



International Labour Organization

iTrack

Evaluation

ILO EVALUATION

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

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► Acronyms

BDS	Business Development Service Provider
BOL	Bank of Laos
DFICT	DF Filing Consultancy and Translation Sole Co., Ltd
DoE	Department of Employment
ILO	International Labour Organization
IOM	International Office for Migration
LNCCI	Lao National Chamber of Commerce and Industry
MoIC	Ministry of Industry and Commerce
MoLSW	Ministry of Labor and Social Welfare
MSME	Micro, Small and Medium Enterprise
OECD DAC	OECD Development Assistance Committee
PES	Public Employment Services
TVET	Technical Vocational Education and Training

► Executive Summary

A final independent evaluation was commissioned for the ILO project *Reduced vulnerability of returnee migrant workers through linkages to employment opportunities and integration into local economic development in response to COVID-19*. The evaluation took place in May 2023 and comprised of a desk review, interviews and triangulation of information to identify conclusions and recommendations.

The project was officially signed in April 2022 with funding from the Ministry of Foreign Affairs of Japan to the value of \$641,729 and an additional \$207,208 from the ILO/Japan Fund for Building Social Safety Nets in Asia and the Pacific (SSN Fund) as well as in-kind contributions from the ILO. The total project budget was \$848,937 with an initial expected implementation period of 12 months and an end date of 31 March 2023. However, in March 2023 a two month no-cost extension was granted till 31 May 2023 to enable the project to complete expenditure and activities.

The **immediate objective** of the project was that by the end of the project the target beneficiaries (migrant workers, unemployed, aspiring entrepreneurs and MSMEs) will have recovered from the impact of COVID-19 by engaging in income generation activities either through wage employment or self-employment with knowledge on COVID-19 preventive measures.

The planned **end outcome/expected change** was for an increase in opportunities for wage employment or self employment for returned migrant workers, unemployed, aspiring entrepreneurs and MSMEs through linkages with skills development including COVID-19 preventive measures.

This was to be achieved through the following outputs:

- **Output 1.1.** Government, social partners, private sector, TVET and skill development centres have increased capacity to support gender sensitive employment services, including identifying returned migrant workers, linking them to wage employment and COVID-19 preventive measures
- **Output 1.2.** TVET, skill development institutes and business development providers have increased capacity to develop upskilling and recognition of prior learning programmes for returned migrant workers with mainstreamed COVID-19 preventive measures
- **Output 1.3:** Integration of migrant workers, unemployed, aspiring entrepreneurs and MSME into markets through increased competitiveness and industrial linkage programmes

The project, was designed as a COVID-19 response, however by the time of its implementation, the restrictions from the pandemic had already eased, and the borders were open with the in and out flow of migrants for employment opportunities. This presented a new challenge and the target group was then expanded to include unemployed workers within Laos, MSMEs and aspiring entrepreneurs. t

The evaluation follows the OECD-DAC evaluation criteria¹: relevance, validity, effectiveness, efficiency and impact and sustainability. Highlights of the report are:

- **Relevance:** The project is viewed as relevant and important across all stakeholders interviewed, especially given its role in supporting the promotion of skills development and training as well as in its approach to directly enable participants/students to receive training. While the project

¹ Evaluation criteria - OECD. (n.d.).

<https://www.oecd.org/dac/evaluation/daccriteriaforevaluatingdevelopmentassistance.htm>

has been relevant, there are more contextual/broader issues that need to be addressed in future programmes (outlined in the recommendations).

