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The views and opinions expressed in this report are of those of the authors and do not represent the views of the ILO, neither the Government of Kenya nor the donor's (Norway).

The review was conducted by a multi-disciplinary team from **Muthengo Development Solutions** (www.developmentsolutions.co.zw) comprising Mr. Ngonidzaishe Marimo (Team Leader and International Consultant) and Mr. Griffin Nyirongo (Private Sector Development Expert).

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Acronyms

BDS	Business Development Service
CEM	Country Economic Memorandum
DWT	Decent Work Team
EAC	East Africa Community
FEDCO	Federation of Drivers and Conductors
GDP	Gross Domestic Product
ICT	Information and Communication Technology
ILO	International Labour Organisation
KCSD	Kenya Commercial Smart Drivers
KDWCP	Kenya Decent Work Country Programme
KII	Key informant interview
KNPSWU	Kenya National Private Security Workers Union
LGNIII	Law Growth Nexus III
M&E	Monitoring and Evaluation
MADCOWA	Matatu Drivers and Conductors Welfare Association
MOA	Matatu Owners Association
MoEACLSP	Ministry of East Africa Community Labour and Social Protection
MOU	Memorandum of Understanding
MSEA	Micro Small Enterprises Authority
MSME	Medium Small and Micro Enterprises
MTPII	Kenya Second Medium Term Plan
NAC	National Advisory Committee
NORAD	Norwegian Agency for Development Cooperation
NTAC	National Technical and Advisory Committee
NTC	National Technical Committee
NTSA	National Traffic Safety Authority
NYS	National Youth Service
OECD DAC	Donor Community for Economic Development, Development Assistance Committee
PLRF	Policy Legal and Regulatory Framework
PSIA	Private Security Industry Association
PSV	Public Service Vehicle
SACCO	Savings and Credit Cooperative Organisation
SMART	Specific Measurable Achievable Realistic Time bound
TOR	Terms of Reference
UN	United Nations
UNDAF	United Nations Development Assistance Framework
UNIDO	United Nations Industrial Development Organisation
WEDEE	Women Entrepreneurship Development and Economic Empowerment Project
YEF	Youth Enterprise Facility

Executive Summary

Background & Context

Project Purpose, Logic and Structure

The 'Law Growth Nexus III: Labour Law and the Enabling Business Environment for MSMEs' Project is funded by the Government of Norway and implemented by the ILO and its tripartite partners in Kenya: 1) Ministry of East Africa, Labour and Social Protection (MoEALSP); 2) Confederation of Trade Unions in Kenya (COTU (K)); and 3) Federation of Kenyan Employers (FKE). These partners constituted, the National Advisory and Technical Committee (NTAC) responsible for in-country project planning and oversight.

The overall development objective of the LGN III project was to contribute to a more enabling policy environment for MSME development in the focus country Kenya. The overall outcome was more and better jobs in the MSME sector in Kenya. The project focused on two MSME sub-sectors: i) the public transport (Matatu); and ii) the private security sector. Target groups in these sectors included: Matatu Owners Association (MOA) and its members; Matatu Conductors and Drivers Welfare Organisation (MADCOWA); Private Security Industry Association (PSIA); and the Kenya National Private Security Workers Union (KNPSWU).

Country context

Kenya is emerging and transforming politically and economically after more than 50 years of independence marked by mixed political and economic performance. MSMEs are the bedrock of the Kenyan economy and have been identified by Government as engines for employment creation. MSME sector contributes an estimated 18.4 per cent of the country's Gross Domestic Product (GDP) and employs 8.83 million people. Developing skills of MSMEs to increase their productivity and increased integration of informal businesses into the formal economy would significantly boost Kenya's GDP, thereby generating greater employment opportunities.

Purpose, Scope and Clients of the Evaluation

The evaluation served to examine the project's overall achievements across all immediate objectives, with particular attention to synergies across objectives, assess the project implementation and management and sustainability of the project results. The main clients for the evaluation are: (1) the Government of Kenya; (2) Government of Norway; (3) ILO; and (4) COTU (K) and FKE.

Methodology of the Evaluation

Qualitative and quantitative approaches were adopted for the evaluation. Quantitative approaches were limited to reviewing progress reports for determination of the extent to which the project had achieved its targets. The qualitative approach comprised key informant interviews with organisations, institutions, individual employers and workers in the two target sub-sectors. Interviews explored issues encapsulated in the evaluation framework. Total population sampling of organisations involved in the project was undertaken with individuals in these organisations deemed to have knowledge (those that were the contact points for the project) on the project being purposively selected for the interview. The project partners interviewed were representative of the sectors the project was working in as they constitute the largest employer and worker associations in Kenya. Employees and owners were selected by their respective associations.

Evaluation limitations and potential sources of bias: The evaluation faced limitations in analyzing outputs and outcomes delivered against an M&E framework and a database showing progression/changes. Whilst the achievement of the outputs and outcomes was clear (evidenced through review of tangible deliverables) an in depth analysis could not be done against specific M&E indicators as an updated and functional database was not in place.

Main Findings

Relevance and Strategic Fit

The evaluation concluded that the project remains relevant to the national development context. The project was aligned to Kenya's development framework espoused in the vision 2030, and the Second Medium Term Plan. It also resonated with the Kenya Decent Work Country Programme (DWCP), UN Sustainable Development Goals and United Nations Development Assistance Framework (UNDAF). Stakeholders were generally satisfied that the LGN III complemented the priorities of cooperating partners. Key findings include

- a) LGN III was designed to complement other ILO and UN projects in Kenya. Strategic and operational linkages were established with other ILO projects for mutually reinforcing actions
- b) The LGN III was highly relevant to the need of the beneficiaries, and this was demonstrated by stakeholders' acknowledgement that the project contributed to bringing sanity to the Matatu sector and also providing a legal framework for the Private Security sector.

Validity of Design

The project design was appropriate and built on lessons learned in LGN I and II. Adopting the market systems approach ensured the theory of change between labour law compliance and enterprise growth was fully supported. The process of designing the project was adequate. The participatory nature of the design process was highly appreciated by stakeholders of the project and contributed to the strong "sense of belonging" evident among them.

Nevertheless there were several issues that needed to be considered in the design. First, the causality link between labour law and growth was supported by improved relationships between employers and workers due to improved business and human resources management skills among employers and respect for contract of employment among workers.

Tripartism: Participation of the tripartite partners was strong in the project with tripartite partners involved in planning, oversight and implementation of the project. Tripartism transcended to the sub-sectors with the involvement of workers and employer organisations in the two sectors.

Social dialogue: The project strengthened the position and recognition of the PSNWU by COTU (K) as it presented an opportunity for them to interact with the COTU (K) hierarchy. This resulted in the PSNWU receiving a seat in the Executive Board of COTU (K).

Project Effectiveness

The LGN III achieved the project objectives on all the outcomes for which data was available. The project interventions created 4,565 decent jobs which was an over achievement against the target of 3,500. Of

the 4565, about 1,048 were women. These jobs were all in the Matatu sector¹. Stakeholders attributed the growth in decent jobs to increased order in the sector which has attracted more investment brought about by the regulatory reforms and compliance by Matatu owners to labour laws. Supported by the project, the advocacy and lobbying efforts of the private security sector stakeholders resulted in the enactment of the Private Security Regulation Act, 2016.

At the output level, the project exceeded the targets in the percentage of MSMEs in the priority sectors reached with project support that reported increased knowledge of the labour law and those that had an increased understanding on best practices in facilitating an enabling policy environment.

The project faced some challenges and failed to achieve some of the targets at output level, notably the numbers of trainers and master trainers trained by the project, MSME owner managers that accessed compliance training and related business development support services, and the number of MSMEs accessing business finance or government contracts or organizational capacity building support after boosting their compliance levels.

These challenges were faced due to: 1) a reduced budget as a result of exchange rate losses amounting to 14% of the budget (about US\$200,000); 2) delays in finalisation of the simplified manuals and mobile phone application; and 3) the combination of delays in the undertaking of a compliance audit and the cost of an incentive system for compliance. These delays were mainly a result of the need to consult multiple stakeholders and obtain their input, buy in and participation.

The delivery of project outputs was not always in accordance with the work plan. In the early stages of the project implementation cycle, activities had to be rescheduled to match the budget availability. Nonetheless, stakeholders perceived positively the results achieved by the project. There was no doubt in the minds of stakeholders that the LGN III has contributed to addressing the needs of the Matatu and private security sectors.

Given that the interventions in the Matatu sector were building on activities and progress made in LGN II, while the private security interventions were initiated in LGN III, the project had greater achievements in the Matatu Sector compared to the Private Security Sector.

Efficiency of Resource Use

Assessment of efficiency of resources used was measured using three criteria: 1) measures for efficient use of resources; 2) timeliness in implementation of activities; and 3) quality of activities and support. Based on the measures to ensure least cost for activities and the high appreciation of interventions by partners and beneficiaries, the project presented high value for money.

Measures for efficient use of resources: Measures put in place to ensure least cost in the delivery of the project include: 1) lean project management and oversight; 2) inclusive selection process of service providers to the project (mainly technical support); 3) ensuring more numbers attended labour law compliance awareness meetings for employers by inviting other stakeholders (insurance companies, banks etc.) to showcase their products as attractions; 4) Partnerships with MOA, MADCOWA, and MSEA which enabled the project to leverage a wider reach of a geographically dispersed target group with a limited budget thus gaining economies of scale; and 5) Annual joint work planning, and budgeting with

¹ The data was based on the preliminary results of a tracer study in the Matatu sector that the Project had commissioned. Data for the security sector was not available at the time of the evaluation.

tripartite partners promoted through the programme ensured its cost effectiveness as they would prioritise activities that would ensure the highest benefits with the time and financial resources of the project.

Timeliness of activities: Activities were generally implemented on time. Two activities were significantly delayed: launching of the labour law mobile application; and production of the simplified training manuals for labour law compliance.

Quality of interventions: Stakeholders appreciated the quality of support from the ILO including the materials and tools developed. The ability to identify opportunities of influence and playing the interlocutor role between the partners and policy makers was appreciated. The quality of implementation and the approaches for stakeholder engagement by the project team galvanised the “sense of belonging” to project among project partners. This was important for building good will, ownership and therefore sustainability.

Effectiveness of Management Arrangements

The management and governance arrangements of the project were adequate. The NTAC and ILO annual directors’ meetings with the tripartite constituents ensured participation and political support for the project from the policy management levels in the tripartite. All tripartite partners understood their roles because they had been involved in designing the project.

The project had a performance plan in place whose intended results were clear. The project defined indicators across the results chain – activities, outputs, outcomes and outputs. They were SMART and reflected the results chain. Targets were provided for each indicator.

However, monitoring and evaluation could have been improved with regards to implementation of the framework and staffing.

Implementation of recommendations from the mid-term evaluation: Implementation of recommendations from the mid-term evaluation had started and were at various stages of implementation at the time of the evaluation. Many of the recommendations could not have been expected to be addressed during the remaining duration of the project and would have to be continued by the project partners.²

Impact Orientation and Sustainability

The project succeeded in developing an approach and tools that could be replicated to other MSME sectors and utilized by various stakeholders. The ease with which the approach and tools were expanded to the private security sector is a case in point. Stakeholders had adopted the tools and approaches and incorporated them in their activities. COTU (K) had revised the curriculum of the Tom Mboya Labour College to incorporate aspects of the simplified labour law tool kits. The KNPSWU was using the tool kits in training private security workers during the ‘Timamu parades’.

This status quo was buttressed, firstly by the involvement of stakeholders in project implementation which created a feeling of ownership among the stakeholders. To promote ownership of the project approaches and tools, and in line with the project exit plan, the NTAC designated responsibilities and custodianship of the approaches and tools to the respective meta-level, macro-level and micro-level

² The mid-term evaluation was conducted in August 2015

stakeholders. It was, however, not clear how these activities would be coordinated following the exit of ILO.

Secondly, the project contributed to building local partners' capacity to sustain some of the projects interventions. All the stakeholders that had received capacity building to promote labour law compliance in the Matatu and private security sectors expressed a strong desire to continue with the interventions of LGN III.

The mobile application that conveys the relevant labour laws and the simplified version of labour laws presents the biggest opportunity for roll out. The mobile application was launched at the end of the project.

There still remains further work to be done in the sectors. In the Matatu sector compliance is still a challenge. It was evident from discussions with stakeholders in the Matatu sector that a lot needed to be done to ensure full enforcement (by Ministry of Labour) and compliance (Matatu owners) with the revised legislation. In the private security sector there is still need to operationalise the Private Security Regulations Act of 2016 which will require social dialogue between the employers and Workers to reach common agreement so as to engage government with a unified stance. In both sectors, revival of the Wages Council still remains to be achieved.

List of conclusions

1. All outcome targets were achieved despite several challenges faced by implementers.
2. Stakeholders hold a strong positive view of the project benefits and achievements.
3. LGN III represented good value for money based on the results achieved and the measures put in place by partners and the ILO to save costs.
4. The project provided a replicable model and tools that can be used for formalisation of MSME sectors.
5. Use of the market systems approach enhanced appropriateness of the design of the LGNIII ensuring the theory of change between labour law compliance and enterprise growth was achieved.
6. Tripartism and social dialogue were strong in the LGNIII design and subsequent implementation. Tripartite partners participated in the entire project cycle and opportunities for social dialogue were harnessed.
7. LGNIII could have benefited from a structured M&E system and there still remains further work to be done in the sectors.
8. In the Matatu sector compliance is still a challenge as the cost and benefits of compliance are not understood, made worse by the limited capacity of the Ministry of Labour to enforce compliance. MACDOWA, the main drivers and conductors union was still to be registered with the COTU (K).
9. The private security sector, incorporated in 2015, still had outstanding issues at the time of the evaluation including the operationalisation of the private security regulatory body.
10. LGNIII could have benefited from more interaction with the ILO's Decent Work Support Team in Pretoria.

Lessons learned and emerging good practice

Lessons Learned

Lesson 1: Compliance with labour laws by MSMEs contributes to increases in productivity and enterprise growth

Lesson 2: Focusing on a limited number of sectors is strategic and more effective

Lesson 3: Flexibility in project implementation is necessary when aiming to have full stakeholder buy-in and ownership

Lesson 4: The importance of a robust data collection and monitoring tool is critical in tracking progress and in reporting results

Lesson 5: There were opportunities to enhance the social protection floor in the Matatu informal sector by building on the existing and trusted informal social protection mechanisms available to drivers and conductors.

Emerging good practice

The project shows that scale can be achieved with limited budget by leveraging on partners' capacity. Partnerships with the ILO Constituents enabled the project to reach a geographically dispersed target group with a limited budget which provided the project economies of scale.

Recommendations

1. Ensure the National Advisory and Technical committee is embedded in existing social dialogue structures through ensuring project activities remain on the agenda of tripartite partners.
2. Integrating the activities of such projects in the work plans of the partners will ensure sustainability and scale up in more sectors.
3. ILO and COTU (K) need to explore ways to support the Ministry of Labour build its capacity for compliance monitoring
4. Labour law aspects should be incorporated in the by-laws of SACCO in the Matatu sector to reinforce compliance
5. The ILO, through the country office should continue facilitating dialogue between Government, PSIA and KNPSWU to address outstanding concerns on the establishment of the regulatory body
6. Undertake further analysis to document the cost and benefit of labour law compliance
7. ILO, through the Decent Work Team, should continue to provide technical and financial support to tripartite partners given the outstanding issues in the Matatu and private security sectors and the need to scale up this approach in other informal sectors
8. Future projects of similar size and scope should make provision for specialist M&E support to allow for analysis of trends/progression as a result of activities and delivery of outputs.
9. The process being undertaken by COTU (K) to incorporate MACDOWA by engaging the other two already registered unions for Matatu drivers and conductors needs to be supported
10. The ILO should facilitate greater interaction between the Decent Work Team for projects such as the LGN III given its multi-thematic combination between enterprise development and employment promotion, international labour standards, social protection, workers and employers organizations etc

1 Project Background

1.1 Context of the country

Kenya is emerging and transforming politically and economically after more than 50 years of independence marked by mixed political and economic performance. The country has established itself as an important regional player on the continent, and has achieved successes on multiple fronts. The initial period of rapid growth to the mid-1970s was followed by a period of stagnation until the turn of the millennium, and then modest growth over the last decade. Following the rebasing of gross domestic product (GDP) in September 2014, the country joined the ranks of the lower-middle income countries. Although economic growth accelerated in the past decade, a prosperous society for all Kenyans has not yet been achieved. The economy remains among the poorest 25 percent of countries in the world, and poverty is high at around 40 percent of the population.³

Despite the challenges Kenya faces, Kenya is considered a promising place to do business, with growing markets and good opportunities. Kenya's economy is service-based, with a relatively small industrial sector: in 2013, agriculture contributed 20.7% of real GDP, the industrial sector 15.9% (of which manufacturing contributed only 9.5%), and services 63.4%.⁴ With regard to recent growth performance, GDP grew by an annual average of 3.7% over the last 5 years, with agriculture growing by only 0.6% and the industrial and services sectors by 4.0% and 4.5%, respectively. The short-term outlook is positive, with projected GDP growth of around 6-6.5% over the next three years, mainly driven by higher private-sector investments and increased exports. Services especially finance and ICT, and construction, are expected to be the key drivers of GDP growth. The discovery of oil, gas and coal in 2012 might have the potential to boost Kenya's overall socio-economic development, but exact deposit quantities as well as fiscal and economic impacts are yet to be fully estimated.

The country's private sector contributes to 97% of GDP and provides 80% of formal employment. It is composed of a formal sector which is relatively healthy and productive, and dominated by large businesses (notably, ICT, tourism and finance); and a large yet unproductive informal small business sector that employs almost nine out of ten private sector workers.⁵ The informal economy in Kenya continues to create the most number of jobs in Kenya as seen in the Economic survey of 2015 which reports that the sector accounted for 86 percent of the all jobs created in 2014.

MSMEs are the bedrock of the Kenyan economy and have been identified by Government as engines for employment creation. MSME constitute an important foundation for the socio-economic transformation envisaged in the *Kenya Vision 2030*, in reflection of the fact that the MSME sector contributes an estimated 18.4 per cent of the country's Gross Domestic Product (GDP) and employs 8.83 million people. Developing skills of MSMEs to increase their productivity would significantly boost Kenya's GDP, thereby generating employment opportunities. Greater integration of informal businesses into the formal sector would enhance their access to credit and ability to promote decent jobs, which would not only reinforce

³ World Bank, "Kenya Country Economic Memorandum (CEM): *From Economic Growth to Jobs and Shared Prosperity*", March 2016

⁴ African Development Bank, "Kenya Country Strategy Paper 2014-2018", February 2013

⁵ Ibid

the positive output and employment effects, but also increases the already commendable tax revenue-to-GDP ratio. However, work done in previous phases of the LGN project show that the sector was yet to unlock its job creation potential mainly because of some inherent challenges including decent jobs deficits which translate to growth constraints. The governments' five year midterm development plan also recognizes that overall jobs created in the informal sector were characterized by underemployment and low productivity.

To fully unlock the employment creation potential of the MSME sector, a number of development challenges will need to be overcome, among them a pronounced decent work deficit that translates into an effective business growth constraint. As confirmed in the baseline survey carried out in the second project phase, the jobs provided by MSMEs in the priority sub-sector in Kenya (transport) are characterized by job insecurity, poor wages and terms and conditions of employment, and absence of institutionalized social protection mechanisms. Other manifestations of decent work deficits in the sector are weak workplace safety and health standards, and the absence of mechanisms for enjoyment of fundamental principles and rights at work. Non-compliance is explained by a combination of factors, among them ignorance, weak enforcement mechanisms and compliance costs, and while saving MSME owner managers expenditure in the short-term, often impedes business growth in the mid-term and short-term since it forces businesses to bunch below the 'visibility' threshold.

1.2 Project context and intervention logic

The Law Growth Nexus III: Labour Law and the Enabling Business Environment for MSMEs Project supports the Government of Kenya to establish an enabling environment for MSMEs to thrive in Kenya.

The project forms the third phase of the Law Growth Nexus project (LGN I implemented in twelve countries from 2009-2011, and LGN II implemented in Kenya and Zambia from 2011-2013), and builds on the previous interventions, adapts existing training and awareness materials, with the focus remaining on the transport MSME sub-sector given the significant business growth and employment creation potential for MSMEs. The sub-sector is also characterized by large decent work deficits, including non-compliance with the labour laws. An additional sector, the MSME private security sub-sector, was added in 2015 in consultation with the tripartite partners. The sector provides huge opportunities for business growth and as with the Matatu sector, it is characterized by large decent work deficits.

Despite the achievements of LGN II (implemented in the public transport (Matatu) sector), the final evaluation conducted in June 2013 noted the need for additional support to achieve the needed self-propelled compliance with labour laws. The evaluation also noted the need to extend the focus to another similarly vulnerable sector and to provide support to the organization of workers and employers in the sector to jointly pursue common interests. Following the recommendations from the final evaluation of LGN II, the project added an additional sector to the continuing focus on the Matatu sector; the private security sector.

The Project design is based on a market systems development framework, whereby the project priority sectors in Kenya are treated as systems made up of entities that purposefully interact to generate economic benefits. The project therefore has three system levels of interaction, 1) micro-level, the market place where suppliers and buyers interact 2) macro-level, the policy, legal and regulatory framework (PLRF) determining the rules of conducting business in the sector (macro-level), and 3) meta-level, the implicit norms, values and perceptions held by system constituents towards the notion of compliance with these rules of engagement.

In June-August 2015, an independent mid-term evaluation of LGN III was conducted to assess the progress across major outcomes, performance against the targets and indicators, the strategies and implementation modalities chosen; partnership arrangements, constraints and opportunities and to provide strategic and operational recommendations as well as highlight lessons to improve performance and delivery of project results. The mid-term evaluation of LGN III noted that there have been notable gains made in the transport sector though there still remained challenges with regards to the voice of the sector workers (as half of the sector workers still haven't joined the union), despite the union successfully facilitating the signing of several Collective Bargaining Agreements.

