validity of the intervention design

Due to an appropriate design of the project, the economic and social crisis that prevailed at the start of the project was transformed into a constructive atmosphere during project implementation. The design of the project also took into consideration the real institutional capacity of COHEP.

Effectiveness

The above-mentioned three objectives of the project were all achieved. A crucial factor behind the successful implementation of the project was the strong support provided along the whole process by the highest authorities of COHEP.

Due to the SP funded intervention, Honduras has with a great margin fulfilled the two criteria for CPO Indicator 9.3 ("EO has enhanced the capacity to analyse the business environment and influence policy development at the national, regional and international basis").

Efficiency

To implement the project a high level Technical Committee was established. Its main responsibility was to control and manage the whole process. Its staff belonged to different EO members of COHEP. The Committee was trained on the methodology (EESE toolkit), and was engaged in the process as from the beginning of the project.

A timeline was established at the beginning of the EESE process. All project activities were developed according to this timeline and all seven planned outputs and milestones were delivered

⁶⁴ See list of Outcomes in annex 11.

according to plan. Deviations and unforeseen circumstances were managed efficiently and did not affect the development of the project.

The support from ACT/EMP, which played an important role in field activities, as well as the Department of Enterprises, was quite essential for the implementation of the project and for achieving the planned outputs. The participatory manner in which the activities were conducted in combination with a well-functioning coordination mechanism allowed partners to fulfil the common goals for the project in an efficient way.

ILO's technical, programmatic, administrative and financial support was highly satisfactory. An important factor for the success of the project was that the surveys were made by a local company, independent of the EO, recognised within the country and supported by ILO. This approach clearly helped to improve (i) the understanding of culture and local circumstances in the country, (ii) to be involved with local people, (iii) to communicate in the same language and above all, (iv) to avoid distrust regarding the use of survey information.

Impact

Stakeholders consider that the results of the EESE process are of high strategic importance for national development outcomes within the business environment. An example that demonstrates that sustainable development changes are achievable is the creation by the new National Government of a Transition Working Group, which includes representatives from the elected political party, the former Government and key resource persons from several institutions, including COHEP. This Group has taken the Strategy (developed by COHEP) as a main resource for its work.

Since the public presentation of the Diagnosis Report and the Strategy at the National Meeting of Private Enterprises, held in October 2013, several measures to improve the business environment have already been adopted by the Government. With the information collected during the business environment assessment, it will be possible to construct a base line with a set of indicators through which results and impacts could be measured over time.

The enterprise survey conducted at the assessment stage of the EESE process is considered by many authorities and institutions as a main source of information regarding needs and concerns of the business sector in Honduras. This is the first time in history of the country that a national survey of this size and holistic nature has been produced which in addition was stratified by company size and type of activity.

Another important impact for COHEP is related to its affiliation. Due to the publicity and improved position of COHEP according to public perception in the country, its membership has increased by about 5% during the last year.

Another effect of the EESE process has been that some of the EOs that are part of COHEP have used information from the EESE methodology to develop a strategy for marketing and support to its members. As a consequence some of COHEP's member organisations have managed to increase their membership numbers.

Sustainability

The project was successful in establishing a strong sense of ownership among partners. Sustainability was considered and built all along the project period. Institutional capacity-building was a central element in the technical cooperation approach. Furthermore, capacities were integrated into the organisation whereby they may be sustained in the longer perspective.

A Technical Committee was established to control the management targets and activities and at the same time carry the primary responsibility for follow-up, coordinating and monitoring the Strategy. For that purpose COHEP authorities took the decision to adjust its organisational chart and integrate the new Committee inside its structure. This is clearly an important measure to ensure sustainability. It appears that in order to safeguard sustainability, this initiative will need to be supported, not only financially, but also with technical support from ILO.

The sustainability of the results is also confirmed by the continuity of actions resulting from the Strategy. E.g. the Inter-American Development Bank has expressed its readiness to contribute to the Strategy implementation by supporting specific projects.

Cross-cutting dimensions

The Project had direct effects on gender dimensions. A gender committee was established in 2012 and is working to promote gender equality within enterprises. As a part of its activities it has conducted two surveys regarding women situation in enterprises in Honduras. These surveys were made in Tegucigalpa and San Pedro Tula and are considered a valuable resource to be used in the action plan which is being developed by the committee. Gender equality was fully mainstreamed in the EESE report and, at least partly, in the national business agenda.

Summing-up the Honduras case story

The Honduras EESE project can be considered a useful model for other similar interventions. It has contributed to addressing significant problems in the business environment in Honduras, and successfully targeted development constraints and turned them into a National Business Development Strategy. Stakeholders consider that the results are of high strategic importance to achieve national development outcomes within the business environment. Continued support from the ILO is essential to safeguard the sustainability of the initiative.

Annex 6.4 Moldova case study findings

Country background

Moldova is a middle income country with a population of 3.6 million inhabitants. On average Moldova ranks number 78 out of 189 economies in the world according to the Ease of Doing Business Index⁶⁵. A comparison with other countries in Eastern Europe Bulgaria, Estonia, Lithuania, Romania and Slovenia show that the business environment in Moldova is worse than in those countries in virtually all dimensions measured.⁶⁶ Unfortunately this poor environment has scared away foreign investors choosing other countries to invest in.

⁶⁵ World Bank (2013), *Doing Business 2014*

⁶⁶ EESE Report 2013 (Document 006 - MOLDOVA)

A significant part of the business community is operating in the “grey shadow economy” with concerns that transparent and legal businesses are discouraged by the unfair competition. SME’s form the backbone of the Moldovan economy, but have a modest and declining contribution to GDP.⁶⁷

The National Confederation of Employers (CNPM) consists of some 30 members including 14 employers’ federations and associations and 16 large companies. In total, CNPM is estimated to represent 5000 enterprises and 450 000 employees. Of all companies in Moldova only one third are members in employer’s federations.⁶⁸ CNPM is the newest and the least experienced partner of the three partners in the social dialogue at national level.

The National Confederation of Trade Unions (CNSM) with its “heritage” from the socialist era struggles to generate a consolidated trade union movement in the country still compromised by the presence of a large number of small branch unions that act in parallel in certain industrial sectors.