- **Validity of design:** the logical framework was coherent and well articulated. The project design focuses mostly on the technical component of the implementing partners/institutions. However, the budget breakdown is geared more towards procurement of equipment based on the donor requirement to focus on equipment provision. A more evenly balanced budget allocation at design stage could have better equipped the project team to conduct more in depth capacity building programmes for the trainers or institutional capacity building in the provinces.
- **Effectiveness:** The 3 outputs as per the project document, with the indicators identified at design stage, have been achieved. The outputs delivered have been satisfactory to the stakeholders and beneficiaries with an astounding request for further support in the same activities (to expand reach and for more depth, including practical sessions for both trainers and students). At the Outcome level, the project has achieved its expectation of "Increased opportunities for returned migrant workers (women and men) with productive wage employment through linkages with skill development, including COVID-19 preventive measures, existing wage employment and self-employment opportunities".
- **Efficiency:** The financial resources as a total have been adequate, however the distribution of them, as per the project design and donor requirement is skewed towards the procurement of equipment and funds for technical support is limited with 65% of project budget for equipment. The remaining 35% of the funds were split between technical support and operation costs. All stakeholders requested for more technical support and additional funds could have been allocated if there was flexibility in budget allocations.
- **Impact and sustainability:** The project has consistently had sustainability as part of its approach from the provision of training to trainers, selection of modules that would be used in the future, selection of equipment that is most relevant and value for money. Skills transfer and knowledge gained will remain with the beneficiaries (either for the teachers or students themselves) and this impact cannot be measured immediately. The equipment procured will also have a long lasting impact as they will be available for use for years to come. However, concern is raised for the equipment within the skills development centers/institutions in the case that the institutions cannot attract students to attend.

The recommendations within the report are informed by the interviewees combined with the evaluators assessment:

1. The ILO, together with the MoLSW is recommended to continue to mobilize resources to leverage the momentum from the project to develop a more comprehensive, and long term programme to consider the more systemic/policy related challenges
2. Provide more support for aspiring entrepreneurs and opportunities for self employment through both technical and with equipment where projects have the budget to do so. This should be paired with sectoral advice or mentorship through more established businesses or under the umbrella of the association.
3. Enhance educational opportunities and quality of the vocational training programmes within the existing institutions to equip individuals with the skills needed for the current job market and future needs of the world of work. This would require continued efforts to strengthen the relationship between private sector and skills development institutes, as well as private sector, the skills development institutes and public/private employment service centres. Specific

attention should focus on skills needs in the future world of work, not limited but including, soft skills, digital transformation and transitions, greener practices, use of technology.

4. Strengthen the public and private employment service centres through identifying sources for funding as this is critical for their operations. Sustained financial support enables the PES centres to maintain a skilled workforce, continue investments in technological infrastructure and positions them to offer a wide range of services to job seekers and employers.
5. Develop a policy focusing on Lao migrants conditions externally and upon return, that will provide guidance on steps needed to migrate as well as re-integrate. The policy should articulate a clear vision encouraging Lao migrants to remain and seek support from PES centres while avoiding the use of informal agents,
6. Strengthen the capacity of cooperatives and associations for sectors with high growth and employment potential, for example the coffee cooperative and associations. This involves empowering the organization to enhance their capacity and operations.

1. Background and project description

This is the final report of the Independent Evaluation of the ILO Project *Reduced vulnerability of returnee migrant workers through linkages to employment opportunities and integration into local economic development in response to COVID-19* (herein referred to as 'the project'). This section presents the context in which the project was designed and later implemented and provides details on the project objectives, implementation period, beneficiaries and stakeholders and its overall approach and strategy.

1.1 Context

COVID19

The global shock triggered by the COVID-19 pandemic had a direct impact on the economy of Lao PDR evidenced by a contraction of -0.6% in 2020 and a growth rate of 2.8% in 2021 and 2.5 percent in 2022² following the World Bank's initial projection of 3.8 percent. This is a significant decline given that between 2000 and 2018 Lao PDR's growth averaged 7.5 percent a year. Despite signs of an economic recovery in early 2022, the domestic and external economic environment for Lao PDR deteriorated significantly. The sharp currency depreciation and high inflation (Kip lost 68 percent of its value to the US dollar in 2022) has further challenged the Lao economy following the restrictions of economic activity globally, within the region and within the country because of COVID-19.