1.3 Project objectives

The overall development objective of the LGN III project is to contribute to a more enabling policy environment for MSME development. The focus country is Kenya. The overall outcome is more and better jobs in the MSME sector in Kenya. The specific objectives are: (1) nurturing respect for the rule of (labour) law among micro, small and medium enterprises (MSMEs) in Kenya with particular emphasis on the public transport Matatu sub-sector and private security sector, (2) strengthening the capacity of ILO constituents to engage in social dialogue on the nexus between Labour Law compliance and MSME development and to facilitate sector-specific regulatory reform, and (3) strengthening the capacity of MSME to comply with the revised labour law and regulations.

The project aimed to deliver the following outputs:

1. MSME in the transport sub-sector in Kenya have increased knowledge of the labour law;
2. MSME in the transport sub-sector in Kenya have increased levels of compliance to the established labour law;
3. Increased knowledge among MSME about the cause-and-effect relationships between labour law compliance and business growth;
4. Increased knowledge among tripartite constituents and other sector stakeholders about best practice in facilitating an enabling policy environment for MSME growth;
5. Proposals for sector-specific regulatory amendments endorsed by tripartite stakeholders and submitted to Government;
6. Increased female involvement at all levels of participation in the transport sub-sector in Kenya;
7. Compliant MSME have been rewarded with access to organizational capacity development or growth finance or access to business contracts.

1.4 Project's funding arrangements

The project is implemented by the ILO and funded by the Norwegian Government with an initial budget of USD1,591,264 which was revised to USD1,369,557.25 in 2015 due to exchange rate losses. The funding is decentralized, whereby the budget is directly managed by the Country Office in...

1.5 Organisational arrangements for the project's implementation

The project partners include the national tripartite partners: Ministry of East African Community, Labour and Social Protection Labour (MOL), the Central Organization of Trade Unions in Kenya (COTU (K)), and the Federation of Kenyan Employers (FKE). These partners constitute, the National Advisory and Technical Committee (NTAC) responsible for in-country project planning and oversight. The project also worked

with social partners in the sub-sectors including: 1) the Matatu Owners Association (MOA); 2) Matatu Drivers and Conductors Welfare Association (MADCOWA); 3) National Transport Safety Authority (NTSA); 4) Kenya National Private Security Workers Union (KNPSWU); and 5) Private Security Industry Association (PSIA). These partners are involved in implementing activities in their sub-sectors.

2 Evaluation Background

2.1 Evaluation purpose and primary use

This was an independent final evaluation of the entire project duration from December 2013 to July 2016. The evaluation served to examine the project's overall achievements across all immediate objectives, with particular attention to synergies across objectives. The evaluation also assessed the sustainability of the interventions and the implementation of the recommendations made by the mid-term evaluation carried out in June-August 2015. The end of project evaluation findings will inform planning of future similar projects and recommendations for continuing with the work still to be done at the end of the project.

2.2 The clients of the evaluation and the main audience of the report

The clients and audience of the evaluation include ILO, national and sub-sector social partners of ILO in Kenya (MoL, COTU (K), FKE, KNPSWU, PSIA, NTSA, and MADCOWA), development partners involved in enterprise development, and the Norwegian government. It is intended that findings and recommendations of the evaluation will be used by both primary and secondary clients to improve project implementation towards desired outcomes and impacts in a possible next phase and/or in other similar ILO projects elsewhere and/or in the future.

2.3 Scope of the evaluation

The evaluation covered the entire implementation period of LGN III. In line with the ToRs (see Annex1) and the OECD/DAC evaluation criteria, the evaluation:

1. Assessed the **extent** to which the project has met its objectives and the level of achievement against each outcome and output.
 - Including an assessment on strengths and weaknesses, opportunities and challenges and any external factors that have affected the achievement of the immediate objectives and the delivery of the outputs
 - Drew lessons and provided concrete recommendations for future design and implementation of projects'/programs based on the evaluation findings and conclusions
2. Assessed the **project management** of implementation
 - Appropriateness of the strategy chosen, as well as the validity of the approach used. This will also provide the basis for highlighting the best practices and strategies that could be adopted in future projects.
 - determination of the extent the strategic approach of the project reflects the ILO comparative advantage and how the project is integrated in the ILO programmatic framework 2014-2015 and 2016-2017, as well as the contribution of the model to the DWCP and UNDAF
 - This exploration will also consider the cost-effectiveness of the project

3. Assessed the **sustainability** of the project through an examination of levels of ownership, quality of the interventions and strategies to address gaps and evolving needs of the beneficiaries' overtime.
 - Explores partnership opportunities with other UN Agencies and national partners to enhance sustainability.
 - Highlights recommendations for sustainability, lessons learnt and good practices.
4. Assess the project's **achievement of its overall goal and contributions to regional impacts**

The evaluation also assessed performance of the project on the following key issues for ILO: gender; tripartism, and social dialogue. The key evaluation questions are presented in Annex 1, Terms of Reference (TOR).

2.4 Evaluation criteria and questions

The Evaluation was informed by the evaluation questions in the TOR (Annex 1) which are organised according to six evaluation criteria as follows: 1) Relevance and strategic fit; 2) Validity of design; 3) project progress and effectiveness; 4) adequacy and efficiency of resource use; 5) effectiveness of management arrangements; and 6) impact orientation and sustainability. A Data Collection Plan was developed and is structured according to the ILO evaluation standards and norms and the glossary of key terms in evaluation and results-based management developed by the OECD's Development Assistance Committee (DAC). The detailed Data Collection Plan is presented in Annex 2 detailing the key questions and the indicators of assessment, methods and sources to obtain evidence/supporting documentation.

2.5 Dates events and the operational sequence of the evaluation

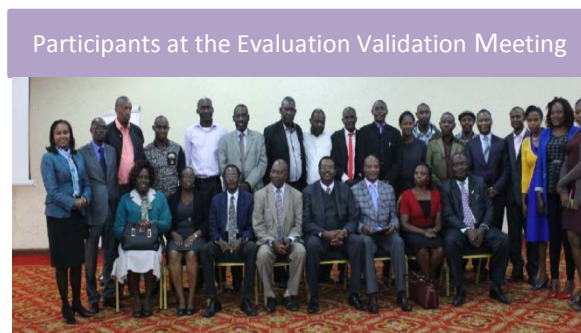
The evaluation process commenced on 19 July 2016. Field visits and stakeholder consultations/interviews took place from 1 – 11 August 2016. A validation meeting was held with the ILO, national and sub-sector social partners to verify the findings and provide additional evidence on 11 August 2016. A combination of comments from the validation meeting and review of the draft report were used to finalise the evaluation report.

3 Methodology

The evaluation was inclusive and participatory, with all stakeholder groups of the project included in data collection and validation and were given equal and free opportunity to air their views regarding project performance, perceived issues and possible actions. The evaluation ensured application of the United Nations (UN) evaluation standards and norms and Glossary of key terms in evaluation and the result-based management (RBM) framework. The evaluation followed the evaluation criteria of the OECD/DAC, addressing the Relevance, Effectiveness, Efficiency, Impact and Sustainability of the project.

The evaluation adopted both qualitative and quantitative methods in collecting and analysis data. The quantitative approaches aimed to quantify the results achieved by the project according to the targets set in the results framework. The qualitative approaches comprised key informant interviews and focus group discussions and were used to interrogate perspectives and results beyond the quantitative analysis (outlined in the data collection plan, annex 2).

Key activities of the evaluation were the following: 1) documentary review including the programme's M&E database; 2) consultations at national level using key informant interviews and focus group discussions; and 3) consultations at county level using a variety of methods, observations, in-depth key informant and group interviews. In summary the methods draw on subjective and objective sources of data to provide a balanced and insightful report. To support this, verification and triangulation formed the basis for making conclusions.



3.1 Evaluation methods, data collection instruments and information collected

As highlighted above the main evaluation methods were: documentary review and key informant interviews.

3.1.1 Documentary review

Documentary review was conducted throughout the evaluation to determine results achieved, progress in activities, lessons learnt, challenges encountered in project implementation, including reasons for achievement and non-achievement of objectives. These issues were further discussed and validated during interviews with stakeholders. This also included a review of outputs produced by the project which also served as verification of work completed. The list of key documents reviewed is presented in Annex 6.

3.1.2 Primary data collection

Sampling

Total population sampling of organisations involved in the project was undertaken with individuals in these organisations deemed to have knowledge (those that were the contact points for the project) on the project. The project partners interviewed were selected based on their representation of the sectors the project was working in (they constitute the largest employer and worker associations in Kenya). In addition, employees and owners were selected by their respective associations.

Key informant interviews

Consultations were conducted at the national and county level (Nairobi, Kiambu and Nakuru⁶). A list of specific stakeholders consulted during the evaluation is presented in Annex 4.

Telephonic interviews were held with key ILO informants in Geneva and Dar-es-Salaam.

Key informants provided information guided by the topic guides presented in Annex 5. These guides informed by the TOR, were organized according to the evaluation criteria and responded to specific questions asked by the TOR.

Evaluation limitations

- Lack of an M&E framework with baseline and current data limited the level of analysis on progression/changes per outcome.
- Lack of updated and fully functional database. Validation/verification of outputs produced relied on review of the tangible deliverables (which took time) as opposed to relying on a comprehensive database
- Due to limited data against some of the indicators in the M&E framework an in depth analysis was not possible
-

4 Findings

This section presents the evaluation's findings. It is structured according to the evaluation criteria:

1. Relevance and strategic fit
2. Validity of design
3. Programme effectiveness
4. Efficiency of resource use
5. Effectiveness of management arrangements
6. Impact orientation and sustainability

4.1 Relevance and strategic fit

Relevance measured the extent to which the objectives of the Law Growth Nexus III programme were consistent with the evolving needs and priorities of the beneficiaries, partners, and stakeholders. It also assessed the strategic fit of the project within ILO's, UN, and government of Kenya development frameworks.

⁶ The evaluators did not travel to Nakuru but met the Nakuru based Private company owning Matatu in Nairobi.

The evaluation concludes that the Law Growth Nexus III: Labour Law and the Enabling Business Environment for MSMEs in Kenya Project (LGN III) remained relevant to the national development context. It contributed to the achievements of Vision 2030 and Second Medium Term Plan. Stakeholders were generally satisfied that the LGN III was appropriately aligned with Kenya’s development aspirations and priorities as well as their needs in the two sectors.

4.1.1 Was the project relevant to the achievements of the outcomes in the Kenya Vision 2030 and Kenya Second Medium Term Plan (MTP II) 2013-2017?

The project was aligned to Kenya’s development framework espoused in the vision 2030, and the Second Medium Term Plan. The table below provides a summary of the key national development plans and strategies to which the Project is contributed.

National Development Framework	Relevant Outcome
Vision 2030	<ul style="list-style-type: none"> • Achieve a "globally competitive and prosperous country with a high quality of life by 2030." The Vision is anchored on three key pillars: 1) Economic; 2) Social; and 3) Political Governance. • Cross-cutting factors (under Human Resource Development priorities) that influence the productivity of human resources, such as employment security and labour relations.
Second Medium Term Plan, 2013 – 2017	<ul style="list-style-type: none"> • The Government is committed to create 1 million new jobs annually to address youth unemployment and also improve skills training. • The Government will also seek a major and permanent shift toward formal employment, with the aim of increasing the proportion of modern sector employment from 12 per cent in 2012 to 40 per cent by the end of the plan period. • The government will implement the MSE Act 2012 to ensure a vibrant Micro and Small Enterprise (MSE) sector for employment and wealth creation. • Implementation of National Road Safety Programme including operationalisation of the National Transport and Safety Authority

4.1.2 How well did the project complement and fit in with the country assistance plans for the UN, such as the ILO DWCP as well as other on-going UN Programmes in the country?

The LGN III resonated with the Kenya Decent Work Country Programme (DWCP) and United Nations Development Assistance Framework (UNDAF). Stakeholders were generally satisfied that the LGN III complemented the priorities of cooperating partners.

UN Plan, Programme or Project	UN Outcome and Outputs
UN Sustainable Development Goals or Agenda 2030	<ul style="list-style-type: none"> • Goal 8 Decent Work and Economic Growth

UN Plan, Programme or Project	UN Outcome and Outputs
United Nations Development Assistance Framework (2014-2018) for Kenya	<ul style="list-style-type: none"> • Outcome 1.1 Output 1.1.1 Human right-focused policies • Outcome 2.4- Social Protection: By 2018 social protection policy and strategies ensure Governments’ effective leadership role, sustainability of achievement, and promotion of innovation and learning; and the social protection systems are adequately resourced, devolved, well-coordinated, effective, efficient and sustainable • Outcome 3.1- Productive & business environment: By 2015 Kenya’s productive & business environment are reformed to effectively nurture local capacities, attract internal and external investments and promote ownership, innovation and entrepreneurship • Outcome 3.3- Job creation, skills development and working conditions: By 2018 formal and informal sectors in urban and rural economies create employment that is safe, healthy, secure, productive, gainful and that is equitably accessible for women, youth and vulnerable groups; workers have adequate skills to match market demand
Kenya Decent Work Country Programme (DWCP) 2013 -2016	<ul style="list-style-type: none"> • Priority 1: Enhancing Social Protection through policies and actions that promote social assistance, social security and health insurance Outcome 1.1: Increased access to social security benefits for workers including those in the informal economy, and the unemployed Outcome 1.2: Improved working terms and conditions accessed by women and men workers • Priority 2: Promotion of employment creation and employability Outcome 2.1: Improved access for young women and men to decent and productive employment opportunities Outcome 2.2: Increased business growth for MSEs • Priority 3: Strengthening Industrial Relations Outcome 3.1: Enhanced labour relations and industrial peace through social dialogue
Relevant ILO Country Programme Outcomes (CPOs)	<ul style="list-style-type: none"> • KEN 130 CPO-Young women's and men's entrepreneurial skills for self-employment and SME activities enhanced • KEN 131 CPO-Employment created through increased opportunities for women and men members of cooperatives
ILO Programme and Budget (P&B) 2014 - 15	<p>Outcome 3: Sustainable enterprises create productive and decent jobs</p> <p>Outcome 12: Tripartism and strengthened labour market governance contribute to effective social dialogue and sound industrial relations</p> <p>Outcome 14: The right to freedom of association and collective bargaining is widely known and exercised</p>

4.1.3 How well the project complements and fits with other ILO projects in Kenya?

The LGN III was designed to complement various ILO projects in Kenya and other on-going UN programmes and projects in the country. It was envisaged that the LGN III would “continue building the capacity of the MSMEs, as well as the workers’ and employer organizations reached so as to support multi-

stakeholder efforts to deal effectively with HIV through increased awareness creation and training programmes and facilitating linkages with organizations offering HIV and AIDS support.”⁷

Within the ILO, the LGN III developed partnerships with the ILO Youth Enterprise Facility and Women Entrepreneurship Development and Economic Empowerment Project (WEDEE). LGN products on labour laws for MSME’s were utilised by the projects and vice versa. YEF incorporated labour laws applicable to MSMEs in the ‘People in Productivity’ module of the IYB training module. YEF provided LGN III business skills training to Matatu owners utilising training materials developed by the YEF.

4.1.4 What links were established with other activities of the UN or non-UN international development aid organizations at local level?

The LGN III was expected to broaden the national outreach through partnerships and synergies with similar programmes of UN and non-UN international development aid organizations at local level. To this end, LGN III would *“work to bring on board other UN agencies...so as to leverage their influence and space in the MSME sector as well as where possible their resources to support a broader and deeper penetration of the MSME sector without putting too much additional financial strain on the resources of LGN III. This would be achieved through focused and targeted joint activity. The entry point was UN Country Team in Nairobi.”* In this regard, the LGN contributed to the UNDAF Strategic Result 1 on Transformational Governance and specifically under Output 1.1.1 Human right-focused policies. LGN’s contribution was facilitation of stakeholder inputs to the Draft Private Security Regulations Bill 2014 and engagement with the relevant parliamentary committee to ensure incorporation of International Labour Standards. On account of the positive impact of the LGN project on the Matatu sector, the LGN was selected as one of the best practices to be documented in a series of documentaries’ that the UN country team was developing. The LGN was selected to represent Outcome 3.1 Productive and business environment and record the training for Matatu owners on labour laws and business management and interview Matatu owners on the benefits of the training to their businesses.

Partnerships with other UN agencies was developed with UNAIDS and UNIDO. A component on labour laws awareness was incorporated in work undertaken by UNIDO to strengthen the extractive sector in Kenya to apply measures that, among others, protect the environment, generate employment opportunities particularly for women, youth and marginalized groups, invest in community development and social services. However, links with non-UN organisations were not pursued.

Attempts were made to engage non UN development partners towards the end of the Project in February 2016. The NTAC had requested the project to engage Friedrich Ebert Stiftung (FES) on possible areas of collaboration in the trainings/SACCO formations and management in line with the project objective, to strengthen the capacity of MSMEs to comply with the revised labour laws and regulations.

4.1.5 Was the project relevant to the needs of the beneficiaries?

The LGN III was highly relevant to the needs of the beneficiaries, and this was demonstrated by stakeholders’ acknowledgement that the project contributed to bringing sanity to the Matatu sector. Previously the sector was disorganized, chaotic and with huge decent work deficits. The target beneficiaries of the LGN III were, as was the case in the LGN II, the MSME owner-managers and their workers. This was expanded to private security employers and employees.

⁷ Law-Growth Nexus III: Labour Law and the Enabling Business Environment for MSMEs in Kenya Project Document.

Workers in the two sectors faced huge decent work deficits: they had no contracts of employment, worked long hours and had no social protection. Matatu owners, on the other hand, were at the mercy of the drivers and conductors and the government was losing revenue due to challenges in regulating the sector. Workers that had benefitted from the projects interventions had become more aware of their rights. The Matatu owners and private security industry also increased their knowledge and awareness of labour laws, decent work and human resources management. The social partners all benefitted from the improved social dialogue in a sector where there was previously little or acrimonious relationship. Collectively, stakeholders, through the projects support for advocacy, were able to influence the enacting of new legislation and regulations. The project also offered support and opened opportunities for the social partners to engage and organize workers and employers in the two sectors.

4.2 Validity of design

In carrying out the assessment of validity of design the evaluation assessed how well the project was conceived, appropriateness of its logic, inclusion of gender and effectiveness in addressing tripartism, and social dialogue.

The evaluation found the design of the project to be appropriate as it addressed the key elements of the supportive framework for the linkage between labour law compliance and growth: appropriate policy, legal and regulatory framework; attitudes towards labour law compliance; and 3) support for enhanced capacity to perform better in the market place. The participation of stakeholders from design of the project, supported by the transition process from LGN II to LGNIII, was an important feature that contributed to building ownership of the project among stakeholders. Gender was recognised in the project design but the strategies fell short in enhancing gender responsiveness in employment in the two sectors. Tripartism and social dialogue were strong the project.

4.2.1 Was the design process adequate?

The design process was adequate. Stakeholders interviewed confirmed and expressed satisfaction with their involvement in the programme design, identification of sectors and activities. These included the national tripartite stakeholders and those from the public transport sub-sector (MOA and MADCOWA). Engagement in the design was fostered by the fact that the design of LGNIII occurred in LGNII with the same stakeholders actively involved in shaping its design and activities to be implemented. Review of the minutes of the NTAC also shows that the tripartite stakeholders were involved in the selection of the private security sector.

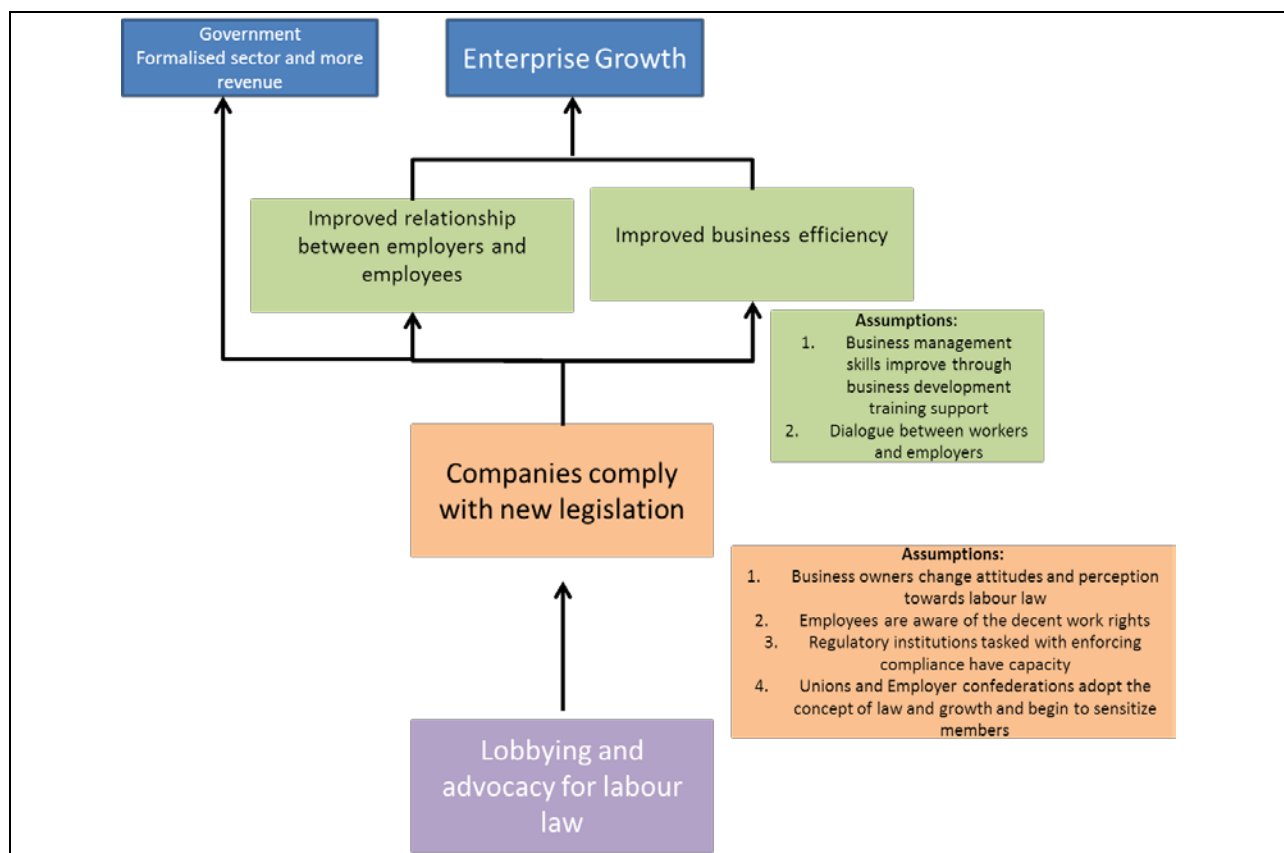
4.2.2 Was the project logical and coherent? Did outputs causally link to the intended immediate outcomes/objectives?