The business community claims that the tri-partite social dialogue is not effective and argues for limiting state interference in company decision-making processes and moving towards more bipartite dialogue formats (i.e. companies-trade unions).

Scope of the programme

In essence, the ILO strategy for the Outcome 9 (indicators 9.2 and 9.3) in Moldova is focused on strengthening the key elements of institutional capacity that employers’ organisations need in order to enhance their value to members and fulfil their mandates as business representative organisations designed to advance the interests of their members.

Moldova has been jointly selected by ACTRAV and ACT/EMP for parallel interventions on enhancing social dialogue and good governance of the labour market. In order to promote social dialogue in Moldova, CNPM needs to increase its outreach and representativeness throughout the country as well as providing new and improved services to members and potential members.

The *first phase of NP programme* in Moldova has put a lot of efforts into building bipartite and tripartite social dialogue to improve labour market governance. Social dialogue in terms of information-sharing, consultation and collective bargaining at the local/provincial/rayon did not exist before the ILO/NP support started. CNPM, in collaboration with the CNSM, has been intensifying the work to introduce social dialogue services to the provinces⁶⁹. The outputs during 2012-2013 are:

- a) Social dialogue service set up in three additional districts (*rayons*) per year
- b) Gender/work life balance training workshops for employers in three provinces. (Collaboration with UN Women’s project).

⁶⁷ The share of SMEs sector in the GDP went from 35% in 2006-2007 down to 28-29% in 2009-2012

⁶⁸ EESE Report 2013 (Document 006 - MOLDOVA)

⁶⁹ Firstly starting to set up Territorial Commissions for Consultancy and Collective Bargaining (TCCCB) in collaboration with the TUs

The second phase of *SP funded programme* in Moldova is aimed at enhancing CNPM's capacity to analyse the business environment and influence policy development (Outcome indicator 9.3). CNPM key staff members who had been using the EESE methodology were to be trained to take the analysis further and interpret it into a national business agenda and advocacy campaigns.

The outputs from this support are:

- a) Plans of action for national business agendas to support enabling environment for sustainable enterprise, including specific WED analysis;
- b) WED assessments based on primary and secondary data analysis with special focus on the enabling environment for enterprises run by women.

Relevance

The Outcome 9 strategy in the DWCP in Moldova⁷⁰ refers to five focus areas for capacity building: research, policy, services, strategic planning and governance structures, all addressed directly or indirectly through the NP and SP funded support in Moldova. The main priorities in the Moldova country programme are as follows:

- a) Improving governance of the labour market
- b) Promoting decent work and employment opportunities
- c) Improving social protection

Interviews with stakeholders in Moldova (including representatives of government, trade unions and management, members associations and individual companies) confirmed the relevance of both the SP and NP funded programmes.

The SP funded interventions to take the EESE methodology and the WED assessment further and interpret them into a business agenda and advocacy campaign are well in line with the country programme priorities of the DWCP. The support for the EESE process is also well justified in light of problems related to the business environment in Moldova including corruption and unnecessary state interference. Stakeholders generally confirmed the relevance of investing in building advocacy capacity within CNPM although some questioned the Government's preparedness to initiate business-friendly changes.

NP funding in Moldova is primarily focused on expansion of social dialogue services to districts with the aim to enhance labour market governance. Such expansion (i) helps to strengthen EO membership and representativeness in Moldova, (ii) improves the provision of services to employers and (iii) creates platforms for tripartite local social dialogue e.g. on local constraints in the business environment. However given the small size of Moldova it may be questioned whether it is really meaningful to aim for collective bargaining at the district level. Such bargaining would appear to be more effective to carry out at the level of individual enterprises or sector-wise.

Validity of intervention design

⁷⁰ Document No. 010

The successful implementation of the ILO interventions described in the following section demonstrates that their designs were logically coherent and realistic.

Effectiveness

CNPM has successfully, with NP funded support set up seven (one revitalised) territorial EOs during 2012 and two during 2013 for enhanced participation in the local social dialogue. Training and advocacy material has been produced. In addition CNPM has developed practical guides on social partnerships, risk assessment at workplace, information material on taxes, guides for employers on labour discipline and labour disputes, etc. A large number⁷¹ of employers (25% of which were women) have been trained on fundamentals for establishing territorial EOs and workshops on social dialogue and collective bargaining.

The inputs to gender/work life balancing workshops were delivered and training started, but more through International Centre for the Advancement of Women in Business (ICAWB) than CNPM. CNPM has an agreement with ICAWB and lots of opportunities to work closer in the near future are already planned for.

A SP funded wide-ranging WED study was carried out with assistance of the ILO SRO Budapest Office. Barriers and challenges facing women entrepreneurs and potential entrepreneurial opportunities and start-ups for women were identified and discussed at the launch of the report in September 2013. The media coverage was vast embracing the major newspapers, radio and television stations. This type of study is also high up on of the priority list in the Road Map of the Ministry of Labour, Social Protection and Family. The study is seen by the Ministry as an important tool in the work to reduce obstacles for women to access to business.

The EESE work did not start until early 2013 with focus groups to select the pillars relevant for the Moldavian economy. Seven out of the seventeen pillars available in EESE were selected for Moldova. Questionnaires were prepared and businesses interviewed (60% in Chisinau and 40% in the regions). The primary and secondary data analysed was presented in the “Key Constraint on the Business Environment” report presented at a Business Forum in November 2013.

A memorandum of understanding between CNPM and government is pending to be signed in relation to the seven obstacles derived from the key constraints report and as an answer to the government Road Map on doing business in Moldova. The seven major identified obstacles together form the basis for the business agenda and advocacy campaigns⁷².

According to ILO’s official results monitoring for the biennium 2012/13, only one of the three Outcome 9 indicators were achieved, namely Indicator 9.3. That this indicator was fulfilled does not come as a surprise, given the efforts put into the strengthening of CNPM’s capacity to analyse the business environment and influence policy development. For reasons not quite clear to the

⁷¹ More than 120 employers participated in training courses, while around 140 employers were trained during round-table meetings and workshops.