The world of work especially incurred a devastating impact with reductions in production resulting in increased job losses, strains on the MSME sector due to reduced consumption/spending capacity and uncertainty on employment, particularly for migrant workers. Based on a sample survey, it was found that In 2020, 44% of enterprises³ within Laos had to take underemployment, temporary leave and/or employee lay off measures due to a slow down of orders/consumption. On top of this, approximately 200,000 migrants returned to Laos in 2021. Without sufficient livelihood opportunities available, the country faced an increase in unemployment, increased loss of income and increased risk of households falling further into poverty. The loss of livelihoods for migrants left many vulnerable to exploitation.

The crisis disrupted the education, training and employment of young people⁴ while the high inflation and depreciation of the currency further raised the socio-economic vulnerability of many. The opportunity cost of education and skills development rose which impacted the rates of attendance in skills development institutes and training centers. The increased vulnerability is likely to have also contributed to a rise in child labour and therefore poses an increased risk that the future labour force will continue with high tastes of unskilled or low skilled workers.

² Facing crisis, Fostering Recovery - World Bank. (n.d.-b).
<https://thedocs.worldbank.org/en/doc/44995da98756fa935d17f58351939d88-0290032021/original/DPF-RETROSPECTIVE-2021-Executive-summary.pdf>

³ United Nations. (n.d.). *Socio-Economic Impact Assessment of covid-19 on Lao PDR in Lao PDR*. United Nations.
<https://laopdr.un.org/en/124250-socio-economic-impact-assessment-covid-19-lao-pdr> .

Most of the surveyed firms (91.4%) were micro-enterprises (between 1 and 5 workers) and owned by women (81.7%). Finally, almost half of the surveyed firms were informal (48.3%) and most of them were home-based (54%).

⁴ ILO Project Document for the: *Reduced vulnerability of returnee migrant workers through linkages to employment opportunities and integration into local economic development in response to COVID-19 project*

Migration

Migration has been a strategy for many Lao households for years, particularly in rural areas, as a way of addressing household poverty due to a perceived lack of jobs, underemployment and low income from local employment. Many Lao households are dependent on remittances from migrants which is estimated to have reached \$285million in 2019. Following COVID-19, migrants had either stopped sending remittances or significantly reduced the amount being sent, with remittances estimated to have declined to \$US125million according to the World Bank.

As a landlocked nation, Lao PDR is best known as an origin country in migration and to a lesser extent, a transit and destination country. The most common destination for Lao Migrants is Thailand⁵ with migrants working in manufacturing, construction, domestic work or the agricultural sector, having found their jobs through friends/family or through informal brokers⁶ with many lacking legal status. This positions them in a vulnerable situation especially in times of crisis like when the COVID-19 outbreak began. A survey undertaken by IOM in 2020 presented that more than 50% of migrants surveyed had no plans to leave Lao PDR and 36 percent were willing to upskill for better opportunities. However, since 2020 the scenario has changed with many migrant workers returning to Thailand (based on interviews conducted as part of the evaluation).

The main drivers of migration in 2022 were higher income levels in Thailand and lacking job opportunities in Lao PDR (IOM, Flow monitoring report, 2022)⁷. Lao migrants also reported economic events were a 'push factor' for leaving and did not report any climate change induced disasters as a reason for leaving. Thailand is a popular choice for Lao migrants because of the low language barrier, higher salaries and better working conditions than other countries. In 2020, the IOM Returning Migrants Survey reported that the driving factor of migration was due to the lack of foreign investment and choices, which creates relatively low paying job offers in Laos that are between 500,000 -1,300,000 LAK per month (30 – 75 USD).

Many of the migrant workers had already obtained employment in Thailand before traveling and the most common way to obtain a job was through relatives and friends in Thailand, however this is decreasing in popularity compared to previous data⁹. In terms of gathering information prior to migrating to Thailand, 50% of survey respondents (IOM, Flow monitoring report 2022) relied on information from family and friends in Thailand and social media. This is re-confirmed by the Returning Migrants Survey which indicated that the three most popular channels of finding jobs were through friends (39%), family (31%) and through their own efforts (20%). In terms of employment, most migrants surveyed worked as regular salaried workers or daily wage earners. The Flow