LGNIII was designed to build on the successes and unfinished business in LGNII. LGNII was successful in providing the appropriate policy, legal and regulatory framework (PLRF) for formalisation of the public Matatu sector in Kenya. LGN III was therefore designed to facilitate compliance to this new PLRF for the Matatu sector. To support this, it used the market systems development framework which addressed three levels: 1) the micro level (which represents the market place); 2) macro level (representing the PLRF); 3) the metal level (notion of compliance with these rules of engagement). Addressing these three levels through the three objectives of the project ensured a holistic design. From interviews with Matatu SACCOs, MOWA and MADCOWA it was clear the link between formalisation and growth in the Matatu sector for example, was supported by the intersection between:

1. regulatory framework
2. attitudes towards compliance and capacity to comply with the regulatory framework; and
3. Interaction between the enterprise and the market underpinned by better working relationships between employers and employees.

Figure 1 provides a depiction of a simplified theory of change for the linkage between formalisation and enterprise growth. The causality pathway between labour law compliance and enterprise growth is underpinned by 1) changing perceptions and attitudes among business owner towards labour law compliance on business growth; 2) awareness among employees of the labour law and their rights for decent work; 3) capacity of regulatory authorities to enforce compliance to labour legislation; and 4) that trade unions and employer confederations adopt the concept and sensitise their members. Findings of the evaluation show that compliance alone does not lead to growth. Matatu owners that had made strides in complying with the labour laws, (Prestige Shuttle Tours and Travel Ltd, Omar Services and Kangomi SACCO) highlighted that compliance needed to be supported with improving dialogue and relationships between the employer and employee underpinned by improved business and human resources management by the employer. The improved relationship leads to an increase in the sense of ownership of the company among employees. This in turn decreases the number of accidents, improves customer care etc. which contribute to business growth. On the other hand formalisation of employment also influences employers to think differently about enterprise management, focused on maximising efficiency. With formalisation (and enterprise growth) of the sector government revenue would increase.

Figure 1: Simplified theory of change for the nexus between law and growth



The LGNIII activities and outputs were largely aligned to this theory of change through:

1. Provision of training on labour laws to MSES;
2. Facilitation of the PLR reforms; and
3. Facilitating social dialogue for compliance.

However, the project had limited support for interaction between the enterprise and the market. As shown in the theory of change (Figure 1), it is this interaction embodied in improvements in customer care, service delivery mechanisms and processes that supports the link between formalisation and enterprise growth. This improvement in interaction is in turn influenced by an improved worker and employee relationship because of: 1) contractual obligations for employer and employee; and 2) improved business management. Business management skills are an important component of this programme to support the link from formalisation to growth. This can be observed in the few SACCOs and Matatu companies supported with business development skills under the organisational development capacity support to showcase benefits of compliance. The project, in the design could have considered this important element and facilitated greater linkages with business development support to ensure the linkage between formalisation and growth is achieved.

The theory of change also applies to the private security sector as well but the approach was not as comprehensive as for the Matatu sector. In the private security sector the project focused on building an appropriate regulatory framework and raising awareness of labour law among private security employees, as requested by stakeholders in the private security industry. However, the issue of compliance underpinned by the limited operationalisation of the new Private Security Regulation Act remained a major obstacle to achieving the results chain. More time was needed by the project to support this aspect of the legislation which was passed in 2016.

4.2.3 Did the project adequately consider the gender dimension of the planned interventions? How has the design integrated the role of women in the sector?

It was clear from the onset, and confirmed in the baseline survey carried out in LGN II that the Matatu sector was a male dominated sector. This was largely due to the rough, masculine disposition and disordered nature of the Matatu business. The challenges in the sector that contributed to the minimal female employment included the long working hours, police harassment, and physical altercations among drivers and conductors in trying to entice customers to their vehicles. One woman worker of the Matatu industry highlighted that in the past women working in the Matatu sector would be despised. Similarly, the survey for private security sector conducted in LGN III showed that the sector was also male dominated.⁸

The project's expectation was that *"through the intervention of the project, and building on from the work in the second phase in furthering promotion and uptake of labour standards in the MSME sector through nurturing the respect for the rule of law, social dialogue and specific sector regulatory reforms, the MSME sectors targeted will be supported to provide an improved working environment and hence will be able to attract increased female participation, especially from women who have hitherto kept away from these sectors due to the harsh conditions."* In tandem with this, one strategy proposed in the project document,

⁸ The survey results showed that the private security industry was a male dominated industry. Less than one-fourth (24.9%) of the 534 industry employees interviewed were females with 75.1 per cent being males.

based on the evaluation of LGN II was “... consider among the criteria selection of MSME sectors, those that have an important representation of women”.

The Private security sector was selected as the second sector for LGN III support. The sector, although still male dominated, presents huge potential for the recruitment of women. This was recognised by the Law Growth Nexus III Project – Technical Committee, one of whose criteria for selecting the private security sector as the new sector for intervention, was that “*more and more female workers have been engaged in the sector and it would be important to ensure that their labour rights as well as the rights of all workers are respected.*”⁹ The Private Sector Industry Association is conscious of female involvement and the need to facilitate their participation both in the office and the field. The Industry took deliberate measures to promote female employment in the sector by reserving the day time slots and soft assignments (guarding apartments, offices, banks, schools etc.) to females. The sectors potential to attract females also benefitted from the country’s heightened security situation and the authority given to private security personnel through the Private Security Regulatory Act to conduct body searches for persons at entry points. This has resulted in increased recruitment of female private security personnel.

However, the recruitment of females is not even across companies as there is no gender policy at the employers’ association and employee union level to guide measures to make the private security sector gender responsive (in recruitment and working conditions). This represented a potential entry point for the project. These opportunities could not be explored as the project had no strategy for improving gender responsiveness of the sectors although it aimed to increase the participation of women in the two sectors. Nonetheless, project staff encouraged social partners (employers and workers) to ensure conditions were favourable for the participation of more women in organisations. For example discussions with the KNPSWU highlighted that visits by LGNIII staff to women cadets and the awareness raised on their equal participation in the union had inspired them to run for union leadership elections.

4.2.4 How well did the project address tripartism?

Participation of the tripartite partners was strong in the project at both the national level and the sub-sector levels. The NTAC ensured all tripartite partners contributed to planning and decision making. Members were also involved directly in the implementation of activities. FKE trained employers in the Matatu and Private Security employers on labour laws, and SIYB. Through the project, FKE has established an SME desk to roll out recruitment of SACCOs as members.

COTU on the other hand was involved in the following activities:

1. training of labour unions and members in the sub-sectors on labour laws. Trained private security personnel during parades on labour laws. Training of drivers and conductors in the Matatu sector;
2. lobbying for the Private Security Regulation Act; and
3. organising workers. In the private security sector COTU, through the project was able to unionise the private security workers union and sign collective agreements with employers. In the Matatu sector COTU is in discussions with the multiple labour unions to organise them.

Ministry of Labour participated in the planning, decision making and directly in the implementation of activities.

⁹ Minutes of the Law Growth Nexus III Project – Technical Committee Meeting Nairobi Safari Club, Nairobi Kenya 4th June 2014

While tripartism was strong in the project there were some concerns. The Project in conjunction with the ILO YEF facilitated the Kenya Federation of Employers (KFE) to train Matatu owners with a view to incorporating the MOA into joining KFE. Resulting from this intervention, some SACCO in Kisumu affiliated to the KFE Kisumu Region. Nonetheless, further engagement by FKE with Matatu owners have potential to tap into this group of employers for membership. The Private Security Industry Association did not require any intervention in this area as the Association was already affiliated to FKE.

There were challenges to bringing the workers into the organized workers organizations in the Matatu. This was mainly because the projects main workers interlocutor, MADCOWA was not registered as a trade union; it was registered as a welfare society and could therefore not affiliate to COTU (K). Attempts by MADCOWA to register as a trade union were not successful as they are 2 other unions registered representing workers in the transport sector. There was however some level of cooperation between the COTU (K) and MADCOWA, but the level of engagement is undermined by MADCOWA not being an affiliate of COTU (K). At the time of the evaluation, MADCOWA was exploring the possibility of its members' joining the Kenya National Union of Cooperative Workers to circumvent the hurdles to registration.

4.2.5 How well did the project address social dialogue

As highlighted in the project document the project provided opportunities for entrenching social dialogue within the MSME priority sectors on issues related to labour and employment policy, legislation affecting labour and employment in the priority sectors. Support from the ILO enhanced dialogue between employers' associations and employee unions in the security sector to reach common ground on issues to reflect in the Private Security Regulation Bill which has since been accented into law by the Kenyan president in May 2016.

“ILO helped to finance meetings for dialogue. The project helped to bring us together.” Interview with the PSIA

The project also strengthened the position and recognition of the KNPSWU by COTU (K) as it presented an opportunity for them to interact with the COTU (K) hierarchy. This has resulted in the KNPSWU receiving a seat in the Executive Board of COTU (K). In the Matatu sector, the ILO has been able to facilitate social dialogue between the MOA, MADCOWA and the regulatory body, the NTSA, on improving the ease of doing business in the sector. This dialogue was still at infancy at the time of the evaluation and mainly undermined by the lukewarm participation of the NTSA in the project.

4.3 Project effectiveness

The assessment of effectiveness focused on the extent to which the project's objectives were achieved, or were expected/likely to be achieved.

The project by and large achieved the set objectives. The project leveraged on the successes and challenges of the preceding phases. LGN III consolidated the advocacy and awareness raising on labour laws among MSMEs in the transport sector which began in LGN II, and extended to the private security sub-sectors. Demonstration of the business case for compliance by the project provided a facilitative platform for ILO constituents to engage in social dialogue on the nexus between Labour Law compliance and MSME development and to facilitate sector-specific regulatory reform. Nonetheless, the business case for compliance seemed to favour long distance Matatu operators more than the short distance

operators. This is because the long distance operations had centralized collection of fares at the offices and drivers no longer handled cash. The Matatu owners were in control of the income as all bookings for travel and payment of fares were done at the operators' offices and involved no middlemen, a role performed by conductors on the short distance operations.

Overall, significant progress was made, albeit with some challenges, mainly in strengthening the capacity of MSME to comply with the revised labour law and regulations and establishment of the regulatory body in the private security sector.

4.3.1 To what extent have the expected outputs and outcomes been achieved?

Based on the results of the monitoring by project team¹⁰, the LGN achieved the project objectives at the outcome level. Significantly, the project achieved all the outcomes for which data was available as Table 1 below shows. In the two indicators, where data was not available, stakeholders interviewed indicated that the regulatory reforms in the Matatu sector had increased ease of doing business and increased incomes for the businesses¹¹. According to the survey commissioned by the Project, the 4,566 new jobs that were created were all in the Matatu sector and comprised new jobs and those jobs whose condition were now considered decent. While there are other factors that were identified to have contributed to the increase in jobs, such as new investors entering the sector in response to the order that had been brought into the sector by the regulatory reforms which resulted in more vehicles being bought, stakeholders noted that the Project could still take the credit as it had contributed to bringing order to the sector through its interventions. The lack of data points to inadequacies in the M&E system discussed in Section 4.5.

Table 1: Achievement of all outcomes and targets

Outcome indicators	Target	Actual
Overall Outcome Indicator		
More and better jobs in the MSME sector (No. of new jobs created in the MSME reached with project support)	3,500 (500 women)	4,565 (1,048 women)
Immediate Outcome Indicators		
Immediate Objective 1: To nurture respect for the rule of (labour) law among MSME with particular emphasis on the transport sub-sector		
% improvement in levels of perception of MSME reached with project support in priority sectors towards labour law	80%	90%
% of MSME reached with project support reporting increased ease of doing business as a result of regulatory reforms initiated by the project	66%	Data not available
Immediate Objective 2: To strengthen the capacity of ILO constituents to engage in social dialogue on the nexus between Labour Law compliance and MSME development and to facilitate sector-specific regulatory reform		
Number of employers' and workers' organizations and MSME associations that have taken active part in the policy debate on the nexus between Labour Law compliance and MSME development	At least 2	7

¹⁰ The project obtained the data from questionnaires submitted at the end of training that it conducted and from a survey it commissioned towards the end of the project, whose preliminary results the evaluation used

¹¹ The two indicators where data was not available were: % of MSME reached with project support reporting increased ease of doing business as a result of regulatory reforms initiated by the project and the no of MSME reached with project support reporting increased income after treatment.

Outcome indicators	Target	Actual
Number of regulatory reforms completed	At least one reform completed	One completed
Immediate Objective 3: To strengthen the capacity of MSME to comply with the revised labour law and regulations		
% of MSME reached with project support improving their compliance levels as a result of project support, here expressed as compliance with minimum wage legislation	20 %	75%
The no of MSME reached with project support reporting increased income after treatment	500 MSMEs	no data available
Number of MSMEs reached with project support reporting direct increased female participation	300 MSMEs	420

KEY	Description
	Target exceeding final-term milestone
	Target below final-term milestone but likely to be achieved
	Target below final-term milestone and unlikely to be achieved

At the output level, the Project exceeded the targets in the percent of MSME in the priority sectors reached with project support that reported increased knowledge of the labour law and those that had an increased understanding on best practices in facilitating an enabling policy environment. Table 2 shows the project's achievements on all outputs and targets. the project faced some challenges which led to it failing to achieve some of the targets, notably the numbers of trainers and master trainers trained by the project, MSME owner managers that accessed compliance training and related business development support services, and the number of MSME accessing business finance or government contracts or organizational capacity building support after boosting their compliance levels.

Table 2: Achievement of all outputs and targets

Output Indicators	Target	Actual
Output Indicator		
Immediate Objective 1: To nurture respect for the rule of (labour) law among MSME with particular emphasis on the transport sub-sector		
Output 1.1: MSME in Kenya have increased knowledge of the labour law		
% of MSME in the priority sectors reached with project support that report increased knowledge of the labour law after treatment	66%	80%
Output 1.2: MSME have increased knowledge about the business case underpinning compliance		
% of MSME reached with project support reporting increased awareness of the business case underpinning compliance after treatment	50%	70%
Immediate Objective 2: To strengthen the capacity of ILO constituents to engage in social dialogue on the nexus between Labour Law compliance and MSME development and to facilitate sector-specific regulatory reform		
Output 2.1: MSMEs have increased knowledge through increased social dialogue with tripartite constituents and other sector stakeholders about best practice in facilitating an enabling policy environment for MSME growth		
% of MSME reached through the project have an increased understanding on best practices in facilitating an enabling policy environment	50%	65%
Output 2.2: Proposals for sector-specific regulatory amendments endorsed by tripartite stakeholders and submitted to Government		

Output Indicators	Target	Actual
No of proposals for regulatory reform submitted through MSME stakeholders on the technical and advisory committee to Government	One reform	One reform completed
Immediate Objective 3: To strengthen the capacity of MSME to comply with the revised labour law and regulations		
Output 3.1: MSME in priority sectors have access to business development services aimed at boosting their capacity to comply with the labour law and regulations		
No of trainers and master trainers trained by the project	200 (40% women)	117 (35 or 30% women)
No of MSME owner managers that have accessed compliance training and related business development support services as a result of the project	1000	949
Output 3.2: Compliant MSME have been rewarded with access to business finance or government supplier contracts or organizational capacity development support		
Number of MSME reached with project support accessing business finance or government contracts or organizational capacity building support after boosting their compliance levels	100	8

KEY	Description
	Target exceeding final-term milestone
	Target below final-term milestone but likely to be achieved
	Target below final-term milestone and unlikely to be achieved

The project scored very low on Output 3.2 (Compliant MSME have been rewarded with access to business finance or government supplier contracts or organizational capacity development support) largely due to factors outside the control of the project. The project had initiated discussions with the National Transport and Safety Authority on how compliant MSMEs could be rewarded. Unfortunately the compliance audit that was supposed to have been concluded by the NTSA to help filter compliant MSMEs had not been undertaken by the time of the evaluation. This led to the project developing a reward and incentive system for compliance that national stakeholders (MOA, NTSA and county governments) can easily scale up. With this system, reward and incentive is through a competition that identifies the best performing Matatu SACCO or company from customer and employee feedback. The winners are provided trophies as recognition of their performance.

Compliance in the Matatu sector could also have been enhanced by facilitating linkages between the Cooperative Societies Act 2004, Labour Law, and regulation of the public transport industry through the NTSA Act. The Cooperatives Act provides provision for monitoring of cooperatives which also incorporated the Matatu industry as it is a requirement for registration to operate to join either a cooperative (SACCO) or a private corporate company. This overlap provided opportunities for the project to facilitate leveraging compliance monitoring and sector support through the Ministry of Labour and the Department for Cooperatives.

4.3.2 Were outputs produced and delivered as per the work plan?

The delivery of project outputs was not always in accordance with the work plan. The translation of the Swahili version of the labour laws and mobile application on labour laws, for example, were produced towards the end of the project, in fact during the no-cost six month extension period. In the early stages of the project implementation cycle, activities had to be rescheduled to match the budget availability. This

was harmonised with the receipt by ILO of the donors' commitment for funding reinstatement by the close of December 2014. Other delays were caused by lengthy process to procure services to undertake certain activities. For example, the delay in the development and launch of the mobile application was a victim of the inclusive approach that the Project had adopted from LGN II in the procurement, evaluation and assessment of consultancy services. There were delays in getting feedback from technical committee members which resulted in added costs, but on a positive note, this improved the quality of the product (as shall be discussed in Section 4.4). Furthermore, the Ministry of Labour insisted on getting a buy-in the mobile application from all county officers and relevant departments. The application had to be approved by the Labour Board, a process outside the Projects control but necessary to give the application approval at the highest policy level in the tripartite dialogue structures.

In the case of the Swahili translation, the process of tendering had to be done twice as the first attempt yielded only one response. The second call for consultancy services had four expressions of interest which the technical committee evaluated.

4.3.3 How do the stakeholders perceive them?

All the project stakeholders' viewed the project's outcomes and outputs as highly beneficial to their needs. There was no doubt in the minds of stakeholders that the LGN III has contributed to addressing the needs of the Matatu and private security sectors. The conditions of employment and social protection coverage for drivers and conductors in the Matatu sector improved as a result of project support. Matatu owners and Savings and Credit, Cooperatives (SACCO) managers acknowledged that the project had helped their businesses acquire knowledge and awareness of decent work and human resources management. The introduction of contracts of employment, code of conduct and company guideline had a positive impact on changed employment relations between owner and drivers. In the past the Matatu owners were at the mercy of drivers and conductors. The drivers and conductors who were employed on daily wages paid themselves and remitted the balance (often an agreed amount) of the income earned on a particular day to the owners. The consequence of this type of employment relations was that there was gross abuse of the vehicles by the drivers in their quest to maximize their own earnings.

The trainings supported by the LGN III augmented the new regulations in the transport sector to instill a sense of discipline and have motivated drivers and conductors to perform better. Drivers and conductors were motivated by the guarantees of permanency of employment, pension upon retirement and remuneration in the event of illness or temporal redundancy occasioned, for example, by vehicle breakdowns. The new employer – worker relations created an atmosphere whereby drivers and conductors now considered themselves as an integral part of the company. This resulted, according to some stakeholders interviewed, in reduction in operational costs (i.e. reduced costs of vehicle maintenance due to better care of the vehicles by drivers, reduction in accidents) and higher profits.

4.3.4 Did the benefits accrue equally to men and women?

The nature of the sectors selected for project support was inherently male dominated. The Baseline Surveys carried out LGN II and LGN III for the Matatu and private security sector respectively, confirmed that the sectors were male dominated. Notwithstanding this, there was some increase in employment of females in the Matatu sector, especially in the SACCO backroom support offices but not as drivers or conductors.

4.3.5 *In which area (component) did the programme have the greatest achievements so far? Why and what have been the supporting factors?*

The Project had greater achievements in in the Matatu Sector compared to the Private Security Sector. This was in part due to the fact that the interventions in the Matatu sector were building on activities and progress made in LGN II while the private security interventions were initiated in LGN III. In addition the intervention approach requested by Private Security employers meant that the focus on the interventions for employers was on the regulatory framework. Private sector employers opted to focus on putting in place an enabling legislative and regulatory environment. It was essential, in their view, that there was need to put in place a regulatory framework to enforce the Regulation of Wages [Protective Security Services] Order which faced enforcement challenges. This emanated from the concerns of larger Private Security employers who claimed that the playing field was not level when it came to government procurement. They noted that smaller companies were at an advantage and undercut the larger companies as they did not adhere to labour laws (such as adherence to minimum wage and contribution to social security and health insurance) which made their costs lower.

The Project made the greatest achievements in the project components that supported stakeholders to lobby and advocate for legislative and regulatory changes. As was the case in LGN II where, through lobbying and advocacy by the Matatu stakeholders, labour aspects were introduced to the Traffic Amendment Act 2012,¹² the private security sector successfully lobbied for regulatory reform. Supported by the project, the advocacy and lobbying efforts resulted in the enactment of the Private Security Regulation Act, 2016 which establishes the Private Security Regulatory Authority.¹³ The Project facilitated social dialogue through its continued work on capacity building and strengthening of FKE and COTU (K) to increase the understanding in FKE and COTU (K) on best practice in facilitating an enabling policy environment for MSME growth. The social dialogue was enhanced through the setting up of structures for social dialogue – through the NTAC. In the Private Security Sector, ILO Constituents divided up tasks in a joint plan to dialogue with and lobby the parliamentary committees.