⁷² CNPM (2013), *An agenda for improving business climate in the Republic of Moldova, 7 obstacles for business* (Document No. 008 – MOLDOVA)

evaluators, Indicator 9.2 had not been formally recorded in spite of the NP funded geographical extension of EO services to new districts.

It is fully logical that Indicator 9.1 was not been fulfilled given the fact that the ILO support did not aim at helping CNPM to adopt a strategic plan. It may be noted that activity objectives, mission and goals, and the organisation structure described in the CNPM publication “Together we are powerful”⁷³ could be seen as a good start.

Efficiency

Resources were applied and most activities achieved and implemented according to plan. The various ILO products and related business survey plus practical guides have been clearly useful for CNPM and various stake-holders expressed their satisfaction with the support provided by the ILO.

Impact

While the EESE and WED processes as well as the expansion of EOs at district level have largely helped to strengthen CNPM capacity, it will probably take time until wider impacts may be recorded, e.g. in the form of improved governance at national and local level.

Local EOs willingness to learn the system for good tri-partite dialogue will be essential for influence on the local authorities and to secure future impact. Hopefully this dialogue will lead to less government interference on micro level allowing the business sector to take their own initiatives and explore opportunities offered in the market. One example mentioned by local EO representatives was abuse by district authorities of the right to issue various kinds of local taxes. This was an area that recently had been subject to intense dialogue and advocacy efforts.

The image of CNPM benefits from the information sharing with social partners and from the fact that the whole business sector is benefitting from studies and guides produced by CNPM with ILO support. This kind of image-building may have a positive future impact on CNPM’s membership and overall development.

Sustainability

In the view of the evaluators, the chances for sustainability of the results of the ILO interventions in Moldova appear to be reasonably good. This applies to the NP funded efforts to expand the EO services and local social dialogue, as well as to the SP funded EESE initiative.

Cross-cutting dimensions

CNPM has successfully taken a number of steps to promote gender equality which have been described above. Activities such as workshops for employers in gender/work life balance training and the WED study have been crucial for building awareness and to open up for improved economic activity for women. Given the positive response that these initiatives have received, the chances appear to be good that this may trigger positive future developments (“We witnessed that

⁷³ CNPM (2013), *Together we are powerful*, (Document No. 009 – MOLDOVA)

things started to change after this project had started”). E.g. women entrepreneurs are more often invited to round-table discussions and training events than before.

At the same time it is noted that there are no references to gender equality in the EESE report or in the CNPM Business Agenda. This may be interpreted as an indication that there are still substantial challenges to reaching a situation where gender equality has been fully mainstreamed within CNPM. However, CNPM has informed upon the completion of the WED work, gender equality has now become the 8th business priority.

Summing up the Moldova case study

In conclusion, two of three of the Outcome 9 indicators have been achieved through the NP and SP funded support from the ILO to CNPM. The social dialogue and services have been expanded particularly through expansion of EOs in a number of districts. The EESE has been used for business environment analysis and a business agenda developed as a starting point for advocacy campaigns to be initiated.

ANNEX 7: QUESTIONNAIRE TO EOs**Independent Evaluation****Employers have strong, independent and representative organizations****Survey for employers' organizations****Introduction**

In line with ILO Evaluation Policy and at the request of donors, ILO is in the process of conducting an Independent Evaluation to assess the value of the technical cooperation program being offered to employers organizations. As you know, the ILO seeks to promote that **employers have strong, independent and representative organizations**. Your organization has been one of the beneficiaries of this technical cooperation program.

Your views and opinions are essential for this evaluation process. We would appreciate it if you could please respond the attached Survey. It is suggested that the Survey is responded by the highest ranking Officer of the employers organization's Secretariat, for example, the Director General, General Manager, or the Secretary General. It can also be responded by Board members of the employers' organization.

<u>SURVEY</u>
General information
1. What are the main issues for the employers' organization in your country related to private sector development? Please mark with an "X" the 4 priorities.

<p><input type="checkbox"/> improve business competitiveness, <input type="checkbox"/> policy on dialogue and social dialogue <input type="checkbox"/> enabled business environment, <input type="checkbox"/> access to financing for business <input type="checkbox"/> administrative burdens <input type="checkbox"/> trade agreements <input type="checkbox"/> general constraint-taxes and regulations <input type="checkbox"/> gender equality <input type="checkbox"/> private public dialogue <input type="checkbox"/> job creation <input type="checkbox"/> education and training <input type="checkbox"/> labor regulations / industrial relations <input type="checkbox"/> private ownership rights <input type="checkbox"/> other (please specify)</p> <hr/> <hr/> <hr/> <hr/>
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2. How does the employers' organization move forward its policy agenda? Mark with an X as many responses as necessary.

<p><input type="checkbox"/> involvement on dialogue processes with view to improve business environment <input type="checkbox"/> involvement on dialogue processes with view to influence public policy <input type="checkbox"/> bipartite or tripartite agreements with government and/or trade unions. <input type="checkbox"/> promoting publicly the employers' views in the media (tv, radio, twitter, facebook, printed press, Internet, etc.) <input type="checkbox"/> submissions made to Government <input type="checkbox"/> research <input type="checkbox"/> other</p> <hr/> <hr/> <hr/> <hr/>

3. Does your organization participate in activities with other entities/organizations

in order to promote improvements to the business environment? Please describe.

4. Please indicate through which processes the employers' organization sets its priorities.

consultation with membership
 decision by the Board of Directors
 as a result of research produced by the employers' organization Secretariat
 strategic planning
 others

5. Is the employers' organization receiving support/funding from other international organizations (other than the ILO) to address these issues?