⁵ Lao People's Democratic Republic returning migrants survey. (n.d.-c).
https://www.iom.int/sites/g/files/tmzbd1486/files/dtm/laos_returning_migrants_survey1.pdf

⁶ Lao People's Democratic Republic returning migrants survey. (n.d.-c).
https://www.iom.int/sites/g/files/tmzbd1486/files/dtm/laos_returning_migrants_survey1.pdf

⁷ World migration report 2020 - International Organization for Migration. (n.d.-d).
https://publications.iom.int/system/files/pdf/wmr_2020.pdf

⁸ Ibid. The data collection for the Flow Monitoring report took place between 14 to 29 September 2022 at Vientiane Central Bus Station, First Thai-Lao Friendship Bridge and on various buses that run between the two locations. Locations were chosen as they have high numbers of labour migrants transiting through and are a good base for convenience sampling method the surveys have used. The inflow survey had 174 valid responses and the Outflow survey had 350 valid responses.

⁹ Ibid.

Monitoring Report found that construction work was decreasing in popularity, while manufacturing and the hospital sector remained the top sector for Lao migrants in Thailand.

The average amount spent on migrating to Thailand was 6,684,797 Lak, mostly funded through personal savings, and most respondents didn't feel any pre-departure difficulties or challenges while living in Thailand. However, most migrants interviewed indicated that they didn't know where they would get help in case of a workplace problem. Of those interviewed, most of the respondents said they were only returning to Laos for a short visit or because their visa was coming to an end. A significant portion of returning migrants (80%) were open to migrating to Thailand again.

It is under this context that the project was implemented although it was designed prior to the after-effects of the economic shifts/challenges that Laos faced after the COVID-19 pandemic.

1.2 Key facts about the project

The 'reduced vulnerability of returnee migrant workers through linkages to employment opportunities and integration into local economic development in response to COVID-19' project was officially signed in April 2022 with funding from the Ministry of Foreign Affairs of Japan to the value of \$641,729 and an additional \$207,208 from the ILO/Japan Fund for Building Social Safety Nets in Asia and the Pacific (SSN Fund) as well as in-kind contributions from the ILO. The total project budget was \$848,937 with an initial expected implementation period of 12 months with an end date of 31 March 2023. However, in March 2023 a two month no-cost extension was granted until 31 May 2023. The Memorandum of Understanding between the ILO and the main implementing partner, the Department of Employment of Ministry of Labour and Social Welfare was signed in September 2022 and it was only after the MoU was signed that the project was able to start implementing activities (as per the official practice in Lao PDR when the main implementing partner is a Government department/agency). The project team responsible for implementation from the ILO consists of a National Project Coordinator and a Finance & Administrative Assistant based in Vientiane Capital, and received technical backstopping from the Decent Work Support Team in the Regional Office (Bangkok).

1.2.1 Project objective

The **ultimate (development) objective** of the project was to support the ongoing efforts of the Government of Lao PDR in the reintegration of returnee migrant workers, aspiring entrepreneurs and the revival of the MSME sector to generate better and more sustainable income and employment opportunities by strengthening local production and services in a number of key economic sectors, as well as promoting COVID-19 preventive measures.

The **immediate objective** of the project was that, by the end of the project, the target beneficiaries (migrant workers, aspiring entrepreneurs and MSMEs) will have recovered from the impact of COVID-19 by engaging in income generation activity either through wage employment or self-employment with knowledge on COVID-19 Preventive measures.

The planned **end outcome/expected change** was for an increase in opportunities for returning migrant workers (women and men) with productive wage employment through linkages with self-development including COVID-19 preventive measures, existing wage employment and self-employment opportunities.

This was to be achieved through the following outputs:

- **Output 1.1.** Government, social partners, private sector, TVET and skill development centres have increased capacity to support gender sensitive employment services, including identifying returned migrant workers, linking them to wage employment and COVID-19 preventive measures
- **Output 1.2.** TVET, skill development institutes and business development providers have increased capacity to develop upskilling and recognition of prior learning programmes for returned migrant workers with mainstreamed COVID-19 preventive measures
- **Output 1.3:** Integration of migrant workers, aspiring entrepreneurs and MSME into markets through increased competitiveness and industrial linkage programmes.