4.4 Efficiency of resource use

In this evaluation, efficiency of resource use measured how resources/inputs (funds, expertise, time, etc.) were economically converted to results. Although no actual cost benefit analysis was done, the evaluation focused on other qualitative value estimation (quality of outputs, satisfaction of beneficiaries with the outputs etc.).

The evaluation concludes that resources were used efficiently in the project and provided value for money. Measures were put in place to safeguard cost escalation, implementation of activities was largely on time and the quality of interventions was satisfactory. The project could have improved efficiency f resource use further by exploring partnerships with the private sector (especially suppliers of Matatu buses) to extend scale of the project.

¹² Section 5 (1) of the National Transport and Safety Authority (Operation of Public Service Vehicles) Regulations, 2013 states ‘A person desirous of operating public service vehicles shall be a member of a body corporate and shall (e) comply with labour laws and regulations including in respect to statutory deductions, health and safety of the workplace, Work Injuries benefits Act insurance, statutory leave days and written contracts of employment for staff’

¹³ Section 68 (1) (j)of the Act stipulates that a registered private security provider shall ‘develop internal systems of governance including a code of conduct, and policies on the recruitment, training, financial and contractual policies and registration of employees, amongst other things, and these systems will be open to public scrutiny at all times’

4.4.1 *How efficient was the project in utilizing project resources to deliver the planned results? How efficient was the project in delivering on its outputs and objectives?*

The assessment of efficiency of resource and delivery of outputs and objectives was done through three lenses:

1. Measures put in place for efficient use of resources;
2. Timeliness in implementation of activities (whether activities are implemented according to the work plan); and
3. Quality of activities and support.

How did the project measure the efficient use of resources?

Several measures were put in place to support efficient implementation. Based on lessons from LGN II and other ILO programmes in Kenya, the project adopted a leaner apex structure made up of the tripartite members to enable timeliness in decision making. Other stakeholders from the sub sectors were engaged in direct implementation.

Secondly the tripartite members were involved in the development of Terms of Reference, tender reviews and decision making for potential services required by the project. This process ensured selection of service providers that presented the best value for money.

Third, the project staff realised that discussing labour laws alone would not attract a large numbers of attendees to awareness workshops. To achieve higher numbers and therefore lower cost unit for reach, the project in many cases also invited others to add value to the meeting such as banks, insurance companies and the NTSA. Using this approach, participants would not only come for labour law presentations but also to obtain information on business opportunities.

Partnerships with MOA, MADCOWA, and MSEA enabled the project to leverage a wider reach of a geographically dispersed target group with a limited budget thus gaining economies of scale. For example, MOA was incorporating issues of labour law advocacy and awareness raising in its meetings and activities with members, the same with MACDOWA and MSEA. Similarly, ILO staff were invited to meetings of its partners e.g. the East African Transport Confederation, FKE Regional Naivasha Employers Summit, where project staff were able to preset the project's agenda. While this is commendable, the depth of addressing the issue of labour laws within planned programmes for these organisations is limited as it is treated as an add on rather than a separate activity.

Annual joint work planning, and budgeting with tripartite partners promoted through the programme also helped to ensure the project's cost effectiveness. The meetings enabled the project staff to prioritise activities that are key and with more likelihood of success and contribute to its objectives.

The staff complement for the project was kept lean throughout the project which had benefits of limiting overheads and decreasing the cost of implementation. The deliberate decision to not purchase a vehicle but to use the ILO country office vehicle, hired vehicle (when required) and those from partners further reduced costs of implementing the project. Nonetheless, the cost consciousness of the project may have undermined monitoring as staff were overwhelmed with implementation (see section 4.5).

Timeliness in implementation

The activities of the project were generally implemented on time. LGNIII benefited from relationships and project readiness built from LGNII enabling it to avoid a slow relationship building and learning curve. Nonetheless, some delays were experienced due to management and administration being centralized in Tanzania as ILO is non-resident Kenya but these were not significant enough to affect implementation of the project.

There were other activities that were significantly delayed resulting in a six months no cost extension. The project aimed to launch a mobile phone application on labour laws in April 2015. At the time of the evaluation the launch was planned to occur before the end of August 2016. Other activities that experienced delays were the finalisation of revisions and printing of the participants'¹⁴ and facilitators' manuals on labour laws which had a ripple effect on training of trainers among the constituents of the programme: Ministry of Labour, Ministry of Industry, COTU (K), FKE, MSEA and NTSA. It represented the first time implementers were trained on the simplified manuals. The training of trainers was planned in April 2015 but occurred in 2016. While the training of trainers was delayed, that of MSMEs in priority sectors and others including county government officials in selected counties using revised toolkit in priority sectors went ahead as planned in 2015. All the delays mentioned above were a result of the multi-stakeholder nature of the programme and the need to seek input from all stakeholders. This meant steering through multiple stakeholder interests which in some cases were polarized.

Quality of interventions

Overall stakeholders were happy with the quality of the products and interventions of the project. The involvement of the stakeholders in the project implementation allowed stakeholders to fully appreciate the project outputs.

Stakeholders appreciated the quality of support from ILO including the materials and tools developed. Consultants offering technical assistance to the project were jointly selected ensuring the best and technically competent staff were selected. The ability to identify opportunities of influence and playing the interlocutor role between the partners and policy makers was appreciated. For example, the flexibility of ILO project staff to participate in partners' meetings and activities that provided opportunities for policy dialogue seems to be the most appreciated by partners as having catalysed dialogue between them, government and regulators.

"[ILO staff] came to our meeting where government and NTSA were represented. Their presence helped to initiate dialogue between us and the regulator." **Key informant interview with a sub-sector union representative.**

The quality of implementation and the approaches for stakeholder engagement by the project team galvanised the "*sense of belonging*" to the project among project partners. This was important for building good will and ownership.

"The LGN project is the best ILO project we have worked with so far." **Key informant interview with a union representation.**

"[ILO staff] came to our meetings and all the areas we went. Their presence made us feel we belonged to the project." **Key informant interview with a union representative.**

¹⁴ The process of gaining stakeholder input in the finalisation of the manuals resulted in the delays.

“We knew everything about the project. The project staff were very good in keeping us aware and involving us.” **Key informant interview with an employer association representative.**

“ILO [staff] were available when we needed them.” **Key informant interview with union representative.**

Where implementation was slowed, capacity constraints and the need to ensure a cross section of staff were involved in the activities proved the major factors. For example, the need to involve county staff in the development of the labour law mobile application, revisions and agreement on the simplified labour law manuals and guidelines etc., all contributed to delays in the launch of the mobile application and finalisation of the simplified tools and guidelines.

4.4.2 Were the disbursements and project expenditures in line with expected budgetary plans? If not, what were the bottlenecks encountered? Were they being used efficiently?

The project was implemented on budget. Over expenditure in line items were offset by under expenditure in others due to prudent procurement processes. Disbursements from the donor, NORAD, were timely with only one delay experienced with the first tranche. However, this delay was not significant enough to undermine implementation.

The project had to rationalize activities in 2015 due to exchange losses amounting to 14%¹⁵ of the budget. One of the activities affected by the exchange losses was the training of trainers which was reduced from 200 to 110.

The project put in place mechanisms to ensure the best value for money service providers were selected through a participatory process that included members of the NTAC.

There were some activities which were not cost efficient. Participating enterprises (eight in total) received organisational development capacity at a cost of US\$6,000 per enterprise which proved too expensive to implement at a larger scale. Due the cost of implementing such a scheme, it was abandoned during 2015.

4.4.3 How successful was the project in soliciting private public partnerships to support the project implementation and beneficiaries?

Business Development Service providers were specifically targeted by the project to build capacity for training MSMEs on the benefits of formalization in the priority sectors. However, lack of demand for these services undermined effectiveness of this support. There was a perception by a number of BDS providers that the MSMEs targeted, mostly being small businesses, may not appreciate or even afford their services, especially that compliance training was a new area for small businesses that would take some time to be appreciated to the extent that the MSME sector will be willing to pay for the training.

Beyond working with BDS providers, partnerships with the private sector were limited. There were opportunities to leverage on partnerships with the private sector. For example, General Motors (GM) and Isuzu the main suppliers of public transport vehicles in Kenya are engaged in programmes of capacity

¹⁵ Decreased from US\$1,591,264 to US\$1,369,557

building MOA members and safe driving campaigns. Partnering with these companies to also engage conductors and drivers would have offered the project economies of scale.

4.4.4 The overall cost-effectiveness of the project

Based on the measures to ensure least cost for activities and the high appreciation of interventions by partners and beneficiaries, the project presents high value for money. As discussed in section 4.3, the project has achieved majority of its planned results even with reduction in funding by 14% due to exchange rate losses.

4.5 Effectiveness of management arrangements

The assessment of effectiveness analysed the management and coordination structures for the project. It included identification of the roles and responsibilities of different agencies, inclusivity in the structures (inclusion of main stakeholders), quality of and capacity for programme management and coordination.

Summary

The governance and management arrangements for the project were adequate. Administrative and Technical support was provided from the ILO Country Office for Tanzania, Kenya, Rwanda and Uganda, and the staff in the Enterprise Unit. Because the project explored enterprise development and various facets of decent work more support was required from the Decent Work Team.

Targets and indicators were sufficiently defined for the project. A good framework for monitoring and evaluation (M&E) was in place but implementation needed to be improved. Recommendations of the mid-term evaluation were at various stages of implementation but given the short period between the mid-term evaluation and closure many for the recommendations will need to be supported by stakeholders.

4.5.1 Was the management and governance arrangement of the project adequate? Was there a clear understanding of roles and responsibilities by all parties involved?

According to the project document project management and governance was to be conducted through two structures:

- i) National Advisory Committee comprising Ministry of Labour, COTU (K) and FKE; and
- 2) National Technical Committee comprising Ministry of Labour, Ministry of Industrialization, MSEA, COTU (K) and FKE.

At inception the two structures were collapsed into one, the National Advisory and Technical Committee based on experience in LGNI where similar individuals would attend both structures. However, doing this posed the risk of disengaging policy level of the tripartite. This was offset with the holding of the ILO Directors annual meetings with the respective tripartite leadership. In most of the social partners the programme received support from the highest levels enabling implementation of activities and possibility for continuation ensuring activities of the programme received priority.

Members of the NTAC interviewed reported they were adequately involved in design, planning and implementation of activities. For example, interviews with FKE highlighted how members of the NTAC

were involved in the selection of sectors, planning of activities, their implementation and selection of service providers.

Key stakeholders for the programme also included sub-sector representatives:

- 1) **Transport sector:** MOA, MADCOWA and NTSA;
- 2) **Private Security Sector:** Kenya National Private Security Workers Union (KNPSWU) and the Private Security Industry Association (PSIA).

Their involvement in the project management was also important to ensure buy in and ownership of project interventions. While there was no specific structure for them to be involved in the project management, they participated in the planning of specific activities that concerned them. Besides these platforms, the project unit used multiple channels of communication to inform all key stakeholders on progress with the project resulting in the stakeholders being well informed of project progress. For example, the sub sector stakeholders interviewed expressed great appreciation of their involvement in the project. Given the short period of the project, a lean structure was required to ensure efficiency in decision making. It was therefore prudent to incorporate sub-sector stakeholders in activity specific planning.

All tripartite partners understood their roles because they had been involved in the design of the project, with the exception of stakeholders who came on board after July 2014 (those in the private security sector - PSIA and KNPSWU)

“We were involved from the design of the project. We knew what our role was.” **Key informant interview with a tripartite partner in the National Technical and Advisory Committee**

“This is a different project other ILO projects because we were involved in the design. We were aware of what we were supposed to do according to the design of the project and in discussions with ILO.” **Key informant interview with a tripartite partner in the National Technical and Advisory Committee**

4.5.2 *Was the project receiving adequate administrative, technical and - if needed - political support from the ILO office and specialists in the field (Pretoria and Addis Ababa (ROAF)) and the responsible technical units in HQ?*

Discussions with project staff highlighted that adequate support was received from ILO country office for Tanzania, Kenya, Rwanda and Uganda. No significant delays were faced by the project because of the administrative and financial management centralised in Tanzania. The recruitment of a CTA in Nairobi also offset potential delays from approval processes.

4.5.3 *How effective were the technical backstopping support provided so far by ILO (regional office, DWT Pretoria and Geneva) to the programme?*

The project received feedback on concepts notes for authority to expend from the senior project officer. This support assisted in ensuring the project’s activities remained in sync with the Decent Work Country programme and ILO P&B. The Employment specialist and the Worker specialist were responsive to the need for assistance from local staff. Some of the advice received, particularly from the Enterprise Unit; by the project office has helped strengthen social partners’ engagement with the project activities e.g. creating incentives for participation such as training of social partners’ staff and effective communication to earn political and technical support. The project also received support from the country office in profiling its results in different fora.

However, the project remained disconnected to the Decent Work Team despite the focus on various aspects of decent work. The project was situated in the Enterprise Unit as it was classified as an enterprise development project. This seems to have precluded the project team from requesting support from the Decent Work Team. Despite this, it received strong support and technical backstopping from ILO headquarters.

4.5.4 How effectively did the project management monitor project performance and results? Was there a monitoring & evaluation system in place and how effective was it? Was relevant information systematically collected and collated?

Monitoring of the project was guided by the Performance Plan. Questionnaires were designed and used to collect pre- and post-training information on changes in knowledge, perceptions and attitudes towards labour laws. Progress in activities and results was reported in the quarterly and six-monthly reports submitted to the NTAC, ILO Country office and other backstopping staff in ILO headquarters. Data quality and verification of results was periodically undertaken by the Senior Programme Officer in the Country office.

The project also continued with the online monitoring system adopted in LGNII with support from the Enterprise Unit in Pretoria, South Africa. The system, SCIFORMA, provided an essential instrument for overseeing project progress and areas lagging behind. However, the system was plagued with challenges that frustrated implementers. Enterprise unit resultantly discontinued its use in 2015 after staff implementing various projects on enterprise development requested an alternative.

While this framework provided the project staff with adequate tools for monitoring, the challenge remained human resources for coordinating monitoring, data entry and analysis. To offset this challenge the project hired interns for data entry and analysis. However, this was inadequate as the project required senior staff in the design and implementation of the monitoring system. For example, the programme needed to design a tracer survey to adequately assess its performance on formalization through changing attitudes and perceptions towards labour laws. Assessing these after training was inadequate as the change takes time. Secondly, the project staff, being overwhelmed with implementation, found it difficult to balance implementation and monitoring responsibilities which in turn undermined systematic collation of monitoring data. While interns were a good stop gap measure, the quality of senior input was required to ensure quality in the monitoring system.

4.5.5 Was the data disaggregated by sex?

Data for the outputs is collected and analysed disaggregated by sex. Targets for female outreach were well articulated in the project output and outcome indicators to enable the project track down involvement of female MSME owners and workers. In order to meet targets on female involvement in LGN III, incentives to support MSMEs to meet this target were to be developed. LGN III also set benchmarks for female BDS providers to be equipped with skills to deliver the training toolkits.

4.5.6 Were targets and indicators sufficiently defined for the project?

The project defined indicators across the results chain – activities, outputs, outcomes and outputs. They are SMART¹⁶ and reflect the results chain. Targets are provided for each indicator. Some of the targets of the project were however ambitious especially those related to reach with the messages on labour laws

¹⁶ Specific, Measurable, Achievable, Realistic and Time-bound

given geographical focus, capacity of the project unit and stakeholders within a one and a half year period. For example, at the target of at least 1000 MSMEs complying with labour law receiving access business financing and other services as incentives for compliance was always going to be difficult to achieve within the time frame.

As described in the section on validity of design, while the project captures adequately the stages of the linkage between law and growth, the important result that links formalization and growth – improved relationship between employers and employees was not reflected in the results chain. Indicators for this result could be either proxies e.g. length of stay in employment, number of accidents or vehicle breakdowns, job satisfaction etc. Having such indicators would provide causality link between formalization and enterprise growth ensuring the project adequately monitors and responds to any challenges in achieving this important result.

4.5.7 Have the recommendations from the Mid-term evaluation been sufficiently incorporated into the project?

The evaluation assessed the extent to which recommendations of the Mid Term Review were implemented. As shown in Annex 3 all recommendations were at various levels of implementation. Given that the mid-term evaluation was conducted in August 2015, there was little time to fully implement the recommendations put forward as they need a much longer period to fully implement. Therefore majority of the recommendations will need to be taken over by the stakeholders beyond the project period.

4.6 Impact orientation and sustainability

The sustainability of the project was analysed using three parameters: 1) institutional, (2) financial and (3) technical sustainability. These issues were investigated at the meta, meso and micro levels in line with the project's approach. *

The Project impact and sustainability strategy was anchored on an intentional expansion, exit and sustainability strategy encompassing the expanded usage of materials developed and principles learnt in the first and second phase, and utilizing innovative technology to promote awareness of labour law to effectively pollinate relevant messaging across additional MSME sectors. The alignment of the Project to the national development priorities promotes ownership by national implementing partners as all activities were in line with their respective core mandates.

4.6.1 Did the project succeed in developing a replicable approach that can be applied with modifications to other sectors?

The Project succeeded in developing an approach and tools that could be replicated to other MSME sectors. The projects approach entailed training in labour law compliance with the tools developed in LGN II and LGN III. This was buttressed by the business case for labour law compliance. The Project conducted Training of Trainers training to capacitate local institution staff and BDS providers to apply the tools in training. The trainers had conducted training that was implemented by their respective institutions and therefore demonstrated that they had embraced the training approach used in the project. All employer and workers organisations in the security and Matatu sectors have conducted training in labour laws reforms. Similarly, COTU (K) and FKE have also conducted training in labour laws using staff trained by the LGN.

The ease with which the LGN III expanded the approaches and tools, with little modification, was clear demonstration that the project approaches and tools can be replicated and applied to other MSME sectors. In LGN III the tools and materials developed in LGN II were revised to make them more generic as opposed to the initial materials which targeted the Matatu sector. Equally, the new generic materials that were developed in LGN III were deliberately designed to be adaptable to any MSME sector.

The mobile phone application presents a huge opportunity to roll out awareness of labour laws to a wider audience in Kenya. The application which conveys the relevant labour laws and the simplified version of labour laws will be hosted by the Ministry of Labour. At the time of the evaluation the launch date had been set for 24th August 2016 with the Cabinet Secretary, Ministry of EAC, Labour and Social Protection officiating the launch. This will ensure sustainability of this initiative which will require regular updates to the mobile application. The Swahili version of the labour laws would ensure a wider reach as it was more comprehensible to the Matatu and Private Security Sectors and to other MSME owners and employees. The development of the mobile phone application will make certain that the dissemination of labour laws continues well after the project has ended provided appropriate role out and communication strategies are in place. At the time of the evaluation, the project had already procured the services of a communication expert to assist with dissemination of the mobile phone application through various media channels such as live tweeting of the launch, Facebook campaigns targeting young people, electronic and print media etc.

4.6.2 *To what level were project interventions owned and sustained by business support structures, the immediate beneficiaries?*

The involvement of stakeholders in project implementation created a feeling of ownership among them. This was reinforced by the project management team’s availability to support partner institutions’ activities. To promote ownership of the project approaches and tools, and in line with the project exit plan, NTAC designated custodianship and use of the approaches and tools to the respective meta-level, macro-level and micro-level stakeholders. In this regard, the technical committee conducted an assessment of the products developed and apportioned responsibilities to the partners they deemed best suited to taking ownership and sustaining the tools developed. The partners agreed on the following sharing of responsibilities to promote sustainability:¹⁷

Table 3: Division of labour between the NTAC members

Product	Responsible Institutions
1. Labour Law training kit –Participants Handbook a. Participants Workbook b. Facilitator’s Manual c. Popular Version d. OSH Booklet e. Business Case for Labour Law Compliance f. Modules in PowerPoint	Ministry of Labour MSEA FKE COTU
2. Simplified/Popular version Booklet of the Labour Laws – a. English Version b. Swahili Version	Ministry of Labour
3. Labour Laws Mobile Phone Application	Ministry of Labour

¹⁷ Minutes of the LGN III Project: Technical Committee Planning Retreat Voyager Hotel, Mombasa 11&12th February 2016

Product	Responsible Institutions
4. Operations/HR Manual for Matatu SACCOS	MOA Ministry of Industrialization, Investments and Trade, State Department for Cooperatives
5. IT Management System for Private Security Sector	KNPSWU

It was not clear how these activities would be coordinated following the exit of ILO. Though the programme exit plan anticipated that the national technical and advisory committees would continue providing the forum for the coordination of the activities of these organizations, the committee has not yet been established within the current tripartite dialogue structures. This vacuum provides an opportunity for the ILO Country Office to provide support beyond the project to keep momentum and provide some guidance to the process.

Dependence on ILO by some stakeholders posed challenges to sustainability. Some of the micro-level stakeholders felt that going forward, it would be extremely challenging for them to sustain the activities without ILO support. The envisaged ILO support ranged from provision of training materials, facilitating the logistics and in the case of one stakeholder conducting the training as *“the ILO were the only credible institution that could provide objective training in labour laws because they are experts in the field and are neutral”* (**key informant interview with workers representative**). BDS providers were considered inappropriate to fill the vacuum left by ILO because they charged for their services. This reaffirms a perception by a number of BDS providers that the MSMEs targeted, mostly being small businesses, may not appreciate or even afford their services, especially that compliance training was a new area for small businesses that would take some time to be appreciated to the extent that the MSME sector will be willing to pay for the training. There is great expectation that where BDS providers services are not taken up as a long term solution to the MSME capacity needs, the mobile phone application once running could fill in the gap for raising awareness on labour laws. The mobile phone application will offer quick access to relevant information on labour laws and will be linked to websites of the various stakeholders (COTU (K), MoL, FKE) through which users can ask questions and get responses from the experts.