No
 Yes, please indicate which organizations (donors) and for what issues

6. What are the employers' organization capacities to analyze the business environment and influence policy dialogue?
<p> <input type="checkbox"/> excellent - in house structures <input type="checkbox"/> good <input type="checkbox"/> sufficient <input type="checkbox"/> lacking capacity <input type="checkbox"/> support from external consultant (outsourcing) </p> <p>Comment if necessary</p> <p>_____</p> <p>_____</p> <p>_____</p>
7. Do you know any of the following ILO products/initiatives for employers' organizations?
<p> <input type="checkbox"/> Enabling Environment for Sustainable Enterprises (EASE) Toolkit; <input type="checkbox"/> Women in business and management initiative </p>
8. Does your country have a specific agenda to improve business environment in which government, employers' organizations, trade unions and other related parties are involved and promote initiatives?
<p> <input type="checkbox"/> No there is no agenda to improve business environment <input type="checkbox"/> Yes, please specify who has been leading its development and if the government supports it. </p> <p>_____</p> <p>_____</p> <p>_____</p>
9. Has membership affiliation of the employers' organization increased in the past 2 years?
<p> <input type="checkbox"/> No </p>

Yes (affiliation to the organization is voluntary)
 Yes (affiliation to the organization is compulsory)

Comments: (if possible, please indicate the percentage in which membership has been increased)

10. Has the employers' organization strengthened or developed any new services to its membership or potential membership in the past 2 years funded by the ILO?

No
 Yes, please specify what service(s) and in which area(s)

11. How well is social dialogue accepted by the employers' organization?

accepted and applied
 accepted but not used
 known but not used (not considered useful)
 fairly unknown
 national context is not conducive to social dialogue
 counterparts are not open to social dialogue

Comments:

Questions related to gender equality and non-discrimination

12. Please provide examples of how the employers' organization is reaching out to women entrepreneurs and promoting gender equality through adapting the business environment.

13. How has the employers' organization been able to influence the business agenda and to reach out to women in business to share experiences in order to promote gender equality at the workplace?

- very successful
- successful
- active but not so successful
- not active

Comments:

14. When addressing issues related to the business environment, does the employers' organization take into account the gender dimension (increased gender sensitiveness and enabling environment for women in business)?

- No, it has not consider it**
- Yes, it has considered it (please specify below)**
- Yes, it has partially consider it (please specify below)**

Comments:

involved in or being the leading organization to secure.

Concerning the ILO's program with employers' organizations

18. Did the activities planned with the support of the ILO actually take place as foreseen?

No, they did not take place

Partially took place

Yes, took place as planned

Comments:

19. Did the activities carried out with the support of the ILO produce the expected results (i.e. capacities of the employers' organization were strengthened)?

No, they did not produce the expected results

In part, some of the results were accomplished

Yes, the capacities of the employers' organization have been strengthened

Comments:

20. Please indicate if with the support of the ILO, the employers' organization:

adopted a strategic plan to increase effectiveness of its management structures and practices;

created or significantly strengthen services to respond to the needs of existing and potential members;

enhanced its capacity to analyze the business environment and influence policy development at the national, regional and international levels.

Comments:

21. Were the activities conducted with the support of the ILO (ACT/EMP) coherent and met the needs/priorities of employers?

No, they were not coherent and did not meet the needs/priorities of the employers

In part, some activities were coherent and did meet with the needs/priorities of employers

Yes, the activities conducted with the support of the ILO were coherent and did meet the needs/priorities of employers.

Comments:

22. What (if any) long term changes in the employers' organization resulted from the support provided by the ILO?

23. Was the technical and administrative guidance and support provided by ACT/EMP adequate?

- No, the support provided by ACT/EMP was not adequate**
- In part, some of the support was useful**
- Yes, the support was adequate.**

Please comment on your response:

Thank you!

ANNEX 8: SUMMARY OF RESPONSES TO EO SURVEY

1. What are the main issues for the employers' organization in your country related to private sector development? Please mark with an "X" the 4 priorities.

The main issues challenging most countries are:

- Improved business competitiveness,
- Improved policy on dialogue and social dialogue
- Labour regulations/industrial regulations
- Enabled business environment, and embrace almost 70% of all responses.

Private public dialogue, job creation and education and training, are seen as the main constraints by 30% of the EOs. Out of nine areas, only 1% ranks gender equality and private ownership as the main issues. The magnitude of the ILO support is concentrated on the first four issues, and if effectively delivered, it should contribute to intermediate impacts on improved social dialogue and changes in the business environment.

2. How does the employers' organization move forward its policy agenda? Mark with an X as many responses as necessary.

The answers given from the seventeen countries are quite similar and describe that all six proposals listed are important ways to move its policy agenda forward⁷⁴. One example is how the EESE has enabled ZFE in Zambia to mobilize the other Business Member Organizations to form the Zambia Private Sector Alliance. Jointly they have developed a Private Sector Business Agenda

3. Does your organization participate in activities with other entities/organizations in order to promote improvements to the business environment? Please describe.

Most EOs are actively participating and communicating with several relevant key entities.

4. Please indicate through which processes the employers' organization sets its priorities.

⁷⁴ Involvement in; i) dialogue process with view to improve business environment, ii) and to influence public policy, iii) bipartite or tripartite agreements with government and/or trade unions, iv) promoting publicly the employers' views in the media, v) submissions made to government and, vi) research.

The answers are overall unanimous telling that priorities are set through consultation with membership, decision by the board and through research.

In Malawi for example, the EO conducts periodic seminars on labour laws, employee relations and productivity throughout its annual work plan. It is also at these seminars that the EO solicits views from its membership besides the usual breakfast meetings.

5. Is the employers' organization receiving support/funding from other international organizations (other than the ILO) to address these issues?

The three countries in Eastern and Central Europe receive only limited funds in addition to ILO. In Montenegro, MEF uses EU funds but based on project proposals and in Serbia SAE has worked on a project basis with UNWOMAN (for gender equality issues), SOLIDAR SUISSE (for bipartite dialogue related activities) and with EU through BUSINESSEUROPE for wide range of issues such as environment and economic development policy. Albania does not get other funds.

Armenia in Central Asia is working with several international organizations like DECP, GIZ, OSCE, UNIDO, Friedrich Ebert Foundation, Partnership Project Employers' Associations Caucasus, IOM. Moldova gets funds from ECP and Dulak

Asia; CAMFEBA in Cambodia cooperates with the Center of International Private Enterprise (CIPE/USA) receiving support for a project to strengthen the business associations to be implemented during 2013-2014.

In Laos, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) supports the project "Improving Capacity building on Provincial Public Private Dialogue for two Provincial Chamber of Commerce and Industry, since 2009-2013.