1.2.2 Project approach and strategy

The project strategy, has been to work in two areas of intervention

- 1) Facilitation of returned migrant workers to take up existing wage employment opportunities and
- 2) Support to aspiring entrepreneurs, MSMEs and local economic development through strengthened local production and services.

This has been done through support to the government, social partners, private sector, TVET and skill development centers to develop the capacity of the employment services, including identifying returned migrant workers and linking them to wage employment opportunities. Further support has been provided to TVET and skills development institutions to develop the capacity to adapt skill development programmes, including training on COVID-19 preventive measures to assess and certify skills and reskills and upskill returned migrant workers. Where gaps exist in terms of equipment/machinery the project would support in the procurement of the items.

The project also prioritized supporting aspiring entrepreneurs and a more productive MSME sector as this will result in an increase in job opportunities in the long term and the facilitation of income generation in the short term. The project also aimed to prioritize strengthening the capacity of production groups to meet market needs as their role in helping MSMEs meet production needs is critical.

1.2.3 Geographical area

The project has been implemented at central level (Vientiane Capital) directly with the line Ministry and in the provinces, Champasak and Savannakhet, along with provincial representatives for government, skills development institutes and private sector. The provinces were selected at the design stage of the project based on the high numbers of Lao migrant workers from Vientiane Capital, Champasak and Savannakhet.

1.2.4 Target group and key stakeholders

At design stage, Lao PDR was in the midst of its recovery from the economic consequences of the COVID-19 pandemic and had received 200,000 returning Lao Migrants. The supply of labour had increased whilst employment opportunities hadn't. The priority therefore was to provide returning Lao migrants with the necessary skills they needed for either wage employment or self employment.

However, by the time the project started its implementation in September 2022, the target group, Lao migrants (returnees) had already recommenced the processes of migrating out of Laos for work and therefore were not interested or available to uptake support services available for them to seek employment or pursue entrepreneurship within Laos. Furthermore, non-migrants that remained, were not enticed/convinced to participate in skills development training, a challenge that has been outlined and requires a much more systemic approach to address.

The project therefore decided to expand their target group to focus not only on returnee migrants, but also on unemployed and new graduates as they are at risk of becoming migrants if they fail to find a decent paying job within the country. The project identified the importance of cooperatives as production groups and provided support to strengthen their capacity (outlined in the findings section).

The ultimate beneficiaries, as outlined in the ProDoc are:

- External and internal returning migrants
- Families of returning migrants
- Vulnerable women and youth
- Local entrepreneurs

The main stakeholders and implementing partners for the project includes:

- The **Department of Employment** of the Ministry of Labour and Social Welfare (MoLSW): responsible for 1. collecting and disseminating labour market information 2. Facilitate job arrangements within the country and outside 3. Promoting entrepreneurship as an alternative to wage-employment and 4. Prepare policy and regulations regarding labour protection. The DoE was primarily contributing to Output 1.1 and 1.3.
- **Public Employment Service Centres** (under the MoLSW) in Savannakhet and Champasak province: responsible for matching jobseekers looking for employment with enterprises who need workers to fill their vacancies. They are responsible for providing job placement and career guidance, preparation of required documents for wage employment, as well as maintaining an information base related to skills and labour, such as wages, working conditions, commitment time, transport cost, etc. The PES centres play a leading role in Output 1.1.
- **Public and Private Vocational and Skills Development Institutes/ Training Centres:** specifically the Institute of Xaysombath Technology in Savannakhet (private), Champasak Provincial Employment Service and Skills Development Institute (Public), the Garment Training Development Center (Private), DFICT training center (private) and Lao Trade Union Development Institute of Lao Federation Trade Union (public). These institutions are responsible for developing upskilling and recognition of prior learning programmes for returned migrant workers and unemployed. They have a mandate to assess and certify skills and provide endorsement for the issuance of skills certification. In relation to the project their main role is to provide training/skills development and in delivery training programmes that are relevant for employers. These institutions are key implementers for Output 1.2.
- **Private sector** under the Lao National Chamber of Commerce and Industry, specifically the Savannakhet Chamber of Commerce and Industry, the Champasak Chamber of Commerce and Industry, the Lao Coffee Association, the Lao Garment Association and the Lao Furniture Association. These bodies are responsible for voicing challenges and concerns on behalf of the private sector as well as articulating the employment opportunities and the skills needed by the private sector. They also play a role in informing skills development programmes so that