There were opportunities that micro-level stakeholders had demonstrated that could promote sustainability. The Kenya National Private Security Workers Union was sensitizing their members on labour laws using the 'Timamu' parades for the outreach, facilitated by the Union official and shop stewards that had undergone TOT. MADCOWA and MOA had also applied the approaches at their outreach programmes and Annual general meetings. MOA took advantage of outreach programmes on road safety with NTSA and motor sales campaigns by Isuzu and General Motors to introduce labour laws to their members. However, the inclusion of labour laws was an add-on component with very little time allocated to it. Impact and sustainability could also be enhanced if concerns raised by social partners that the project activities needed to be incorporate in their annual work plans to ensure they are taken on board even after the project.

4.6.3 *Was there any progress in local partners' capacity to carry forward the project and was there a growing sense of national ownership?*

The project contributed to building local partners' capacity to sustain some of the projects interventions. All the stakeholders that had received capacity building to promote labour law compliance in the Matatu and private security sectors expressed a strong desire to continue with the interventions of LGN III. LGN III conducted a number of trainings and capacity building interventions targeting different stakeholders. Data tracking and review conducted at the close of July 2016 showed that from project inception, the

project had reached a total awareness, training and capacity building audience of 7,312 individuals (including) of whom 6,350 (87%) were male and 962 (13%) female. The target audience included MSME business owners as well as workers across the two target MSME sectors, officers from the tripartite constituents and other institutions such as NSTA, Ministry of Industrialization, MSME Authority and BDS providers. The large number of security guards reached was a result of the utilisation of the guard’s daily parades where some time was allocated for labour laws awareness.

The table below shows the number of persons reached by the projects awareness, training and capacity building interventions

Table 4: Beneficiaries reached with awareness, training and capacity building interventions

Beneficiary	Actual	
	Male	Female
Matatu workers	1450	105
Matatu Owners/ managers	897	44
Private security workers	3700	800
Private security employers/ managers	52	13
Labour Officers	32	
County Enterprise Development Officers (MSEA)		
Cooperatives	210	
BDS providers	9	
Total	219	

The project also reached the target group indirectly through participation in programmes run by partners. For example, the project supported MOA to include components of labour laws in training on road safety that were organised by MOA in collaboration with motor vehicle dealers in Kenya such as Isuzu and General Motors by providing materials. LGN provided resource personnel and material to support the Kenya Commercial Smart Drivers (KCSD) training for drivers and conductors. KCSD is a mentorship community based organisation that educates public service vehicle staff on various aspects such as HIV and AIDS, security, customer care has adopted a community based strategy to attract females to the Matatu sector as drivers and conductors. The Association works with local churches and pastors to convey positive messages of employment opportunities in the sector. The KCSD also entered into agreements with some of the SACCO operating in their catchment area, Kiambu County to only employ drivers and conductors with a certificate from KCSD which is also co-signed by KCSD and the Police. This has, according to the KCSD, resulted in an increase in the number of females trained and employed. KCSD has trained 120 persons (108 males and 12 females) and 90 persons (50 male and 40 females) between June 2014-May 2015 and June 2015-May 2016 respectively, all whom they claimed had been employed by the local SACCOS.

Compliance

It was also evident from discussions with the stakeholders in the Matatu sector that a lot needed to be done to ensure full enforcement and compliance of the regulations contained in the revised legislation. There were, according to members of the Matatu Drivers and Conductors Welfare Association, still many SACCOS who not compliant with labour aspects that were introduced in the Road Traffic Amendment Act 2013. There were a number of challenges that impeded compliance. Employers blamed the drivers and conductors for not appreciating the benefits that accrue with adherence to the various provisions, such as employment contract, monthly salary payment and making contributions to the NSSF and NHIS. This

was attributed to the low education level of workers in the sector. Matatu owners felt constrained to enforce the regulations for fear of being blacklisted by the drivers and conductors, actions that would affect their businesses.

Drivers and conductors, on the other hand, attributed low compliance to corrupt practices in the vehicle licensing process and employers' unwillingness to give drivers contracts because of the associated costs such as social security, health insurance and compensation contributions. Employers were also said to be reluctant to pay workers on contracts their income even when they were dormant when the vehicle they drove was in the garage due to maintenance, accident etc. There was also reluctance by drivers and conductors to contribute to social protection schemes because they did not fully understand how they stood to benefit from contributing to such schemes, nor were they contended that their money would retain value. Besides, they contributed to an informal social protection scheme, 'harambee', from which they have recourse to assistance in times of distress (funeral support, medical, during periods of absence from work due to funerals, illness etc.)¹⁸ The concept and practice of 'harambee', is widely used in Kenya and offers an entry point to expanding social protection to the informal sector which could have been explored in the labour aspect regulations.

It was evident from the discussions with various stakeholders, that the process of registration also posed challenges to compliance. The process for motor vehicle fitness which is required to be undertaken annually for motor vehicles over 5 years old is now done online. According to Matatu owners the system has connectivity challenges and at times the dates allocated to take the vehicle for testing were beyond the date of expiry of the current fitness licence. In the interim, vehicles without the fitness licence, for which an inspection fee had been paid and receipted, are impounded and risk losing out from compensation as they would not be covered by insurance in the event of an accident. Going forward there is need for stakeholders to address the challenges to compliance including the one raised by drivers and conductors that a number of SACCOS and Matatu owners were still employing drivers and conductors who did not have social security, health insurance and compensation, a prerequisite for licencing of Public Service Vehicle (PSV) operators.

Evolving needs in the sectors

There are several needs evolving in the sectors. In the private security sector, there is still the need to operationalise the Private Security Regulation Act 2016 by constituting the regulatory body. Private security sector employers were of the view that a wages council specific to the sector was required given the nature of clients they serve who possess varying abilities to pay the required minimum wage. The employers and workers in the sector still require to dialogue to reach a common agreement on the way forward so as to engage Government with a common position.

In the Matatu sector issues of compliance to legislation remain a challenge. The enforcement of regulations by NTSA is seen as punitive and posing the risk of bankrupting some of the companies. While engagement with NTSA has started, it is still in formative stages. MADCOWA, has not yet been unionized because two other organisations representing workers in the Matatu industry have been registered by the Labour Board. Unionising MADCOWA will be important to ensure they benefit from collective bargaining agreements and the support of COTU (K).

¹⁸ The practice is prevalent in Kenya where groups of people or workers come together and agree to contribute to a common fund from which they can obtain assistance in times of hardships.

4.6.4 *Did the project succeed in integrating its approach into the local institutions?*

The project envisaged incorporating the LGN training toolkit within Drivers and Conductors training curriculum together with the Matatu Owners Association. Discussion to this effect had been initiated with the National Youth Service (NYS) to develop a training programme for Matatu workers incorporating the LGN toolkit. Unfortunately this did not materialise due to a corruption scandal that rocked the National Youth Service which led to a change of leadership at the NYS.

In response to the collapse of efforts the curriculum review with NYS, MOA established the Federation of Drivers and Conductors (FEDCO) as forum for MOA to train drivers and conductors from where the members would recruit their workforce. The training provided includes customer care, labour laws and vehicle maintenance. The Central Organisation of Trade Unions (COTU) revised the curriculum and incorporated the labour laws compliance in the MSME sector in their training programmes offered at the Tom Mboya Labour College. The Micro Small Enterprise Authority (MSEA) incorporated components of labour laws in their Improve Your Business training programmes.

It was also the understanding of the project design that the project would ensure that local BDS organizations would be capacitated to continue providing MSME capacity building support to the target groups. As stated earlier the question of paying for services appears to have limited opportunities for private BDS providers. This, perhaps, requires more work by stakeholders to appreciate the business case for compliance, especially that MSMEs gladly attended the project trainings on compliance that were delivered at no cost to them. Lessons can also be drawn from MSEA who provide training on a shared cost basis with MSME meeting transport and accommodation costs.

5 Conclusion and Recommendations

5.1 Conclusion

The conclusion from the evaluation has been structured according to the evaluation purpose focusing on:

- 1) Project progress
- 2) Project management
- 3) Project sustainability

Project progress

The project largely achieved the set objectives and provides a replicable model and tools that can be used for formalisation of MSME sectors. The project leveraged on the successes and challenges of the preceding phases. This resulted in an appropriate design and inclusive and participatory management and implementation with the project stakeholders. Tripartism and social dialogue were strong in the LGNIII design and subsequent implementation. Tripartite partners participated in the entire project cycle while opportunities for social dialogue were harnessed.

Given the results achieved and the measures to put in place by partners and ILO to ensure least cost in activities, the LGNIII represented good value for money.

While significant progress was made there are still some challenges: strengthening the capacity of MSME to comply with the revised labour law and regulations; and capacity of Ministry of Labour and other regulatory bodies to enforce compliance.

Project Management

Management and oversight structures were effective in steering the project. Tripartite partners were involved in a meaningful way contributing the strong ownership of project activities among stakeholders. Communication with stakeholders was strong and appreciated by participating stakeholders because they were kept aware of the activities of the project. This also contributed to building ownership and buy-in to the project concept. The inclusive nature of the project enabled quality and cost effective implementation. Nonetheless, LGNIII could have benefited from a structured M&E system and there still remains further work to be done in the sectors.

Project sustainability

The project stakeholders have adopted the project concept, tools, manuals and guidelines. The regulatory framework, influenced in part by the project, shall continue to provide an appropriate framework for compliance to decent work conditions in the two sectors. However, the challenges of capacity to comply among MSMEs and enforcement among regulators may undermine this achievement. In the Matatu sector compliance is still a challenge as the cost and benefits of compliance are not understood made worse by the lack of capacity of the Ministry of Labour to enforce compliance. MACDOWA, the main drivers and conductors union was still to be registered with the COTU (K). The private security sector, incorporated in 2015, still had outstanding issues at the time of the evaluation including the operationalised of the private security regulatory body.

5.2 Lessons Learned

The list below presents the lessons learned distilled from the evaluation findings. They are presented in more detail in Annex 7.

Lesson 1: Compliance with labour laws by MSMEs contributes to increases in productivity and enterprise growth.

Lesson 2: Focusing on a limited number of sectors is strategic and more effective. This allowed the project to: 1) achieve depth with lower funding than would have been achieved with a focus on the entire MSME sector; 2) develop relevant tools and approaches for the sectors improving opportunities for impact; and 3) focus on vulnerable sector with potential for change and employment opportunities for young people.

Lesson 3: Flexibility in project implementation is necessary when aimed to have full stakeholder buy-in and ownership. In a project with multiple stakeholders (at times with diverging interests) it is important to anticipate some delays (and therefore impact on budgeting) whilst engaging them in a meaningful way in the implementation.

Lesson 4: The importance of a robust data collection and monitoring tool is critical in tracking progress and in reporting results

Lesson 5: Decent work programmes in the informal sector should consider the informal social protection instruments in use by informal sector workers. There were opportunities to enhance the social protection floor in the Matatu informal sector by building on the existing and trusted informal social protection mechanisms available to drivers and conductors. For example, there was reluctance by drivers and conductors to contribute to the formal social protection schemes (National Health Insurance Fund (NHIF) and National Social Security Fund (NSSF)) because they did not fully understand how they stood to benefit

from contributing to such schemes, nor were they content that their money would retain value. Besides, they contributed to an informal social protection scheme, ‘harambee’, from which they have recourse to assistance in times of distress (funeral support, medical, during periods of absence from work due to funerals, illness etc.)¹⁹ The concept and practice of ‘harambee’, is widely used in Kenya and offers an entry point to expanding social protection to the informal sector which could have been explored in the labour aspect regulations.

5.3 Good Practice (detailed in Annex 8)

- Involvement of the stakeholders from design of the project and constant communication beyond the management platforms built a strong sense of ownership and belonging important for active participation; and sustainability.
- The project shows that scale can be achieved with limited budget by leveraging on partners’ capacity. Partnerships with MOA, MADCOWA, and MSEA enabled the project to leverage a wider reach of a geographically dispersed target group with a limited budget thus gaining economies of scale.

5.4 Recommendations

Recommended action for the project	Importance	Key responsible agency	Timing/Timeframe and resource implications
Recommendation 1: There is need to ensure the National Advisory and Technical committee is embedded in existing social dialogue structures through ensuring project activities remain on the agenda of tripartite partners.	Medium	Tripartite Partners	Immediately No resources required
Recommendation 2: Integrating the activities of such projects in the work plans of the partners will ensure sustainability and scale up in more sectors.	High	Tripartite partners	Immediately No resources required
Recommendations 3: There are indications from interviews that some SACCOs are operating without complying fully with the labour law due to perceived corrupt practices especially in the Matatu sector. The Ministry of Labour should play an active role in monitoring compliance. The evaluation recognized their capacity constraints which need to be addressed through lobbying of increased resource allocation ILO and COTU (K) need to explore	High	COTU (K), ILO and Ministry of Labour	Immediately No resource implications

¹⁹ The practice is prevalent in Kenya where groups of people or workers come together and agree to contribute to a common fund from which they can obtain assistance in times of hardships.

Recommended action for the project	Importance	Key responsible agency	Timing/Timeframe and resource implications
ways to support the Ministry of Labour build its capacity for compliance monitoring			
Recommendation 4: Labour law aspects should be incorporated in the by-laws of SACCO in the Matatu sector to reinforce compliance.	Medium	Ministry of Labour and Department of Cooperatives	Immediately Will require sources for consultations and drafting
Recommendation 5: The ILO, through the country office should continue facilitating dialogue between Government, PSIA and KNPSWU to address outstanding concerns on the establishment of the regulatory body.	High	ILO Country Office	Immediately Resources required for workshops to facilitate operationalisation.
Recommendation 6: There are still MSME owners who resist compliance and who need more evidence that the net effect of compliance on their business would be positive. Undertake further analysis to document the cost and benefit of labour law compliance.	High	Tripartite partners and ILO Country Office	Immediately Resources required for awareness raising and training
Recommendation 7: There are many MSME workers resisting contributing to social protection system who need reassurance of the benefits of contributing to social protection schemes which at present is met by “harambee” groups. There is need for social protection schemes to build upon existing concepts and practices of informal social protection practices to get the necessary buy in of those that are transiting from informal to formal employment relations. Undertake further research to devise novel approaches to expanding social protection that explore possibilities of building on existing informal schemes as entry points to expanding compliance. (Responsibility:)	Medium	Tripartite partners and ILO Country Office	Immediately Resources required for the research and design of the social protection mechanism
Recommendation 8: ILO, through the Decent Work Team, should continue to provide technical and financial support to tripartite partners given the outstanding issues in the Matatu and private security	Medium	ILO	Immediately Resources maybe required for travel of the DWT

Recommended action for the project	Importance	Key responsible agency	Timing/Timeframe and resource implications
sectors and the need to scale up this approach in other informal sectors.			
Recommendation 9: Future projects of similar size and scope should make provision for specialist M&E support to allow for analysis of trends/progression as a result of activities and delivery of outputs.	Low	ILO	When a similar programme is designed
Recommendation 10: The process being undertaken by COTU (K) to incorporate MACDOWA by engaging the other two already registered unions for Matatu drivers and conductors needs to be supported.	High	COTU (K), and ILO	Immediately No resources required
Recommendation 11: The ILO should facilitate greater interaction between the Decent Work Team for projects such as the LGN III given its multi-thematic combination between enterprise development and employment promotion, international labour standards, social protection, workers and employers organizations etc.	Low	ILO	When similar programme is designed No resources required

Annexes

Annex 1: Terms of Reference



International Labour Organization

TERMS OF REFERENCE:
FINAL INDEPENDENT EXTERNAL EVALUATION

Project Title	Law-Growth Nexus III: Labour Law and the Enabling Business Environment for MSMEs in Kenya
Project Code	RAF1303MNAD
Budget	US\$ 1,369,557
Donor	Norwegian Agency for Development Cooperation (NORAD)
Project Duration	December 2013 – July 2016
Geographical Coverage	Kenya
Administrative Unit	ILO Country Office for Kenya, Uganda, Tanzania, Burundi and Rwanda
Technical Unit	ILO Decent Work Support Team for Eastern and Southern Africa
Type of Evaluation	Independent Evaluation
Evaluation Period	Final (covering December 2013 – July 2016)

Introduction

This Terms of Reference covers the final independent evaluation of the Project: Law Growth Nexus III: Labour Law and the Enabling Business Environment for MSMEs in Kenya. The project has been implemented by the ILO (December 2013 to July 2016 with funding from the Norwegian Agency for Development Cooperation (NORAD) with a budget of US\$ 1,369,557. The project received a no-cost extension from January – July 2016.

This evaluation is mandatory and in line with the International Labour Organisation's (ILO) Evaluation Policy and strategic practice for all projects over the value of USD 1 million. Findings from an evaluation of this sort can be used to assess best practices and success stories to inform other projects and programmes of good implementation strategies.

Background

The project forms the third phase of the Law Growth Nexus project (LGN I implemented in twelve countries from 2009-2011, and LGN II implemented in Kenya and Zambia from 2011-2013), and builds on the previous interventions, adapts existing training and awareness materials, with the focus remaining on the transport and private security MSME sub-sectors given the significant business growth and employment creation potential for MSMEs. The sub-sectors are also characterized by large decent work deficits, including non-compliance with the labour laws.

Despite the achievements for the LGN II (implemented in the public transport (Matatu) sector, the final evaluation conducted in June 2013 noted the need for additional support to achieve the needed self-propelled compliance with labour laws. The evaluation also noted the need to extend the focus to another similarly vulnerable sector and to provide support to the organization of workers and employers in the sector to jointly pursue common interests. Following the recommendations from the final evaluation of LGN II, the project was re-designed with a focus on the sub-sectors within the Transport Sector and private Security sector.

In June-August 2015, an independent mid-term evaluation of LGN III was conducted to assess the progress across major outcomes, performance against the targets and indicators, the strategies and implementation modalities chosen; partnership arrangements, constraints and opportunities and to provide strategic and operational recommendations as well as highlight lessons to improve performance and delivery of project results.

The focus of the new project's strategic implementation was on (1) nurturing respect for the rule of (labour) law among micro, small and medium enterprises (MSMEs) in Kenya with particular emphasis on the transport sub-sector and private security sector, (2) strengthening the capacity of ILO constituents to engage in social dialogue on the nexus between Labour Law compliance and MSME development and to facilitate sector-specific regulatory reform, and (3) strengthening the capacity of MSME to comply with the revised labour law and regulations.

Project rationale

The informal economy in Kenya continues to create the most number of jobs in Kenya as seen in the Economic survey of 2015 which reports that the sector accounted for 86 percent of the all jobs created

in 2014. However, work done in previous phases of the LGN project show that the sector was yet to unlock its job creation potential mainly because of some inherent challenges including decent jobs deficits which translate to growth constrains. Further the governments' five year midterm development plan also recognizes that overall jobs created in the informal sector were characterized by underemployment and low productivity.

The rationale for this project therefore is to progressively support the establishment of an enabling environment for MSME to thrive in Kenya. This would be achieved through i) Promotion of a culture that respects the rule of labour laws among micro, small and medium enterprises in Kenya, with a focus on the transport and the private securities sectors, ii) Strengthening the capacity of ILO constituents to engage in social dialogue on the nexus between Labour Law compliance and MSME development and facilitating sector-specific regulatory reform and iii) strengthening the capacity of MSME to comply with the revised labour law and regulations.

As captured during the mid-term evaluation of LGN III, there have been notable gains made in the transport sector, as follows:

- Awareness created on labour laws, supporting their integration into traffic laws, and addressing issues related to child labour in the traffic act.
- Sector workers now enjoy social protection benefits through the mandatory deductions introduced following recommendations from the project, resulting in more participation of women in the sector.
- Social dialogue promoted with sector stakeholders now able to sit and reach an understanding
- Evident progress towards improved respect for labour laws as attested by the issuance of contracts to sector workers, monthly pay proposals etc.
- Efforts to organize are also visible though the affiliation to SACCOs for employers and to COTU for the sector workers.

Having said that, there still remains challenges with regards to the voice of the sector workers (as half of the sector workers still haven't joined the union), despite the union successfully facilitating the signing of several Collective Bargaining Agreements. In addition, the absence of the wage council continues to slow progress in attaining the rights of workers. The MoL continues to face significant capacity challenges to effectively discharge its mandate.

Project internal logic and strategy approach

The Project design is based on a market systems development framework, whereby the project priority sectors in Kenya are treated as systems made up of entities that purposefully interact to generate economic benefits. The project therefore has three system levels of interaction, 1) micro-level, the market place where suppliers and buyers interact 2) macro-level, the policy, legal and regulatory framework (PLRF) determining the rules of conducting business in the sector (macro-level), and 3) meta-level, the implicit norms, values and perceptions held by system constituents towards the notion of compliance with these rules of engagement.

Interaction on each system level is influenced by external forces, here grouped along two interlinked value spheres, namely society (=people) and nature (=planet). System constituents draw on resources from nature to trade in the market place, and their choices are shaped by the societies that they are part of. In practice, the sometimes conflicting interests between society and the environment will need to be balanced in order to do sustainable business. The project addresses crosscutting issues throughout

its implementation on formalization, tripartism, social dialogue, gender equality, anti-corruption, HIV&AIDS,

The overall development objective of the project is to contribute to a more enabling policy environment for MSME development. The focus country will be Kenya. The overall outcome is more and better jobs in the MSME sector in Kenya. The corresponding immediate project outcomes are improved perceptions among MSME about the rationale underpinning the labour law of the country, sector-specific regulatory reforms of the Labour Law that are driven by social dialogue among ILO constituents and informed by knowledge about international best practice, and increased level of compliance among MSME in the priority sectors.

Strategic frameworks within which the project works

The project contributes directly towards the achievement of the ILO Decent Work Country Programme for Kenya, underwritten by the Government and its social partners, and more in particular to outcomes KEN 130 and KEN 131. These outcomes link directly into the Kenya Vision 2030 as well as the Second Medium Term Plan (MTP II) 2013 – 2017 where MSMEs constitute an important foundation for the socio-economic transformation envisaged in Kenya. The outcomes of the project also contribute to the global outcomes of the ILO Mid-Term Strategy Framework and more in particular to outcome 3: Sustainable enterprises create productive and decent jobs. Under this global outcome, the project will report into Indicator 3.1 ‘Number of member States that, with ILO support, reform their policy or regulatory frameworks to improve the enabling environment for sustainable enterprises’.