In Nepal, GIZ, US AID, IFC, World Bank promote i.e. entrepreneurship development, anti-corruption programs, good governance, agro promotion, energy development.

India and Bangladesh receives no funding or support from other international organizations

Southern Africa; In Botswana BOCCIM is involved and a driving entity in the wide-ranging PSD programme financed by EU and CDE -Centre for development of Enterprises.

Zambia is working with the Dutch Employers Corporation Programme (DECP) which supports the Federation in capacity building on effective communications by having sponsored secretariat staff to the ILO Training center. The DECP has also assigned a country manager who helps the ZFE Secretariat with the management of the website. Malawi and Swaziland receive no funds.

Others; In Honduras COHEP is currently in negotiation with the Interamerican Development Bank. VCCI in Vanuatu receives funding from PIPSO for Private Sector Business Forum for 2013 and 2014.

6. What are the employers' organization capacities to analyze the business

environment and influence policy dialogue?

Eastern and Central Europe; Montenegro and Serbia have strong capacities for conducting the analysis in terms of data processing thanks to the EESE framework. Albania is supported by external consultants (outsourcing)

In Central Asia, RUEA in Armenia has its own experts among staff that implement various analyses and activities like: needs assessment of members and non-members, economic, employment, foreign trade, education (VET), trafficking. Most activities are implemented by its own resources with support of international organizations and local sponsors.

CNPM in Moldova always involve member associations and companies in matter regarding influence of policy dialogue.

Asia; Cambodia recognizes gets complementary support from external consultants (outsourcing), but recognizes they hold some level of expertise that needs to be improved.

Bangladesh and Laos are lacking capacity and get support from external consultants (outsourcing).

India and Nepal have good capacity to analyze the business environment.

Southern Africa; BOCCIM in Botswana is lacking capacity and is dependent on ILO consultants to analyze the business environment. However BOCCIM has formed the HCLLs – High level Consultative Councils to engage the government for influence the policy dialogue.

In Malawi, financial, technical and infrastructural capacity gaps still exist. The secretariat lacks capacity to conduct research and formulate positions. Efforts are being made to recruit

In Swaziland, the EO has a limited number of staff, yet the work done to analyze business environment and influence policy dialogue is well functioning.

Zambia is lacking capacity to analyze the business environment on its own.

Others, Fiji does not have ‘sufficient capacity’ to analyze the business environment using in-house resources as the organization is understaffed. However, FCEF has collaborated with the ILO and other consulting firms to better assess the environment for doing business.

Vanuatu is lacking capacity and needs assistance to build competence in advocacy, lobbying and policy influence. Honduras recognizes it has - in house structures but gets support from external consultants (outsourcing)

7. Do you know any of the following ILO products/initiatives for employers' organizations?

All countries, except Fiji, Laos and Vanuatu know and work with both products (EESE and WED). VCCI would be interested in implementing the Women in business (WED study) in

Vanuatu. They have obtained funds of 1.3million vatu from NZAid Program for the project of "Business Incubators - starting business" for 10 recipients: 7 women and 3 men are to benefit from this project.

8. Does your country have a specific agenda to improve business environment in which government, employers' organizations, trade unions and other related parties are involved and promote initiatives?

For the countries in use of Sida funds in support of the ILO, only Serbia has not presented a business agenda or advocacy action plan. SAE in Serbia has instead developed three position papers on labour law revision, taxation on wages and trade regulations and inspections to reflect the urgent priorities of employers. It should be also noted that EESE work was not funded by Sida in Serbia. This means that ten out of eleven countries are in position of a business agenda.

In Albania they have prepared a "draft-strategy for enterprises and investment in Albania 2014-2020", which has similarities, but is different to a business agenda.

SAE in Serbia has an agenda to promote business environment, and has tried to rally support for it among TUs and government. However, both other parties have been reluctant to commit.

Cambodia has a government and private sector forum in which there are 10 working groups composed of representatives of government and private sectors from different areas of business working together to settle the business issues.

9. Has membership affiliation of the employers' organization increased in the past 2 years?

All five countries in Asia have increased their membership ranging from 5% in Bangladesh to 50% in Nepal, 25-35% in Cambodia and 44% in Laos India has not increased its membership.

RUEA in Armenia has increased direct membership by 60% and indirect membership via regional and sectorial RUEA branches 35%.

Zambia has increased membership by 25% in 2012 out of which 15% refers to growth attributed to the position of the Federation to oppose the increment in the minimum wages which was passed by the State. Malawi 5%, and Botswana and Swaziland show no membership increase.

In the case of Botswana the membership growth listed for 2009-2013 increased from 2005 members to 2739 showing a positive trend but nothing outstanding. Paying members have not increased at all during the years never exceeding 750. Actual paying members, is a more relevant indicator for membership development.

Fiji and Honduras have increased membership by 6% and 3%.

10. Has the employers' organization strengthened or developed any new services to its membership or potential membership in the past 2 years funded by the ILO?

The key initiatives identified for strengthening and inventiveness of membership service development narrate down to; consulting and training and provision of practical guides, including courses, workshops, advisory services, reports on EESE, WED, gender equality, etc. and different guidebooks. The question is whether these services developed through external support of ILO/NP/SP are leading to stronger independent and representative employers' organizations impacting on EO member's way of planning and operating its businesses. Also whether it has contributed to improved social dialogue and changes in the business environment? In large the majority of countries express that they have better ability to provide adequate services due to the ILO support. – But in reality, when EOs asked under “general information-question 20”, only a bit over 50% consider that services respond to the needs of the members, and consequently additional services are required or present services improved

The illustrations described below illustrate a certain upswing in service activities and provision of feedback to the members:

- EOs ability to represent members to solve labor dispute at the arbitration council and court has improved.
- Publications are released in several countries through EOs i.e. Employers Guide to Collective Bargaining; Employers Guide to Eliminating Child Labour, Employers Guide to Gender Equality.
- Training provided in the areas of occupation safety and health and information material on taxes, guides for employers on labour discipline and labour disputes, training in collective bargaining, are other examples of valid services developed or strengthened.

In large, ILO interventions to strengthen EOS capacity on service delivery are relevant, but not verified to be efficient. Training events, documentations and workshops organized and other outputs have strengthened the EOs to respond to member needs. Obviously the results are positively contributing to meet the criteria for outcome 9, indicator 9.2; “strengthened services to respond to needs of present and potential members”. However, in the case of Botswana BOCCIM is struggling against lack of member commitment and increased membership.

11. How well is social dialogue accepted by the employers' organization?

In the majority of countries social dialogue is accepted and applied.

EOs are recognized as reliable and responsible social partners that advocate for business environment improvement, and initiate numerous activities related to social dialogue. Some EOs have even launched special flyers/brochures on social dialogue for companies.

While in some EOs, only few elite members know about social dialogue, the majority in the lower categories of membership are yet to appreciate the importance of social dialogue and use it (Malawi).

In Serbia, national context is not conducive to social dialogue, currently passing through the period of harsh economic crisis resulting in loss of jobs and fiscal overburdening by the government compensating for failing income. The trade unions demand increased expenses above those already defined by the Labour Law from the employers through the collective bargaining process.

In such circumstances, it is difficult to expect engagement in social dialogue from the employers' position.

It should be noted that Fiji did not participate in the EESE process, but the current political situation makes it very challenging for FCEF and the unions to engage

Accepted and applied	and	Not applied
Armenia		Albania
Montenegro		Malawi
Botswana		Serbia
Cambodia		Swaziland
Fiji		Vanuatu
Bangladesh		
Honduras		
India		
Moldova		
Zambia		
Nepal		

12. and 13. How has the employers' organization been able to influence the business agenda for enabling business environment, to reach out to women in business to share experiences in order to promote gender equality at the workplace?

Very successful	Successful	Active but not successful	Not active
Montenegro	Albania	Cambodia	Botswana
Fiji	Armenia	India	Laos
Honduras	Serbia	Malawi	Vanuatu
	Zambia	Bangladesh	
		Moldova	
		Nepal	
		Swaziland	

According to the responses of the questionnaire sent out, roughly 40% or 7 out of 17 countries are successful or very successful to influence the business agenda in order to promote gender equality at their workplace.

Some of them are very active, for example RUEA in Armenia which has a separate unit on women entrepreneurship (WE) coordinating the activities of WE members. A strategy is developed specifying the goals of RUEA in regards to advocacy and WED and how to conduct lobbying to influence state policy and support programs. Montenegro is described as a very successful where MEF among other things has reinforced employers (within MEF members) to improve working conditions for women and encourage women's empowerment in the workplace. MEF has also organised round table discussions on "Principles of Decent Work for Women".

14. When addressing issues related to the business environment, does the employers' organization take into account the gender dimension (increased gender sensitiveness and enabling environment for women in business)?

The EOs was given the opportunity to answer; yes, it has considered it, or partially considered, or not considered it at all. Every country, except Moldova and Vanuatu, has responded that they are considering taking into account the gender dimension when addressing issues related to the business environment. The response from India and Botswana indicate they only partially consider the gender dimension.

15. and 16. Has your organization used the enabling environment for sustainable enterprise (EES) toolkit or its methodology and how has it helped?

All SP funded countries have answered that they have used the EESE. Some of the countries i.e. Montenegro, Moldova and Serbia do not perceive that the EESE methodology has improved the dialogue with the government, which is a drawback as government engagement is a major objective. Otherwise the EESE has successfully served its purpose on mostly all levels to identify constraints and contribute to improved social dialogue.

Country	1. To identify constraints	2. To formulate advocacy proposals	3. To improve dialogue with government	4. To improve dialogue with other business organizations	5. To improve dialogue with other enterprises	6. To improve dialogue with worker organizations
Albania	Yes		Yes	Yes	Yes	
Montenegro	Yes	Yes			Yes	
Botswana	Yes	Yes	Yes	Yes	Yes	Yes
Honduras	Yes	Yes	Yes	Yes	Yes	Yes
Malawi	Yes	Yes	Yes	Yes	Yes	Yes
Moldova	Yes	Yes		Yes	Yes	Yes
Serbia	Yes	Yes				
Swaziland	Yes	Yes	Yes		Yes	Yes
Vanuatu	Yes	Yes	Yes		Yes	Yes
Zambia	Yes	Yes	Yes	Yes	Yes	Yes

17. Please give examples on effective policy and social dialogue to promote sustainable enterprises for job-rich growth that your organization has been involved in or being the leading organization to secure.

Out of responses from seventeen countries, five (Fiji, Laos, Nepal, Serbia and Vanuatu) cannot present relevant examples verifying EO involvement in effective policy and social dialogue to promote sustainable enterprises for job-rich growth. Fiji and Laos are both selected for interventions on social dialogue in the ILO Norwegian partner cooperation. The remaining twelve countries present adequate examples on effective policy and social dialogue involvement.

18. Did the activities planned with the support of the ILO actually take place as foreseen?

Fifteen out of seventeen countries replied that the activities planned took place as planned. Two countries replied that activities partially took place.

19. Did the activities carried out with the support of the ILO produce the expected results (i.e. capacities of the employers' organization were strengthened)?

Fifteen countries responded positively ensuring that the capacity of EOs was strengthened. Two answered, in part strengthened.

20. Please indicate if with the support of the ILO, the employers' organization: i) adopted a strategic plan, ii) strengthened services and/or iii) enhanced capacity to analyze business environment.

Almost 90% of the countries responded that the ILO support has enhanced the capacity of EOs to analyse the business environment.

More than 70% believe that the ILO support contributed to the adaptation of a strategic plan to increase the EOs effectiveness in management and structure of practices.

As regards, strengthened services the result is weaker. Slightly more than 50 % consider that services have been strengthened. Several countries expressed that more can be done, particularly for SME's and women entrepreneurs, where additional ILO's support would be beneficial.

21. Were the activities conducted with the support of the ILO (ACT/EMP) coherent and met the needs/priorities of employers?

Almost 100% of the answers reply that the activities conducted by ILO support were coherent and met the needs of employers. Nepal did not make any comment at all.