Project Management arrangements

The project is implemented under the oversight of the national technical committee, through local partner organizations with technical support from the project management team. The local partner organizations of the project are national level policy stakeholders and their sector affiliates, like the Ministry of Labour and sector associations linked to the national federations of employers and workers. The project also works with selected local business support service providers.

The project management team consists of a Chief Technical Advisor, a National Project Coordinator, and two support staff based in Nairobi. The team receives technical backstopping from the enterprise specialist in the Decent Work Support Team for Eastern and Southern Africa based in Pretoria and is administratively supervised by the director of the ILO Country Office for Kenya, Tanzania and Uganda. The position of the CTA, was phased out in January 2016, after which full responsibility for the coordination of remaining activities over the last 6 months of project implementation (February – July 2016) have been taken over by the National Project Coordinator.

Purpose, Scope and clients of the Evaluation

Purpose and scope

This is an independent final evaluation of the entire project duration from December 2013 to July 2016. The evaluation serves to examine the project’s overall achievements across all immediate objectives, with particular attention to synergies across objectives. The evaluation will also assess the sustainability of the interventions and the implementation of the recommendation made by the mid-term evaluation carried out in June-August 2015. In particular, the evaluation will:

1. Assess the **extent** to which the project has met its objectives and the level of achievement against each outcome and output.
 - Including an assessment on strengths and weaknesses, opportunities and challenges and any external factors that have affected the achievement of the immediate objectives and the delivery of the outputs
 - Draw lessons and provide concrete recommendations for future design and implementation of projects'/programs based on the evaluation findings and conclusions
2. Assess the **project management** of implementation
 - Assess appropriateness of the strategy chosen, as well as the validity of the approach used. This will also provide the basis for highlighting the best practices and strategies that could be adopted in future projects .
 - Determine to what extent the strategic approach of the project reflects the ILO comparative advantage and how the project is integrated in the ILO programmatic framework 2014-2015 and 2016-2017, as well as the contribution of the model to the DWCP and UNDAF
 - This exploration will also consider the cost-effectiveness of the project
3. Assess the **sustainability** of the project through an examination of levels of ownership, quality of the interventions and strategies to address gaps and evolving needs of the beneficiaries overtime.
 - Make recommendations on possible exit strategies
 - Explore partnership opportunities with other UN Agencies and national partners to enhance sustainability.
 - Highlight recommendations for sustainability, lessons learnt and good practices.
4. Assess the project's **achievement of its overall goal and contributions to regional impacts**

Clients

The primary clients of the evaluation include the Norwegian Agency for Development Cooperation (NORAD), the constituents of the ILO (represented by the national technical committee), project partners and stakeholders (including government departments, employers and employee representatives), and the project management office. These representatives require an assessment of the relevance, the efficacy of the model, sustainability and the cost-effectiveness of the intervention. The secondary clients include the ILO Country Office for Kenya, Uganda, Tanzania, Burundi and Rwanda, technical back-stoppers at ILO Decent Work Support Team in Pretoria and field specialists. The findings and recommendations of the evaluation will be used to highlight the successes and challenges that the project faced in implementation and suggest improvements to the model for further action by the ILO.

Evaluation Criteria

The evaluation will be conducted following the UN evaluation standards and norms and the Glossary of key terms in evaluation and results-based management developed by the OECD's Development Assistance Committee (DAC). In line with the results-based approach applied by the ILO, the evaluation will focus on identifying and analysing results through addressing key questions related to the evaluation concerns and the achievement of the outcomes/immediate objectives of the project using the logical framework indicators. The evaluation will address the ILO evaluation concerns as defined in

ILO policy guidelines for results-based evaluation. Gender concerns will be based on the ILO Guidelines on Considering Gender in Monitoring and Evaluation of Projects.

The evaluation will address ILO evaluation areas:

- **Relevance of design:** How the intervention’s design and implementation contributed (or not) toward the ILO P&B Outcomes, towards the National AIDS Framework set at country level and the needs of duty bearers and right holders; Extent to which the intervention’s design and implementation contributed (or not) toward the ILO goal of gender equality, international and regional gender equality conventions, and national gender policies and strategies
- **Effectiveness:** Extent to which outcomes were achieved (or not), and their contribution (or not) toward economic empowerment of the beneficiaries; Extent to which the Project **management** was aligned to ensuring the achievement of objectives and outputs.
- **Efficiency:** Extent to which the project delivered its outcomes and outputs with efficient use of resources, including efforts/successes in soliciting private public partnerships for the most cost-effective implementation of activities. This will include the extent to which the resources available were adequate for meeting the project objectives.
- **Sustainability:** Extent to which intervention has put in place mechanisms for replicability and long term duration of the intervention beyond the project’s life (including national ownership); and
- **Impact:** long-term effects on HIV vulnerability reduction and improvement of gender equality through economic empowerment

Key Evaluation Questions

A number of questions have been developed for each set of criteria mentioned above and expanded in the table below. The following key evaluation questions (second column; these are not extensive) are expected to be answered through this final project evaluation:

Table 1: Key evaluation questions

Evaluation criteria	Related key evaluation questions
Relevance	<ul style="list-style-type: none"> ▪ Is the project directly supporting national development priorities and the Kenya Decent Work Country Programme? ▪ How appropriate is the intervention strategy and did it prove effective in meeting the project’s objectives? ▪ How well does it complement other relevant ILO projects in Kenya? ▪ How has the project integrated in the UN or non-UN international development organization in Kenya? ▪ Do the beneficiaries consider the projects objectives and approach relevant? ▪ Does the project align with ILO’s mainstreamed strategy on gender equality?

Project progress and effectiveness	<ul style="list-style-type: none"> ▪ What outputs have been produced and delivered? Has the quantity and quality of these outputs been satisfactory? Do the benefits accrue equally to men and women? ▪ To what extent were the immediate objectives/outcomes achieved? Has the quantity and quality of these outcomes been satisfactory? Do the benefits accrue equally to men and women? ▪ What is the stage of achievement of outcome level targets? ▪ What are the unintended results of the project?
Effectiveness of management arrangements	<ul style="list-style-type: none"> ▪ Was the management and governance arrangement of the project adequate? was there a clear understanding of roles and responsibilities by all parties involved? ▪ Was the project receiving adequate administrative, technical and - if needed - political support from the ILO office and specialists in the field (Pretoria and Addis Ababa (ROAF)) and the responsible technical units in HQ? ▪ How effective were the technical backstopping support provided so far by ILO (regional office, DWT Pretoria and Geneva) to the programme? ▪ How effectively did the project management monitor project performance and results? Was there a monitoring & evaluation system in place and how effective was it? was relevant information systematically collected and collated? Is the data disaggregated by sex (and by other relevant characteristics if relevant)? ▪ Have targets and indicators been sufficiently defined for the project? ▪ Have the recommendations from the Mid-term evaluation been sufficiently incorporated into the project?
Validity of design	<ul style="list-style-type: none"> ▪ Was the design process adequate? ▪ Is the project logical and coherent? Do outputs causally link to the intended immediate outcomes/objectives? ▪ How do the immediate objectives link to the broader regional and national development objectives? ▪ Did the project adequately consider the gender dimension of the planned interventions? How has the design integrated the role of women in the sector?
Adequacy and efficiency of resource use	<ul style="list-style-type: none"> ▪ How efficient was the project in utilizing project resources to deliver the planned results? How efficient was the project in delivering on its outputs and objectives? ▪ How successful has the project been able to solicit private public partnerships in supporting the project implementation and support to the beneficiaries ▪ The overall cost-effectiveness of the project
Sustainability and Impact orientation	<ul style="list-style-type: none"> ▪ To what level are project interventions owned and sustained by business support structures, the immediate beneficiaries? ▪ Is there any progress in local partners' capacity to carry forward the project and is there a growing sense of national ownership?

	<ul style="list-style-type: none"> ▪ Did the project succeed in integrating its approach into the local institutions? ▪ Does the project succeed in developing a replicable approach that can be applied with modifications to other sectors? ▪ How are the evolving needs of the direct beneficiaries met over time? ▪ What are the possible long-term effects of the project on gender equality
Achievement of project goal	<ul style="list-style-type: none"> ▪ Did the project make significant contributions towards the achievement of its goal/s? ▪ What are the good practices and lessons learned?

Methodology to be followed

The evaluation will employ two methodologies: document reviews and key informant interviews with various stakeholders. The consultant will be expected to visit project sites within Kenya, which will include Nairobi county, Nakuru county, Machakos County, Kiambu County and Kajiado County.

i) Document review

The evaluator shall familiarize him/herself with the project through a review of relevant documents. These documents include inter alia: Project Document, progress reports, work plans, mid-term evaluation, monitoring and evaluation tools, monitoring data and monitoring reports.

ii) Key Informant Interviews

- a. The evaluator shall carry out key informant interviews with the following ILO staff:
 - i. ILO staff (Country Director for Kenya, Uganda, Rwanda and Tanzania, CTA, Enterprise Specialist from DWST Pretoria, NPC)
- b. During visits to project sites, the evaluator will carry out key informant interviews with the following stakeholders
 - i. Interviews with relevant representatives of the national technical committee
 - ii. Group interviews with male and female ultimate beneficiaries
 - iii. Other UN Agencies to assess the linkages and cross sharing of information and strategies
- c. Interviews/focus group discussions or group interviews will use a simple questionnaire designed to solicit feedback on opportunities and constraints to the delivery of project outputs and outcomes, as well as achievements.
- d. The questionnaire will be developed by the evaluator in consultation with the evaluation manager
- e. Interviews/consultations will be conducted face-to-face or by telephone. The evaluation manager with the support of the project staff will arrange the interviews and where necessary provide a venue and communication facilities.
- f. A list of interview categories will be provided to the evaluator for selection.

Main deliverables

The evaluator will provide the following main outputs:

- An inception report outlining the approach and work plan to be used in the evaluation
- A draft report for comment
- A final report
- Evaluation summary using the ILO Evaluation Summary template
- Lessons learned and best practices using the ILO template
- A feedback workshop with LGN III team, the national technical committee, project partners and key priority sector stakeholders, ILO back-stoppers and donors

The evaluator will produce a concise final report according to the ILO evaluation guidelines and reflecting the key evaluation questions. The quality of the report will be determined by conformance with ILO Checklist 4 on 'Formatting Requirements for Evaluation Reports', and Checklist 5 on 'Rating for Quality of Evaluation Reports'. Adherence to these checklists will be considered a contractual requirement when submitting evaluations to ensure full remuneration of the contract. The maximum length of the final report should be about 30 pages long.

The expected structure of the final report as per the proposed structure in the ILO evaluation guidelines is outlined below:

- Cover page with key intervention and evaluation data
- Executive Summary
- Acronyms
- Description of the Project
- Purpose, scope and clients of evaluation
- Methodology
- Findings (organized by evaluation criteria)
- Conclusions
- Country Specific Recommendations
- Lessons learned and good practices

The evaluator is required to append the following items:

- Terms of Reference
- Data collection instruments
- List of meetings / consultations attended
- List of persons or organisations interviewed
- List of documents / publications reviewed and cited
- Any further information the evaluator deems appropriate can also be added.

All draft and final outputs, including supporting documents, analytical reports and raw data should be provided in electronic version compatible with Word for Windows.

The evaluator shall submit a draft report to the Evaluation Manager no later than one week following completion of the evaluation mission. The Evaluation Manager will solicit and revert promptly with collective feedback from project staff and partners, including the Senior Evaluation Officer in ROAF in order for the evaluator to finalize the report. Once the final report is submitted to the Evaluation Manager incorporating comments received, it will be sent for final approval to the Senior Evaluation

Officer in ROAF and EVAL before remuneration of the contract. All evaluation report submissions must include a MS Word and a PDF version.

Management arrangements and timeframes

a. Composition evaluation team

The evaluator/s will be highly qualified senior evaluation specialists with extensive experience in evaluations and ideally also the subject matter in question.

b. Evaluation Manager

The evaluation team will report to the evaluation manager at ILO (**Ms. Anjali Patel**) and should discuss any technical and methodological matters with the evaluation manager should issues arise. The evaluation will be carried out with full logistical support and services of the project, with the administrative support of the ILO Office in Kenya.

c. Work plan & Time Frame

The evaluation process is expected to be concluded within five weeks (effectively translating into 32 work days). The Evaluation Manager will be the direct focal points for support during this time.

The expected time frames are outlined as follows:

Consultant engaged	10 July 2016	
Desk/Document Review	10 – 15 July 2016	6 Work days
Submission of Inception Report	13 July 2016	
Interviews	16 – 23 July 2016	8 Work days
Draft Report preparation	27 July 2016	7 Work days
Presentation of Draft Report to National Technical Committee (TBC)	between 29 July – 2 August 2016	2 Work days
Preparation of final Report	5 August 2016	3 Work days
Addressing comments and Submission of Final Report	7 August 2016	2 Work days

For this independent evaluation, the final report and submission procedure will be followed:

- The consultant will submit a draft evaluation report to the evaluation manager.
- The evaluation manager will forward a copy to key stakeholders for comment and factual correction, including the Senior M&E Officer in ROAF.
- The evaluation manager will consolidate the comments and send these to the evaluator.
- The evaluator will finalize the report incorporating any comments deemed appropriate and providing a brief note explaining why any comments might not have been incorporated. He/she will submit the final report to the evaluation manager
- The Evaluation manager will forward the draft final report to the Regional Evaluation Focal person for review who will then forward it to EVAL for approval.
- After approval by EVAL, the evaluation manager officially forwards the evaluation report to stakeholders and PARDEV.

- PARDEV will submit the report officially to the donor.

The evaluation will comply with UN Norms and Standards and UNEG ethical guidelines will be followed. This TOR is accompanied by the code of conduct for carrying out the evaluation.

Profile of consultant/Professional qualifications and requirements

Requirements:

- Master's degree in law, business, development management or related graduate qualifications
- A minimum of ten (10) years professional experience in evaluations and/or impact assessment of externally funded projects.
- Proven experience with logical framework approaches and other strategic planning approaches, M&E methods and approaches (including quantitative, qualitative and participatory), information analysis and report writing.
- Excellent communication and interview skills.
- Excellent report writing skills.
- Demonstrated ability to deliver quality results within strict deadlines.

Added Advantage:

- Experience of conducting evaluations for ILO or any UN Agency

Documents to be provided to consultant

- Project Document
- Mid-Term Evaluation
- ILO evaluation guidelines
- ILO PROGEVAL guidelines: checklist 4
- ILO PROGEVAL guidelines: checklist 5
- Decent Work Country Programme for each of the relevant countries
- Annual Progress reports
- Monitoring progress reports
- Output progress reports
- Progress, training, meeting and mission reports
- M&E framework and other applicable M&E documentation
- Other relevant documents

Expression of Interest

Consultants are invited to submit an expression of interest to Ms. Anjali Patel (patel@ilo.org), by no later than 4th July 2016, by means of a CV, a detailed breakdown of the cost of the assignment and a note expressing previous relevant experience and evaluations conducted which would be of relevance and added value to the assignment (no more than 3 pages). Submission of an example of a previous evaluation conducted will be off added value.

Annex 2: Data collection Plan

Evaluation criterion	Detailed questions/Issues	Indicators	Methods and sources	Data collection	Data analysis
Relevance and strategic fit	Is the project relevant to the achievements of the outcomes in the (1) ILO Decent Work Country Project for Kenya; (2) Kenya vision 2030; 3) Kenya Second Medium Term Plan (MTP II) 2013-2017; 4) ILO Mid Term Strategy Framework; and (5) Norwegian Agency for Development Cooperation (NORAD) country and global development strategy?	Project outcomes are linked to priorities under: a. ILO Decent Work Country Project for Kenya b. Kenya vision 2030 c. Kenya Second Medium Term Plan (MTP II) 2013-2017 d. ILO Mid Term Strategy Framework e. Norwegian Agency for Development Cooperation (NORAD) country and global development strategy	Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>) <i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations)</i> Literature review (<i>ILO Decent Work Country Project for Kenya, Kenya vision 2030, MTPII,) ILO Mid Term Strategy Framework, Annual progress reports, Project document, Norwegian Agency for Development Cooperation (NORAD) country and global development strategy, Mid Term Evaluation Report</i>)	Evaluation team	Evaluation team
	How well the project complements and fits with other on-going UN projects and projects in the country?	Evidence of collaboration with other UN projects Evidence of collaboration with other PSD projects in Kenya Linkage between objectives of the Law Growth Nexus III projects	Key informant interviews (<i>ILO, MDAs</i>) Literature review (<i>Annual progress reports, Mid Term Evaluation Report, Project document</i>)	Evaluation team	Evaluation team
	What links were established with other activities of the UN or non-UN international development aid	Evidence of collaboration with other UN projects Evidence of collaboration with other PSD projects in Kenya	Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>)	Evaluation team	Evaluation team

Evaluation criterion	Detailed questions/Issues	Indicators	Methods and sources	Data collection	Data analysis
	organizations at local level?		Literature review (<i>Annual progress reports, Mid Term Evaluation Report, Project document</i>)		
	How appropriate is the intervention strategy and did it prove effective in meeting the project's objectives?	intervention strategy responds to key challenges faced by MSMEs in the Transport and private security sectors that undermine growth Extent to which project interventions have fostered growth of MSMEs in the two sectors	Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>) <i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations, enterprise owners, employees)</i> Literature review (<i>Annual progress reports, Mid Term Evaluation Report, Project document</i>)	Evaluation team	Evaluation team
	Do the beneficiaries consider the projects objectives and approach relevant?	Perceptions of beneficiaries on relevance of project objectives	<i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations, Ministries Departments and Agencies (MDAs), enterprise owners, employees)</i> Literature review (<i>Annual progress reports, Mid Term Evaluation Report, Project document</i>)	Evaluation team	Evaluation team
	Does the project align with ILO's mainstreamed strategy on gender equality?	Outcomes and activities of the Law Growth Nexus III project align with ILO's mainstreamed strategy on gender equality?	Literature review (<i>ILO's mainstreamed strategy on gender equality, Law Growth Nexus III project document</i>) Key informant interviews (<i>ILO</i>)	Evaluation team	Evaluation team

Evaluation criterion	Detailed questions/Issues	Indicators	Methods and sources	Data collection	Data analysis
Adequacy and Efficiency of resource use	How efficient was the project in utilizing project resources to deliver the planned results? How efficient was the project in delivering on its outputs and objectives?	Human resources are adequate and properly qualified Investments are made based on the project design/plan of activities Mechanisms put in place to review and improve approaches Evidence of strategic partnerships made to improve efficiency in implementation	Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>) <i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations)</i> Literature review (<i>Annual progress reports, Annual work plans, Project document, Mid Term Evaluation Report</i>)	Evaluation team	Evaluation team
	Are the project's activities/operations in line with the schedule of activities as defined by the project team and work plans?	Activities implemented according to annual work plans	Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>) <i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations)</i> Literature review (<i>Annual progress reports, Project document, Mid Term Evaluation Report</i>)	Evaluation team	Evaluation team
	Are the disbursements and project expenditures in line with expected budgetary plans? If not, what were the bottlenecks encountered? Are they being used efficiently?	Budgets are disbursed according to agreed timeframe Project expenditures are according to agreed annual work plans and budgets	Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>) <i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations)</i> Literature review (<i>Annual progress reports, Project document, Mid Term Evaluation Report</i>)	ILO Evaluation team	Evaluation team

Evaluation criterion	Detailed questions/Issues	Indicators	Methods and sources	Data collection	Data analysis
	How efficient was the project in utilizing project resources to deliver the planned results?	Cost saving measures employed Strategic partnerships developed to take advantage of economies of scale	Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>) <i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations)</i> Literature review (<i>Annual progress reports, Project document, Mid Term Evaluation Report</i>)	Evaluation team	Evaluation team
	How successful has the project been able to solicit private public partnerships in supporting the project implementation and support to the beneficiaries	Partnerships made with private sector benefits achieved from private sector support	Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>) <i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations)</i> Literature review (<i>Annual progress reports, Project document, Mid Term Evaluation Report</i>)	Evaluation team	Evaluation team
	The overall cost-effectiveness of the project	cost per beneficiary cost per new job created	Literature review (<i>Annual progress reports, Project document, Mid Term Evaluation Report</i>) Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>) <i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations)</i>	Evaluation team	Evaluation team
Effectiveness of Management Arrangements	Are the available technical and financial resources	Activities are implemented at the required scale and depth to achieve the envisaged impact	Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>)	<i>Evaluation team</i>	<i>Evaluation team</i>

Evaluation criterion	Detailed questions/Issues	Indicators	Methods and sources	Data collection	Data analysis
	adequate to fulfill the project plans?	Human resources are adequate (numbers and technical expertise) to meet the demands of the project	<i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations)</i>		
	Is the management and governance arrangement of the project adequate? Is there a clear understanding of roles and responsibilities by all parties involved?	Stakeholders view project and management and governance is inclusive, transparent and incorporates all implementing partners Stakeholders understand their roles and responsibilities in project management and governance Project management and governance arrangements allow for efficient implementation of the project activities	Literature review (<i>Annual progress reports, Project document, Mid Term Evaluation Report</i>)	Evaluation team	Evaluation team
	How effectively has the management monitored project performance and results? Is a monitoring & evaluation system in place and how effective is it? Is relevant information systematically collected and collated? Is the data disaggregated by sex (and by other relevant characteristics if relevant)?	Mechanisms put in place to monitor project activities are providing adequate evidence to inform project implementation Relevant data (guided by project indicators and Monitoring framework) is collected in a systematic manner Data is sex disaggregated		Evaluation team	Evaluation team