22. What (if any) long term changes in the employers' organization resulted from the support provided by the ILO?

The majority of EOs supported by ILO Swedish funded interventions have with assistance of ILO presented an agenda and strategy for engaging the government as a unified private sector. However, most countries are still in the planning phase preparing to implement the agendas. In many cases the EO informed that they would not have had the ability to develop such an agenda on its own.

This is confirmed by BOCCIM in Botswana, CAMFEBA in Cambodia and COHEP in Honduras. The new approach to formulate a business agenda based on the EESE survey has changed the way the EOs take on tasks and plan strategically. Strategies for change and are now ready to be implement.

COHEP precise that its technical capacity was strengthened with a strategic plan developed, a gender committee established and the national business agenda, based on the comprehensive EESE survey, in place. All these achievements are major ILO criteria for strengthened EOs, and also important steps equipping COHEP with new methods for communication and cooperation with social partners.

Other results discovered is that CAMFEBA perceives its reputation improved due to ILO interventions.

Other examples on positive changes, is how SAE in Serbia, through ILO support, has become a more service-based organization and more focused on providing services to both member and non-member companies. In Swaziland, the ILO assistance in funding the organization's strategic plan, Employer's Guide to Child Labour and the Code of Good Governance most probably will induce long term changes on awareness and influence on social dialogue.

In Moldova, the ILO Norwegian support for improved dialogue at district level has resulted in enhanced capacity of social partners and improved governance of the local market.

The reasoning above is based on the replies from 17 countries viewing a long list of interventions possibly leading to durable results. Already, support processes for enhanced EO strategic planning and improved structures to meet present and future challenges, are at hand in several countries. Some EOs have received feed-back on improved services better meeting member needs and priorities. Still many EOs are criticized for lacking capacity and professionalism to impact on policy and reform work. Numerous EOs have gained enhanced capacity to analyze the business environment thanks to EESE. The question is whether the respective EOs will be able to continuously survey and follow-up on changes taking place in the business environment.

23. Was the technical and administrative guidance and support provided by ACT/EMP adequate?

Fifteen countries out of seventeen have clearly expressed that the support provided by ACT/EMP was adequate and useful. Two countries replied that the support was in part useful. Only two countries have replied that the support provided by ACT/EMP was in part useful. All countries have clearly expressed that the support has been adequate and useful.

ANNEX 9: LIST OF OUTCOME 9 INDICATORS AND MEASUREMENT CRITERIA

2012-13 ILO Programme and Budget

Outcome 9: Employers have strong, independent and representative organizations

Outcome 9 Indicators, Targets and Measurement Statements

Indicator 9.1: Number of national employers' organizations that, with ILO support, adopt a strategic plan to increase effectiveness of their management structures and practices.

Measurement

To be counted as reportable, results must meet the following criteria:

- A strategic plan for the employers' organization is endorsed, as documented in the proceedings of its board or equivalent document.
- A capacity-building programme is implemented for both managers and staff of the employers' organization in line with the strategic plan.

Target: 14 employers' organizations

Indicator 9.2: Number of national employers' organizations that, with ILO support, create or significantly strengthen services to respond to

the needs of existing and potential members

Measurement

To be counted as reportable, results must meet at least one of the following criteria:

- A budgeted plan is officially adopted to extend services to current and potential member enterprises of the employers' organization.
- New or improved services are provided by the employers' organization, as documented through service records (training, information systems, publications, consulting services).

Target: 18 employers' organizations

Indicator 9.3: Number of national employers' organizations that, with ILO support, have enhanced capacity to analyse the business environment and influence policy development at the national, regional and international levels

Measurement

To be counted as reportable, results must meet at least one of the following criteria:

- Employers' organizations set up or improve the functioning of internal structures to identify and coordinate the views of members, formulate advocacy strategies and objectives based on membership needs, and develop well-researched policy positions and advocacy materials.
- Employers' organizations participate in consultations with government or other key parties to give their views, enter into partnerships with other institutions or obtain greater media coverage of their policy positions.
- The positions of the employers' organizations are reflected in the adopted legislation or policy at the national, regional or international levels.

Target: 9 employer's organizations

ANNEX 10: CONTRIBUTIONS BY NP AND SP TO ACHIEVEMENT OF CPO TARGETS DURING 2012/13

Country x)		SP	NP	CPO indicator achieved with NP or SP support		
				9.1	9.2	9.3
1.	Albania					
2.	Armenia				X	
3.	Bosnia and Herzegovina					
4.	Botswana					X
5.	Cambodia			X	X	X
6.	Fiji				X	
7.	FYR Macedonia					
8.	Honduras					X
9.	India				X	
10.	Laos					
11.	Malawi					X
12.	Moldova					X
13.	Myanmar					
14.	Nepal			X	X	
15.	Serbia					X
16.	Swaziland					X
17.	Vanuatu					X
18.	Zambia					X
Total No. of countries 2012/13		12	8	2	5	9

x) Countries where NP activities are starting in 2014 are not included in this table

ANNEX 11: LIST OF ILO OUTCOMES 2012

Strategic objective: Employment

Outcome 1: More women and men have access to productive employment, decent work and income opportunities

Outcome 2: Skills development increases the employability of workers, the competitiveness of enterprises, and the inclusiveness of growth

Outcome 3: Sustainable enterprises create productive and decent jobs

Strategic objective: Social protection

Outcome 4: More people have access to better-managed and more gender-equitable social security benefits

Outcome 5: Women and men have improved and more equitable working conditions

Outcome 6: Workers and enterprises benefit from improved safety and health conditions at work

Outcome 7: More migrant workers are protected and more migrant workers have access to productive employment and decent work

Outcome 8: The world of work responds effectively to the HIV/AIDS epidemic

Strategic objective: Social dialogue

Outcome 9: Employers have strong, independent and representative organizations

Outcome 10: Workers have strong, independent and representative organizations

Outcome 11: Labour administrations apply up-to-date labour legislation and provide effective services

Outcome 12: Tripartism and strengthened labour market governance contribute to effective social dialogue and sound industrial relations

Outcome 13: A sector-specific approach to decent work is applied

Strategic objective: Standards and fundamental principles and rights at work

Outcome 14: The right to freedom of association and collective bargaining is widely known and exercised

Outcome 15: Forced labour is eliminated

Outcome 16: Child labour is eliminated, with priority given to the worst forms

Outcome 17: Discrimination in employment and occupation is eliminated

Outcome 18: International labour standards are ratified and applied

Policy coherence

Outcome 19: Member States place an integrated approach to decent work at the heart of their economic and social policies, supported by key UN and other multilateral agencies

ANNEX 12: LESSONS LEARNED FROM THE HONDURAS COUNTRY CASE

Excerpt from the case study report by Eng. John Saegart

Which good practices and lessons can be drawn from the support provided by NP and SP for the CPOs/GPs and overall implementation of the programmes that could be applied in the future?

The social and economic crisis the country was facing at that time can be seen as the propitious environment for the accomplishment of the project. All parties involved contributed to look for solutions and inputs that gave rise to develop the diagnosis (EESA toolkit) and a Strategy for business development.

What mentioned above is possible because of the leadership of COHEP authorities and ILO representatives.

COHEP is the EO truly representative of the private sector. COHEP is seen as an independent organization, not belonging to any specific economic sector.

The project first step was to ensure Organizational capabilities to leader and manage the project. This must be seen as a requirement. However this EO had (and still has) the right kind of leadership and a good relationship with key parties, privates and publics.

The high level Technical Committee established and its structure is a key factor to drive the process. Furthermore, training this Committee to manage the methodology is also important.

The necessity of establishing a new unit (within the organizational structure of COHEP) to manage the Strategy action plan is a clear measure to ensure sustainability.

Even though there were not all the technical resources and information required for carrying out the Analysis within the country (at the beginning), it is possible to apply the methodology.

A deep knowledge and understanding of the organization (COHEP) from the ACT/EMP regional office and the Dep. of Enterprises is a requirement to implement the project.

Another important issue is that the survey has to be made by a local company with the ILO support. It is necessary to understand the country culture and to communicate in the same language, thereby avoiding the mistrust of the use of information.

What are the recommendations for future XBTC support to the CPOs and GPs in addressing the strengthening of employers' organizations?

In the case of continuing promoting this kind of project (EESA toolkit and Strategy development), the key factor is to ensure that the EO is truly representative of the entire private sector. Otherwise there will be a risk for the project, it could be seen as belonging to an specific economic sector and not considering the business environment from a broad perspective.

What was mentioned above could be mitigated working with more than one EO, that all together represents the private sector, and at the same time showing to the government a common point of view to improve business environment and promoting one Strategy.

What mentioned above has to be taken into consideration at the time of designing. It is important to properly address the project's vertical logic.

To ensure Organizational capabilities to leader and manage the project is a requirement. Not only from the technical perspective but also to analyze how has the organization used its leadership and its relationship with key parties, privates and publics.

These projects could only be possible if there is a leadership of EO authorities. In most cases it will be also necessary to have the leadership of ILO representatives, beyond the required technical support.

Related with what is mentioned above to ensure governance, it is also important. From top to down, at all levels.

The outputs quality is critical, not only for the output itself but also to ensure that the whole methodology generates outcomes that indeed reflect the necessities for the improvement of the business environment.

These Projects should actively promote local capacity-building and ensure the best possible impact of cooperation efforts. It is necessary to pay special attention to the sustainability process.

It also important to take into consideration other initiatives that are being considered at the moment of implementing the Project. So that, the Project could be seen as a valuable input and complement but not exclude other initiatives.

This kind of project generates outcomes that include a Strategy with an action plan and recommendations in order to advocate for a more enabling business environment. However, the action plan takes into consideration activities that must be implemented by the EO and others by the Government. In that sense the intervention logic change the way the EO used to advocate, in which most of the time it is only a wish list, asking for the Government's support.

Potential good practices and effective models of intervention

The Honduras's project clearly showed that the EO plays a key role along the whole process.

At the designing stage it is necessary to ensure the representation of the entire private sector that means to be representative of any kind of enterprises within the country.

Another important issue is to design the suitable governance. This has to be seen around three main levels. The first one must be addressed by EO authorities; the second level is related with the project management, where the Honduras project proves that the best way is a combination between a local technical group and the support of ILO, ACT/EMP and Dep. of Enterprises. Each entity plays a different role along the process. Last but not least, is to coordinate and to follow up of the activities, monitoring and evaluation outputs and outcomes.

It is important to ensure Organizational capabilities to leader and manage the project. At the same time the relationship among the EO (where the project will be implemented) and key parties, privates and publics, must be at least good. This is something that should be given at the

beginning of the process. Usually, it is not possible to built trust among key parties involved, during the period of project implementation.

The EESE methodology, the Diagnosis Report and the Strategy developed based on those resources, require a high technical knowledge but also high level of negotiations among EO authorities and key parties, with the purpose to find the most suitable way to implement the process.

All of these facts need the support and guidance from ILO, ATM/EMP at regional level and Dep. of Enterprises regarding knowledge, looking for service providers and leadership to control the process (jointly with ACT/EMP).

Another important fact is the communication strategy, this must be underlined and to emphasize its relevance. In most cases, this kind of project addresses the lack of trust on one hand, among interested parties (public and private) and on the other hand, about the policies and project already promoted by the government.

For that reason, it is important to communicate the way we are working, the outputs we are looking for, who contributed to build the project and above all, to explain that our aim is to improve the environment for sustainable enterprises and that this is independent of any specific sector.

It is also important to keep in mind the kind of activities we are going to promote as a consequence of the Strategy Action Plan. The activities have to be realistic, starting from those that are easier to implement in short term basis, and focused not only in what the government must improve (the wish list), but also in what the private sector should be done and communicate both.

As well as EESE tool kit has an specific design, the Strategy design used in the Honduras project showed to be very suitable. That is, oriented from short to long term, classified in a matrix as a matter of priority, beginning with those with low level of difficulty and more potential impact.

To engage in consultation with key stakeholders and disseminate information on the project outcomes throughout the related parties, it has to be considered as good practice.

The design would have to consider establishing a base line (with few indicators) as one of the project outputs, to follow up impacts that come from the Strategy action plan, on a midterm basis. This can be made considering the information assessed in the National Assessment of the Business Environment, the Diagnosis Analysis and the Strategy.