Evaluation criterion	Detailed questions/Issues	Indicators	Methods and sources	Data collection	Data analysis
	Was the project receiving adequate administrative, technical and – if needed - political support from the ILO office and specialists in the field (Pretoria and Addis Ababa (ROAF)) and the responsible technical units in HQ?	<p>Technical backstopping by ILO is timely and adequate</p> <p>Administrative support is timely</p> <p>ILO specialist provide adequate and timely support to project management</p> <p>Type of Support provided by the ILO (Pretoria, Nairobi and Geneva) to the project</p>		Evaluation team	Evaluation team
	How effective were the technical backstopping support provided so far by ILO (regional office, DWT Pretoria and Geneva) to the project?	Changes occurring in project implementation, management and design as a result of technical backstopping	<p>Key informant interviews (<i>ILO Nairobi, Pretoria and Addis</i>)</p> <p>Literature review (<i>Annual progress reports, Project document, Mid Term Evaluation Report</i>)</p>	<i>Evaluation team</i>	<i>Evaluation team</i>
	Have targets and indicators been sufficiently defined for the project?	<p>Indicators are SMART²⁰</p> <p>Indicators are precise</p> <p>Information to be collected includes qualitative information on changes at various levels of the results chain</p> <p>There are specific indicators that enable the assessment of sustainability of results</p> <p>Targets are realistic informed</p>	<p>Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>)</p> <p><i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations)</i></p> <p>Literature review (<i>Annual progress reports, Project document, Mid Term Evaluation Report</i>)</p>	Evaluation team	Evaluation team

²⁰ S- specific, M- Measurable, A- Achievable, R – realistic/relevant, T – time bound

Evaluation criterion	Detailed questions/Issues	Indicators	Methods and sources	Data collection	Data analysis
	Have the recommendations from the Mid-term evaluation been sufficiently incorporated into the project?	Evidence that Mid Term Evaluation recommendations were incorporated Number of recommendations implemented	Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>) <i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations)</i> Literature review (<i>Annual progress reports, Mid Term Evaluation Report, Management Response to the Mid Term Evaluation Recommendations</i>)	Evaluation teams	Evaluation team
Project progress and Effectiveness	To what extent were the immediate objectives/outcomes achieved? Has the quantity and quality of these outcomes been satisfactory? Do the benefits accrue equally to men and women?	% achievement of outcomes and outputs expressed in the Project Document and Performance Plan women as percentage of total beneficiaries (<i>as owners and employees</i>) <i>Proportion of men and women benefiting from the project (women and men owned companies benefiting from the project activities, women and men in employment created)</i> Views of stakeholders on the quality of and quantity of the outputs Benefit accruing to enterprises and employees	Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>) <i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations, enterprise owners, employees)</i> Literature review (<i>Annual progress reports, Mid Term Evaluation Report, Management Response to the Mid Term Evaluation Recommendations</i>)	ILO	Evaluation team

Evaluation criterion	Detailed questions/Issues	Indicators	Methods and sources	Data collection	Data analysis
	Were outputs produced and delivered as per the work plan? How has the intended private security and transport sector benefited?	Annual output delivery rate Benefits accruing to the private security and transport sectors as a result of the project		ILO Evaluation team	Evaluation team
	In which area (geographic, component, issue) does the project have the greatest achievements? Why and what have been the supporting factors?	Results achieved by geographical area Support factors for success		ILO Evaluation team	Evaluation team
	What is the stage of achievement of outcome level targets?	% achievement of outcome targets		ILO Evaluation team	Evaluation team
	Are there any unintended results of the project?	Results achieved not elaborated in the Results Framework		Evaluation team	Evaluation team
Impact orientation and sustainability	To what level are project interventions owned and sustained by business support structures, the immediate beneficiaries?	additional support provided by business support structures, the immediate beneficiaries to ensure effectiveness number of supported business support structures using project supported tools and approaches	Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>) <i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations, enterprise owners and employees)</i> Literature review (<i>Annual progress reports, Mid Term Evaluation Report, Management Response to the Mid Term Evaluation Recommendations</i>)	<i>Evaluation team</i>	<i>Evaluation team</i>
	Is there any progress in local partners' capacity to carry forward the project and is there a growing	Type of capacity developed for people, enterprises, BDS service providers and national institutions		Evaluation team	Evaluation team

Evaluation criterion	Detailed questions/Issues	Indicators	Methods and sources	Data collection	Data analysis
	sense of national ownership?	Progress in enabling laws, policies, people's skills, attitudes etc.			
	Did the project succeed in integrating its approach into the local institutions?	Number of stakeholders using approach promoted by the project		Evaluation team	Evaluation team
	Does the project succeed in developing a replicable approach that can be applied with modifications to other sectors?	views of stakeholders on the potential for replication of approaches		Evaluation team	Evaluation team
	How are the evolving needs of the direct beneficiaries met over time?	support mechanisms for enterprises and employees in the two sectors for benefits to be sustained future requirements of enterprises and employees in the two sectors		Evaluation team	Evaluation team
	What are the possible long-term effects of the project on gender equality	Mechanisms put in place by stakeholders to support gender equality		Evaluation team	Evaluation team
Validity of the design	The adequacy of the design process (Is the project design logical and coherent)? What internal and external factors have influenced the ability of the ILO to meet projected targets?	Consultations conducted to design the project Factors influencing ILO to meet targets	Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>) <i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations)</i> <i>Literature review (Annual progress reports, Mid Term Evaluation</i>	Evaluation team	Evaluation team

Evaluation criterion	Detailed questions/Issues	Indicators	Methods and sources	Data collection	Data analysis
	Is the project logical and coherent? Do outputs causally link to the intended immediate outcomes/objectives?	Activities and outputs are guided by a coherent and clear theory of change and causality chain (Evidence results matrix was preceded by a theory of change/logic model for the project design) Outcome areas are sufficiently integrated in design and implementation	<i>Report, Management Response to the Mid Term Evaluation Recommendations)</i>	Evaluation team	Evaluation team
	How do the immediate objectives link to the broader regional and national development objectives?	Clarity in the linkage between results of the LGNIII and development goals in the ILO decent Work Country Project for Kenya , NORAD country strategy		Evaluation team	Evaluation team
	Did the project adequately consider the gender dimension of the planned interventions? How has the design integrated the role of women in the sector?	Activities in the project support gender equality Gender analysis conducted for the project interventions implemented benefitting from the gender analysis		Evaluation team	Evaluation team
	Did the Project integrated an appropriate strategy for sustainability?	Exit strategy in place Opinions of stakeholders on the exit strategy		Evaluation team	Evaluation team
	What good practices can be learned from the	Good practices that demonstrate:		Evaluation team	Evaluation team

Evaluation criterion	Detailed questions/Issues	Indicators	Methods and sources	Data collection	Data analysis
Lessons Learned and Good Practices	project that can be applied to similar future projects or replicated in other projects?	<ul style="list-style-type: none"> a. replicability b. value for money c. joint programming 	<p>Key informant interviews (<i>ILO, Ministries Departments and Agencies (MDAs), NORAD</i>)</p> <p><i>Key informant Interviews (Training Institutions/Trade Unions and Employer confederations)</i></p>		
	What should have been different, and should be avoided in the next phase of the project?	<p>Opinions on what could be done differently</p> <p>Opinions on what could be avoided</p>	<p>Literature review (<i>Annual progress reports, Mid Term Evaluation Report, Management Response to the Mid Term Evaluation Recommendations</i>)</p>	Evaluation team	Evaluation team

Annex 3: Implementation of Recommendations made by the Mid Term Evaluation

Recommendation	Responsibility	Status of implementation	Reason for non-implementation
<p>In light of recommendation 204 of the General Conference of the ILO, adopted on the 12th of June 2015 this project offers the best opportunity to fully test formalization of the informal sector and build a strong case for future efforts in pursuant to this recommendation. It is strongly recommended that formalization of the two sectors should be supported to formalize so as to set precedence for the formalization of other sub-sectors such as construction, mining, and beauty and hairdressing sub-sectors among other vulnerable sectors. This will require additional time and resources.</p>	ILO	<p>A proposal of formalization of the informal economy building on the Law Growth Nexus Project with a focus on the construction sector was forwarded to PARDEV and follow up made.</p> <p>The same was also to be submitted for a USDOL proposal bid but the same was not submitted in time over technical hitches.</p>	No response has been received as yet
<p>There is need to step up awareness creation on labour laws and rights of employees preferably through the media. This campaign could include the marketing of the mobile phone application which is about to be launched.</p>	ILO	<p>Media campaign on labour laws and rights has been ongoing. The project has been riding on the partners forums. A number of these events have been covered by the mainstream media. The project has utilized its twitter handle to also spread the message and highlight these events.</p>	
<p>Efforts will need to be focused on disseminating and creating awareness on the business case for compliance. This should be carried out by the trained BDS providers ensuring that additional ToTs are trained to effectively penetrate the informal sector.</p>	ILO	<p>A consultancy to do a few case studies from MSMEs in each of the priority sectors was done. These case studies have henceforth been used to show the business case for compliance.</p> <p>The same was presented to the participants in the last Training of Trainers held which targeted the county labour officers and county enterprise development officers.</p>	
<p>The project should support sector workers to lobby and advocate for the gazettment and activation of the private securities sector and transport sector wage council respectively. This will be a significant milestone in institutionalising the dialogue for improved working conditions.</p>	ILO	<p>Support for the Gazetement and activation of the two priority sector wages councils has been provided through the project supporting the inauguration meeting of the National Labour Board which had not met in over 2 years. The workers in the private security sector through their union (KNPSWU) and the matatu workers through MADCOWA have equally been pushing for the reactivation of their respective wages council.</p>	

		<p>The two wages councils have been included in the list of those been discussed and considered by the board in their next meeting.</p>	
<p>The project should facilitate the formative process of bringing together workers and employers in the private securities sector in a similar way it did to the transport sector. Once this is done the social partners (COTU and FKE) will be expected to play a more active role and effectively reach out to sector workers and employers respectively to organise for more effective social dialogue.</p>		<p>This has been done with a good measure of success. The workers in the private security have a strong union which is already affiliated to COTU and there is continuous engagement.</p> <p>The private security sector has two employer associations – Private Security Industry Association (PSIA) and Kenya Security Industry Association (KSIA). The project has facilitated a number of meetings for the associations and FKE. PSIA is already a registered member of FKE and there has been continuous engagement. FKE is still trying to reach out to KSIA.</p>	
<p>The project should facilitate closer linkage and collaboration between the project stakeholders and key agencies such as the NTSA. The participation of NTSA has remained lukewarm despite its central role in the overall objective of this project. Such collaboration will resolve many challenges that currently hinder compliance such as scattered decision making in the sector and different enforcement agencies</p>		<p>The project has made effort to facilitate closer linkage and collaboration between the Matatu sector and the NTSA through ensuring representation of the agency officials in the meetings and workshops. During the meetings, good but stormy discussions are held with a promise for more collaboration.</p> <p>However this collaboration does not seem to have been cemented as the matatu owners specifically complain of continued harassment by the agency. There is complete mistrust of the agency by the sector.</p> <p>The agency has continued to impose some regulations on the sector which makes it difficult for the matatu sector to thrive. E.g. NTSA has a rule that all motor vehicle inspections must be booked online and payment made. Often times the online system is down. Where the system is ok the dates obtained for inspection are often a month away. Under the traffic rules a vehicle cannot be on the road without a valid inspection sticker. This therefore</p>	

		<p>means that a lot of matatus are grounded until the inspection is done yet the investors have to continue servicing their credit bank facilities.</p> <p>More social dialogue efforts must be encouraged.</p>	
<p>Social partners need to more aggressively lobby for additional support to the MoLSSS. This could be through sensitization of parliamentary committees and relevant government officers and departments on labour issues. This should go hand in hand with encouraging the government to honour its commitments as a tripartite partner</p>		<p>The social partners are aware of the big challenge the Ministry faces. They have continued to lobby for more support to the ministry.</p> <p>More details to be requested from the social partners</p>	
<p>In the meantime, there is need to forge closer partnerships with relevant government ministries and departments for more effective implementation of interventions</p>		<p>Efforts have been made for more partnerships with relevant Government ministries and departments.</p> <p>Currently the project collaborates directly with the Ministry of Trade and Industrialization where both the Micro Small Enterprises Authority and the Cooperatives departments are housed. The project through the partners has also continued to make efforts to collaborate with the Ministry of Transport through the NTSA.</p>	

Annex 4: List of people interviewed

NAME	ORGANIZATION
Richard Kanoru	Matatu Owners Association
Eunice Mathenge	ILO
Hellen Magutu	ILO
Farid Hegazy	ILO
Anthony Rutabanzibwa	ILO
Mary Kwar	ILO Dar
Alexio Musindo	ILO Lusaka (former ILO Dar)
Isaiah Kirigua	Ministry of Labour
Carol Kioko	Micro Small Enterprises Authority
Joseph Waihenya	Ministry of Industrialization - Cooperatives
Isaac Kiema	Federation of Kenya Employers (FKE)
Damaris Muhika	Central Organization of Trade Unions (COTU)
George Githinji	MOA / OMA Services
Njeru Kyengo	MOA Nairobi County
Samson Wakabu Wainaina	MADCOWA
Morris Oduor	MADCOWA
Julius Mbogo Mugo	MADCOWA - Nakuru
Steve Wambua – General Manager	MOA – Prestige Shuttles
John Mburu	KE CSD
Isaac Adambwa Dennis Wendo And other officials	Kenya National Private Security Workers Union
Cosmas Mutava	Private Security Industry Association
Dr. Jacob Omollo	Consultant
Charles Nyangute	BDS provider

Annex 5: Tools used for the evaluation

Annex 5.1: ILO Staff and Government of Norway

Relevance and strategic fit

1. Is the project relevant to the achievements of the outcomes in the Revised National Development Plan, the UNDAF/UN SDF and the country assistance plans for the UN, such as the ILO DWCP and the Donor Norway with regards in particular to private sector development?
2. How well the project complements and fits with other ILO projects in Kenya? What about other on-going UN programmes and projects in the country?
3. What links are established so far with other activities of the UN or non-UN international development aid organizations at local level?
4. How are beneficiary concerns incorporated in project implementation?
5. How does the project align to ILO's mainstreamed strategy on gender equality?
6. What is the strategic fit with the Government of Norway?

Validity of design

7. What process was undertaken in developing the project? **PROBE:** beneficiary participation, consultation approach, lesson learning etc.
8. Is the project logical and coherent? Do outputs causally link to the intended immediate outcomes/objectives? In what ways?
9. How do the immediate objectives link to the broader regional and national development objectives?
10. Has the design clearly defined performance indicators with baselines and targets?
11. Considering the results achieved so far, was the programme design realistic?
12. Has the Programme adequately taken into account the risks and employed appropriate risk mitigation strategies
13. Has the Programme carried out a proper participatory consultation process and involvement of the Government and its social partners including the private sector during planning, implementation and monitoring?
14. Has the Programme integrated an appropriate strategy for sustainability? Did the project adequately consider the gender dimension of the planned interventions? How has the design integrated the role of women in the sector?
15. How have gender issues been addressed in the Programme document and during implementation?

Project effectiveness

16. To what extent have the expected outputs and outcomes been achieved or are likely to be achieved?
17. Were outputs produced and delivered so far as per the work plan? Has the quantity and quality of these outputs been satisfactory?
18. How do the stakeholders perceive them? Do the benefits accrue equally to men and women? How has the intended Transport and Private Security sectors benefited?
19. In which area (geographic, component, issue) does the programme have the greatest achievements so far? Why and what have been the supporting factors?
20. Are there any unintended results of the programme?

Efficiency of resource use

21. Are resources (human resources, time, expertise, funds etc.) allocated and used strategically to provide the necessary support and to achieve the broader programme objectives?
22. Are the project's activities/operations in line with the schedule of activities as defined by the programme team and work plans?
23. Are the disbursements and programme expenditures in line with expected budgetary plans? If not, what were the bottlenecks encountered? Are they being used efficiently?
24. How efficient was the programme in utilizing project resources to deliver the planned results?
25. How successful has the project been able to solicit private public partnerships in supporting the project implementation and support to the beneficiaries?

Effectiveness of management arrangements

26. Are the available technical and financial resources adequate to fulfill the programme plans?
27. Is the management and governance arrangement of the programme adequate? Is there a clear understanding of roles and responsibilities by all parties involved?
28. How effectively has the management monitored project performance and results? Is a monitoring & evaluation system in place and how effective is it? Is relevant information systematically collected and collated? Is the data disaggregated by sex (and by other relevant characteristics if relevant)?
29. Is the project receiving adequate administrative, technical and - if needed - political support from the participating UN offices and specialists in the field and the responsible technical units in headquarters? How effective were the backstopping support provided so far by the UN (Pretoria, Nairobi, Addis and Geneva) to the programme?
30. Is the programme receiving adequate political, technical and administrative support from its national partners/implementing partners?
31. Is the programme collaborating with other PSD programmes and with other donors in the country/region to increase its effectiveness and impact?
32. Are all relevant stakeholders involved in an appropriate and sufficient manner?
33. Have the recommendations from the Mid-term evaluation been sufficiently incorporated into the project? Are there outstanding recommendations why?

Impact orientation and sustainability

34. To what level are project interventions owned and sustained by business support structures, the immediate beneficiaries?
35. Is there any progress in local partners' capacity to carry forward the project and is there a growing sense of national ownership?
36. Did the project succeed in integrating its approach into the local institutions?
37. Does the project succeed in developing a replicable approach that can be applied with modifications to other sectors?
38. How are the evolving needs of the direct beneficiaries met over time?
39. What are the possible long-term effects of the project on gender equality?

Lessons learned and good practices

40. What should have been different, and should be avoided in a similar programme?
41. What good practices can be learned from the programme that can be applied in a similar programme?
 - a. programme management
 - b. partnerships
 - c. strategic focus and coordination

Annex 5.2: Relevant Government Ministries, Agencies and Departments

Relevance and strategic fit

1. What is the Law Growth Nexus III aiming to address?
2. Is this in line with national priorities encapsulated in the Kenya Vision 2030 and the MTPII?
3. How does the programme align with other government programmes and sector plans? What links have been established?

Validity of design

4. Considering the results achieved so far, was the programme design realistic?
5. Has the Programme adequately taken into account the risks and employed appropriate risk mitigation strategies?
6. Has the Programme integrated an appropriate strategy for sustainability?
7. Has the Programme carried out a proper participatory consultation process and involvement of the Government and its social partners including the private sector during planning, implementation and monitoring? Was the design process adequate?
8. How were gender issues addressed in the programme?

Project progress and effectiveness

9. Is the project on track to achieve its objectives?
10. Which objectives are on track which ones are not?
11. What are the bottlenecks and how has the programme addressed them?
12. Have outputs been delivered according to the work plan?
13. What about the quality and adequacy of the outputs?

Adequacy and Efficiency of Resource Use

14. Are resources (human resources, time, expertise, funds etc.) allocated and used strategically to provide the necessary support and to achieve the broader programme objectives?
15. Are the project's activities/operations in line with the schedule of activities as defined by the programme team and work plans?
16. Are the disbursements and programme expenditures in line with expected budgetary plans? If not, what were the bottlenecks encountered? Are they being used efficiently?
17. How efficient was the programme in utilizing project resources to deliver the planned results?
18. How successful has the project been able to solicit private public partnerships in supporting the project implementation and support to the beneficiaries?

Effectiveness of management arrangements

19. Are the available technical and financial resources adequate to fulfill the programme plans?
20. Is the management and governance arrangement of the programme adequate? Is there a clear understanding of roles and responsibilities by all parties involved?
21. How effectively has the management monitored project performance and results? Is a monitoring & evaluation system in place and how effective is it? Is relevant information systematically collected and collated? Is the data disaggregated by sex (and by other relevant characteristics if relevant)?
22. What support are you giving to the programme? Do you think your role and support is adequate to achieve the objectives?
23. Is the programme collaborating with other PSD programmes (government and those donor funded) to increase its effectiveness and impact?
24. Are there any project structures you participate in? **PROBE:** National Advisory committee, National Technical Committee, Project Steering committee

25. Have the recommendations from the Mid-term evaluation been sufficiently incorporated into the project? Are there outstanding recommendations why?

Impact orientation and sustainability

26. How are you continuing with the project activities beyond its life in July 2016? Why are you continuing? What are the supporting factors for your continuing?

27. Are there issues that may undermine your continued implementation of the activities promoted by the project? What are these bottlenecks (technical financial and institutional)?

28. Did the project succeed in integrating its approach into the local institutions?

29. Does the project succeed in developing a replicable approach that can be applied with modifications to other sectors?

30. As the project has come to an end, what are the specific measures are in place to continue to supporting gender equality in your activities?

Lessons learnt and recommendations

31. What should have been different, and should be avoided in a similar programme?

32. What good practices can be learned from the programme that can be applied in a similar programme?

- a. programme management
- b. partnerships
- c. strategic focus and coordination

Annex 5.3: Trade Unions or Workers Organizations and Employer Association in the transport and private security sectors

Relevance and strategic fit

1. What is the Law Growth Nexus III aiming to address?
2. Is this in line with national priorities encapsulated in the Kenya Vision 2030 and the MTPII?
3. How does the programme align with other government programmes and sector plans? What links have been established?

Validity of design

4. How have been involved with the Law Growth Nexus III? PROBE: Activities for which they have been involved?
5. Have the programme activities been relevant to your needs? How?
6. To what extent were the activities and approaches of the project the right ones?
7. Were there any strategies put in place to continue with the activities supported by the Law Growth Nexus III?
8. Were you involved in the design of the programme? In what ways? Do you feel your concerns were incorporated? Which ones were not?
9. How did the programme address gender in its interaction with you?

Project progress and effectiveness

10. What has the project changed in your organisation, in the business/working conditions of your members? **Probe:**
 - MSME in the transport sub-sector in Kenya have increased knowledge of the labour law;
 - MSME in the transport sub-sector in Kenya have increased levels of compliance to the established labour law;
 - Increased knowledge among MSME about the cause-and-effect relationships between labour law compliance and business growth;
 - Increased knowledge among tripartite constituents and other sector stakeholders about best practice in facilitating an enabling policy environment for MSME growth;
 - Proposals for sector-specific regulatory amendments endorsed by tripartite stakeholders and submitted to Government;
 - Increased female involvement at all levels of participation in the transport sub-sector in Kenya; and
 - Compliant MSME have been rewarded with access to organizational capacity development or growth finance or access to business contracts.
11. Which objectives are on track which ones are not?
12. What were the bottlenecks to achieving results and how has the programme addressed them?
13. Have outputs been delivered according to the work plan?
14. Was the support provided by the project adequate and of the right quality?

Adequacy and Efficiency of Resource Use

15. Are resources (human resources, time, expertise, funds etc.) allocated and used strategically to provide the necessary support and to achieve the broader programme objectives?
16. Are the project's activities/operations in line with the schedule of activities as defined by the programme team and work plans?

17. Are the disbursements and programme expenditures in line with expected budgetary plans? If not, what were the bottlenecks encountered? Are they being used efficiently?
18. How efficient was the programme in utilizing project resources to deliver the planned results?

Effectiveness of management arrangements

19. Is the management and governance arrangement of the programme adequate? Is there a clear understanding of roles and responsibilities by all parties involved?
20. How effectively has the management monitored project performance and results? Is a monitoring & evaluation system in place and how effective is it? Is relevant information systematically collected and collated? Is the data disaggregated by sex (and by other relevant characteristics if relevant)?
21. What support are you giving to the programme? Do you think your role and support is adequate to achieve the objectives?
22. Is the programme collaborating with other PSD programmes (government and those donor funded) to increase its effectiveness and impact?
23. Are there any project structures you participate in? **PROBE:** National Advisory committee, National Technical Committee, Project Steering committee

Impact orientation and sustainability

24. How are you continuing with the project activities beyond its life in July 2016? Why are you continuing? What are the supporting factors for your continuing?
25. Are there issues that may undermine your continued implementation of the activities promoted by the project? What are these bottlenecks (technical financial and institutional)?
26. Did the project succeed in integrating its approach into the local institutions?
27. Does the project succeed in developing a replicable approach that can be applied with modifications to other sectors?
28. As the project has come to an end, what are the specific measures are in place to continue to supporting gender equality in your activities?

Lessons learnt and recommendations

29. What should have been different, and should be avoided in a similar programme?
30. What good practices can be learned from the programme that can be applied in a similar programme?
 - a. programme management
 - b. partnerships
 - c. strategic focus and coordination

Annex 5.5: Business Service Providers

Relevance and validity of design

1. What is the Law Growth Nexus III aiming to address?
2. What support have you received from the project?
3. Was this support relevant to support your capacity development programmes for MSMEs in the private security and Transport sector? What was missing?
4. What were the key strengths and weaknesses of the project?
5. How is gender incorporated in the activities of the project?

Project progress and effectiveness

6. As an institution what have been the benefits of the support received from this project?
7. How do you rate the quality of the support you received?
8. Do you face challenges in using the capacity provided through the project? What are these challenges and have they been addressed?

Impact orientation and sustainability

9. How are you continuing with the project activities beyond its life in July 2016? Why are you continuing? What are the supporting factors for your continuing?
10. Are there issues that may undermine your continued implementation of the activities promoted by the project? What are these bottlenecks (technical financial and institutional)?
11. Are there approaches promoted by the programme you have incorporated in your activities
12. Does the project succeed in developing a replicable approach that can be applied with modifications to other sectors?
13. As the project has come to an end, what are the specific measures are in place to continue to supporting gender equality in your activities?

Lessons learnt and recommendations

14. What should have been different, and should be avoided in a similar programme in the future?
15. What good practices can be learned from the programme that can be applied in a similar programme?
 - a. programme management
 - b. partnerships
 - c. strategic focus and coordination

Annex 5.6: Micro, Small and Medium Enterprises in the transport and private security sectors

Relevance and validity of design

16. What is the Law Growth Nexus III aiming to address?
17. What support have you received from the project?
18. Was this support relevant to support your capacity development programmes for MSMEs in the private security and Transport sector? What was missing?
19. What were the key strengths and weaknesses of the project?
20. How is gender incorporated in the activities of the project?

Project progress and effectiveness

21. As an institution what have been the benefits of the support received from this project?
22. How do you rate the quality of the support you received?
23. Do you face challenges in using the capacity provided through the project?

Impact orientation and sustainability

24. How are you continuing with the project activities beyond its life in July 2016? Why are you continuing? What are the supporting factors for your continuing?
25. Are there issues that may undermine your continued implementation of the activities promoted by the project? What are these bottlenecks (technical financial and institutional)?
26. Are there approaches promoted by the programme you have incorporated in your activities
27. Does the project succeed in developing a replicable approach that can be applied with modifications to other sectors?
28. As the project has come to an end, what are the specific measures are in place to continue to supporting gender equality in your activities?

Lessons learnt and recommendations

29. What should have been different, and should be avoided in a similar programme?
30. What good practices can be learned from the programme that can be applied in a similar programme?
 - a. programme management
 - b. partnerships
 - c. strategic focus and coordination

Annex 6: Documents Reviewed

- a) Project design documents;
- b) Project progress reports (annual reports);
- c) Project monitoring reports;
- d) Activity reports (training, workshops, conferences etc.);
- e) Minutes of steering committee meetings;
- f) National Development Plans;
- g) Sector Strategy Documents;
- h) deliverables of projects i.e. any publications/outputs released;
- i) United Nations Development Assistance Framework (UNDAF); and
- j) Kenya Decent Work Country Programme (KDWCP).

ILO Lessons Learned Template

Lesson 1

Project Title: Independent Final Evaluation of the Law-Growth Nexus III: Labour Law and the Enabling Business Environment for MSMEs in Kenya

Project TC/SYMBOL: RAF1303MNAD

Name of Evaluator: Ngonidzaishe Marimo (Team Leader) & Griffin Nyirongo (Private Sector Development Expert)

Date: 25 Jul.-18 Aug. 2016

LL Element	Text
Brief description of lesson learned (link to specific action or task)	Compliance with labour laws by MSMEs contributes to increases in productivity and enterprise growth.
Context and any related preconditions	<p>The project design was based on a market systems development framework that treats sectors as a system made up of entities that purposefully interact to generate economic benefits. The facilitative components are: supportive legal and regulatory framework, changing attitudes towards labour law compliance, social dialogue between employers and workers, and improved business management skills.</p> <p>The positive results of the project re-affirm and demonstrate that these linkages exist and that the improvement of one (i.e. compliance to labour laws) in fact does contribute positively in terms of productivity and growth of the MSME.</p>
Targeted users / Beneficiaries	Proposal developers and project designers; Donors interested in promoting enterprise development; Project managers responsible for enterprise development initiatives; national stakeholders mandated to promote the informal MSME sector
Challenges /negative lessons - Causal factors	The concept/strategy for achieving enterprise growth was appropriate, however, changing the perception of MSME's in the informal sector on the benefits of compliance to labour laws is one that requires time and therefore the greater result or impact of the initiatives may only be seen years after the completion of the project. Measuring a mind-set change and its impact is difficult within a few years.
Success / Positive Issues - Causal factors	The linkages and interconnectedness between the three market system levels have been made clear between the micro-level, the policy, legal and regulatory framework (PLRF), the macro level and the implicit norms, values and perceptions held by system constituents towards the notion of compliance with these rules of engagement (meta-level).

ILO Administrative Issues (staff, resources, design, implementation)	<p>The market systems development approach (in its design and implementation) is one that has yielded positive results and can/should be applied in other projects aimed at promoting enterprise development. However, the lesson learned includes the need to anticipate/expect that changes in perception/mindset and its impact may not be completely measureable in the lifespan of the project.</p>
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ILO Lessons Learned Template

Lesson 2

Project Title: Independent Final Evaluation of the Law-Growth Nexus III: Labour Law and the Enabling Business Environment for MSMEs in Kenya

Project TC/SYMBOL: RAF1303MNAD

Name of Evaluator: Ngonidzaishe Marimo (Team Leader) & Griffin Nyirongo (Private Sector Development Expert)

Date: 25 Jul.-18 Aug. 2016

LL Element	Text
Brief description of lesson learned (link to specific action or task)	<p>Focusing on a limited number of sectors is strategic and more effective. A project aimed at formalising the MSMEs with a limited budget has higher chances of success with a sector focus. The MSMEs are diverse and each sector has its own specific requirements which can better be addressed with a sector focus.</p>
Context and any related preconditions	<p>Working in two sectors allowed the LGN III to: 1) achieve depth with lower funding than would have been achieved with a focus on the entire MSME sector; 2) develop relevant and specific tools and approaches for the sectors improving opportunities for impact; 3) focus on vulnerable sector with potential for change and employment opportunities for young people; and 4) realize a specific regulatory reform (organizing the private security companies situation) in a very short time-frame.</p>
Targeted users / Beneficiaries	<p>Programme managers planning projects supporting decent work in the informal MSME sector.</p>
Challenges /negative lessons - Causal factors	<p>The LGN III was successful in selecting the right sectors which is the most challenging aspect of a sector focused project. As the LGN III shows, selection of sectors needs to be participatory ensuring the complete tripartite participates in the selection process. This process needs to: 1) be guided by a clear and agreed selection criteria closely linked to the objectives of the project and national priorities; and 2) ensure mainly sectors with potential for growth and where the project cannot be crowded out because of too many actors.²¹</p>

²¹ ILO has also recently produced a publication that provides further guidance on this aspect. **Guidelines for Value Chain Selection: Integrating economic, environmental, social and institutional criteria**
http://www.ilo.org/empent/Projects/the-lab/WCMS_416390/lang--en/index.htm

Success / Positive Issues - Causal factors	Participation of stakeholders (and other important MSME government ministries or arms), especially the tripartite is of paramount importance. The selection can either be done at design stage (which means more investment from ILO in the project design) or at inception of the project. What made LGN III particularly successful was not to impose sectors on the tripartite and other stakeholders.
ILO Administrative Issues (staff, resources, design, implementation)	Depending on the chosen option for selecting the MSME sector or sectors to focus on, significantly more financial resources may be required if the selected option requires identification of the sectors at project design stage.

ILO Lessons Learned Template

Lesson 3

Project Title: Independent Final Evaluation of the Law-Growth Nexus III: Labour Law and the Enabling Business Environment for MSMEs in Kenya

Project TC/SYMBOL: RAF1303MNAD

Name of Evaluator: Ngonidzaishe Marimo (Team Leader) & Griffin Nyirongo (Private Sector Development Expert)

Date: 25 Jul.-18 Aug. 2016

LL Element	Text
Brief description of lesson learned (link to specific action or task)	Flexibility in project implementation is necessary when aiming to have full stakeholder buy-in and ownership
Context and any related preconditions	<p>In a project with multiple stakeholders (at times with diverging interests) it is important to anticipate some delays (and therefore impact on budgeting) whilst engaging them in a meaningful way in the implementation. Given the importance of this ownership and engagement, complete consultations and adapting to the demands of all parties is necessary.</p> <p>When operating in a complex environment with various parties it is important to find a balance in decisions taken on the roll out of activities given the implication on the process as a whole, on partnerships and on the quality of delivery and inputs on the activity itself.</p>
Targeted users / Beneficiaries	Project managers for any development cooperation projects and donors. This lesson is also importance for any National Project Steering committees.

Challenges /negative lessons - Causal factors	<p>The challenge that comes with this lesson is that project implementation may not go according to plan in terms of timeframes and in terms of priority/order of carrying out activities. The Challenge is that implementing agencies (I.e. the ILO) will have committed to the donor to achieve targets by certain timeframes which would then need to be adjusted. ILO projects are time bound and therefore delays in implementing activities (despite the necessity to adapt to the context) may result in funds being unspent or reports indicating incomplete delivery by the time the project ends.</p>
Success / Positive Issues - Causal factors	<p>The positive angle to this lesson is that ownership, tripartism and sustainability will be at the core of project implementation. The likelihood of initiatives carrying on beyond the project are more likely when a strong partnership has been nurtured (influenced by the flexibility and adaptability in project implementation).</p>
ILO Administrative Issues (staff, resources, design, implementation)	<p>The design of project implementation plans should take into consideration possible delays on activities which require agreement or participation of all partners involved. If tripartism, ownership, dialogue and sustainability are to be at the core of ILO projects flexibility needs to be applied. This should be made at the onset of project implementation and communicated to the donor.</p>

ILO Lessons Learned Template

Lesson 4

Project Title: Independent Final Evaluation of the Law-Growth Nexus III: Labour Law and the Enabling Business Environment for MSMEs in Kenya

Project TC/SYMBOL: RAF1303MNAD

Name of Evaluator: Ngonidzaishe Marimo (Team Leader) & Griffin Nyirongo (Private Sector Development Expert)

Date: 25 Jul.-18 Aug. 2016

LL Element	Text
Brief description of lesson learned (link to specific action or task)	<p>The importance of a robust data collection and monitoring tool is critical in tracking progress and in reporting results .</p>

Context and any related preconditions	<p>Applying a market systems approach in the strategy and implementation of a project means that the interconnectedness of initiatives across the levels cannot be understated. The combined effect/impact of the different levels is one that needs to be tracked over time, particularly where issues of norms and perceptions are concerned and where the impact of revisions in regulations are to be measured.</p> <p>Without a robust database tracking progress of MSMEs prior to interacting with the project and after, it is time consuming and costly to undertake specific evaluations or assessments. In order to track/monitor a change in performance of MSMEs due to increased compliance to labor laws a robust system needs to be built in from the start of project implementation to ensure that progress is tracked. Without a robust, functional and up-to-date system it becomes challenging to directly assess what initiatives (or areas of compliance) promoted enterprise growth more than another, if at all.</p>
Targeted users / Beneficiaries	Project managers for any development cooperation projects and donors. This lesson is also importance for any National Project Steering committees.
Challenges /negative lessons - Causal factors	The challenge without having a functional database is that it is difficult to ascertain the exact change of an MSME prior to working with the project and after. In addition, without a complete M&E framework, verification and validation of outputs developed needs to be done manually by reviewing all deliverables. Whilst this can be done, it is time consuming.
Success / Positive Issues - Causal factors	Having a robust functional database and M&E framework allows timely tracking of progress both at the MSME performance level and at the project output level.
ILO Administrative Issues (staff, resources, design, implementation)	Project managers should prioritize updating of an M&E framework throughout the duration of the project. In the design of a project of this kind, the development of a database could feature as one of the objectives of the project as a whole. This system would then be able to be transferred to national partners to continue providing support and tracking best practices.

ILO Lessons Learned Template

Lesson 5

Project Title: Independent Final Evaluation of the Law-Growth Nexus III: Labour Law and the Enabling Business Environment for MSMEs in Kenya

Project TC/SYMBOL: RAF1303MNAD

Name of Evaluator: Ngonidzaishe Marimo (Team Leader) & Griffin Nyirongo (Private Sector Development Expert)

Date: 25 Jul.-18 Aug. 2016

LL Element

Text

Brief description of lesson learned (link to specific action or task)	A project looking to target MSMEs in the informal economy to remove decent work deficits including social protection, needs to also consider existing informal social protection systems that workers in the sector are contributing to as an entry point to expanding social protection to the informal economy.
Context and any related preconditions	LGNII support for legislation that provides a decent work framework in the Matatu sector of Kenya did not sufficiently consider the already existing and successful informal social protection system developed and implemented by the Matatu drivers and conductors.
Targeted users / Beneficiaries	Programme managers planning projects supporting decent work in the informal MSME sector and social protection managers.
Challenges /negative lessons - Causal factors	There were opportunities to enhance the social protection floor in the Matatu informal economy by building on the existing and trusted informal social protection mechanisms available to drivers and conductors. For example, there was reluctance by drivers and conductors to contribute to the formal social protection schemes (National Health Insurance Fund (NHIF) and National Social Security Fund (NSSF)) because they did not fully understand how they stood to benefit from contributing to such schemes, nor were they content that their money would retain value. Besides, they contributed to an informal social protection scheme, 'harambee', from which they have recourse to assistance in times of distress (funeral support, medical, during periods of absence from work due to funerals, illness etc.) The concept and practice of 'harambee', is widely used in Kenya and offers an entry point to expanding social protection to the informal sector which could have been explored in the labour aspect regulations.
Success / Positive Issues - Causal factors	Exploring and supporting existing informal social protection systems among informal workers has the potential to more easily scale up availability of social protection to wider population of the informal sector targeted. This is because these are trusted, easily accessible and meet their needs as compared to their perceptions of more formal and government established social protection vehicles.
ILO Administrative Issues (staff, resources, design, implementation)	When designing projects aimed at formalizing the informal sector, provisions should be provided for a situation analysis of existing social protection systems for informal workers and consider how these can be strengthened either through legislation or better organisation.

Annex 8: Good Practice

ILO Emerging Good Practice Template

Project Title: Independent Final Evaluation of the Law-Growth Nexus III: Labour Law and the Enabling Business Environment for MSMEs in Kenya

Project TC/SYMBOL: RAF1303MNAD

Name of Evaluator: Ngonidzaishe Marimo (Team Leader) & Griffin Nyirongo (Private Sector Development Expert)

Date: 25 Jul.-18 Aug. 2016

The following emerging good practice has been identified during the course of the evaluation. Further text can be found in the full evaluation report.

GP Element	Text
Brief summary of the good practice (link to project goal or specific deliverable, background, purpose, etc.)	The project shows that scale can be achieved with limited budget by leveraging on partners' capacity. Partnerships with the ILO Constituents enabled the project to reach a geographically dispersed target group with a limited budget which provided the project economies of scale.
Relevant conditions and Context: limitations or advice in terms of applicability and replicability	<p>Involvement of the stakeholders from design of the project and constant communication beyond the management platforms built a strong sense of ownership and belonging important for applicability and replicability.</p> <p>A possible limitation to applicability and replicability is the level of dependence on ILO by some stakeholders. Some of the micro-level stakeholders felt that going forward, it would be extremely challenging for them to sustain the activities without ILO support. The envisaged ILO support ranged from provision of training materials, facilitating the logistics and in the case of one stakeholder conducting the training as <i>"the ILO were the only credible institution that could provide objective training in labour laws because they are experts in the field and are neutral"</i>. BDS providers were considered inappropriate to fill the vacuum left by ILO because they charge for their services. The MSMEs targeted, mostly being small businesses, may not appreciate or even afford the BDS services, especially that compliance training was a new area for small businesses that would take some time to be appreciated to the extent that the MSME sector will be willing to pay for the training.</p>
Establish a clear cause-effect relationship	The Project had established a business case for labour law compliance which underscored a clear cause and effect relationship on the nexus between Labour Law compliance and MSME development. Demonstration of the business case for compliance by the project provided a facilitative platform for ILO constituents to engage in social dialogue on the nexus between Labour Law compliance and MSME development. It also facilitated sector-specific regulatory reform and development of an approach and tools that could be replicated to other MSME sectors.

<p>Indicate measurable impact and targeted beneficiaries</p>	<p>The project by and large achieved the set objectives. The project leveraged on the successes and challenges of the preceding phases. LGN III consolidated the advocacy and awareness raising on labour laws among MSMEs in the transport sector which began in LGN II, and extended to the private security sub-sectors. Significantly, the project contributed to creating 4,566 new jobs in the Matatu sector and comprised new jobs and those jobs whose condition were now considered decent. While there are other factors that were identified to have contributed to the increase in jobs, such as new investors entering the sector in response to the order that had been brought into the sector by the regulatory reforms which resulted in more vehicles being bought, stakeholders noted that the Project could still take the credit as it had contributed to bringing order to the sector through its interventions.</p>
<p>Potential for replication and by whom</p>	<p>The Project succeeded in developing an approach and tools that could be replicated to other MSME sectors. The projects approach entailed training in labour law compliance with the tools developed in LGN II and LGN III. The Training of Trainers training capacitated local institution staff and BDS providers to apply the tools in training. The trainers had conducted training that was implemented by their respective institutions and therefore demonstrated that they had embraced the training approach used in the project. All employers and workers organisations in the security and Matatu sectors have conducted training in labour laws reforms for their members. Similarly, COTU (K) and FKE have also conducted training in labour laws for their members using staff trained by the LGNIII.</p> <p>The Ministry of EAC, Labour and Social Protection hosts the mobile phone application which presents a huge opportunity to roll out awareness of labour laws to a wider audience in Kenya. The application conveys the relevant labour laws and the simplified version of labour laws. The Swahili version of the labour laws will ensure a wider reach as it is more comprehensible to the Matatu and Private Security Sectors and to other MSME owners and employees. The Central Organisation of Trade Unions (COTU) revised the curriculum and incorporated the labour laws compliance in their training programmes offered at the Tom Mboya Labour College. The Micro Small Enterprise Authority (MSEA) incorporated components of labour laws in their Improve Your Business training programmes.</p>

<p>Upward links to higher ILO Goals (DWCPs, Country Programme Outcomes or ILO's Strategic Programme Framework)</p>	<p><u>Kenya Decent Work Country Programme</u></p> <ul style="list-style-type: none"> • Priority 1: Enhancing Social Protection through policies and actions that promote social assistance, social security and health insurance Outcome 1.1: Increased access to social security benefits for workers including those in the informal economy, and the unemployed Outcome 1.2: Improved working terms and conditions accessed by women and men workers • Priority 2: Promotion of employment creation and employability Outcome 2.1: Improved access for young women and men to decent and productive employment opportunities Outcome 2.2: Increased business growth for MSEs • Priority 3: Strengthening Industrial Relations Outcome 3.1: Enhanced labour relations and industrial peace through social dialogue <p><u>Relevant ILO Country Programme Outcomes (CPOs)</u></p> <ul style="list-style-type: none"> • KEN 130 CPO-Young women's and men's entrepreneurial skills for self-employment and SME activities enhanced • KEN 131 CPO-Employment created through increased opportunities for women and men members of cooperatives <p><u>ILO Programme and Budget (P&B) 2014 – 15</u></p> <ul style="list-style-type: none"> • Outcome 3: Sustainable enterprises create productive and decent jobs • Outcome 12: Tripartism and strengthened labour market governance contribute to effective social dialogue and sound industrial relations • Outcome 14: The right to freedom of association and collective bargaining is widely known and exercised
<p>Other documents or relevant comments</p>	<p>None.</p>