they are updated and relevant for the employment/jobs that are available. Their role is primarily in output 1.2 and 1.3 (for aspiring entrepreneurs and strengthening the cooperative/association units).

- **Lao Federation of Trade Unions:** responsible for protecting labour rights, sharing information, facilitating opportunities with private sector and ensuring that the voice of labour is articulated to employers.
- **Business Development Service Provider**, specifically Enterprise and Development Consulting (private): provide training to MSMEs or aspiring entrepreneurs as well as train the teachers of the skills development institutes (output 1.3).

2. Evaluation Background

The evaluation has been undertaken from 2 May 2023 till 24 May 2023, in the final month of project implementation and is classified as a final independent (internal) evaluation. This assignment falls under the guidelines of the ILO's policy of evaluations. This chapter outlines the processes undertaken by the evaluation team in line with the Terms of Reference.

2.1 Scope of work

2.1.1 Objective of the evaluation

- To independently assess the project against project outcomes and indicators
- To capture the feedback and perspective of a range of stakeholders on the impact of the project activities
- To identify good practices and lessons learned that would contribute to learning and knowledge development of the ILO and project stakeholders.
- To inform the ILO on whether the project strategy has worked effectively, and provide recommendations on additional approaches suggested by stakeholders for consideration in future initiatives

The primary intended use of the evaluation is to inform future programmes of this nature and to highlight the good practices such that they can be replicated in already existing initiatives.

2.1.2 Approach: Evaluation Criteria

The evaluation follows the OECD-DAC evaluation criteria¹⁰: relevance, validity, effectiveness, efficiency and impact and sustainability. The guiding questions (provided in the ToR) and then adapted in the inception report are available in the annex. The criteria specifically assess the:

1. Relevance of the project: The extent to which the intervention objectives and design respond to beneficiaries', global, country, and partner/institution needs, policies, and priorities, and continue to do so if circumstances change
2. Validity of design: the extent to which the project design (objectives, outcomes, outputs, and activities) and the underlying theory of change are logical and coherent.
3. Project progress and effectiveness: The extent to which the intervention achieved, or is expected to achieve, its objectives, and its results, including any differential results across groups.
4. Efficiency of resource use: The extent to which the intervention delivers, or is likely to deliver, results in an economic and timely way.
5. Impact orientation and sustainability: The extent to which the net benefits of the intervention continue, or are likely to continue and the extent to which the net benefits of the intervention continue, or are likely to continue.

¹⁰ Evaluation criteria - OECD. (n.d.).

<https://www.oecd.org/dac/evaluation/daccriteriaforevaluatingdevelopmentassistance.htm>

2.1 Methodology

2.2.1 Methods, data sources and sampling

The evaluation methodology involved two data collection approaches: primary data (through interviews) and secondary data, quantitative and qualitative through a desk review.

The evaluation team prepared question sets based on the guiding OECD criteria and agreed upon them for each stakeholder category group with the project team. The project team provided a list of key stakeholders and individuals to be interviewed to capture feedback across all outputs and geographic coverage.

2.2.2 Desk review of key documents (secondary data)

The evaluation team commenced by conducting a desk review of the following documents:

- Project document, workplan and progress reports x 4
- Lao Decent Work Country Programme
- ILO/LNCCI Report: Employer Skills Needs Survey (amid COVID-19 Response, 2021)
- IOM Returning Migrants Survey (2020) and the IOM Flow Monitoring Survey (2022)
- Project report on mapping demand and supply of labour
- Project budget and list of equipment procured
- Project M&E Report and project tracking sheet
- Training reports

2.2.3 Interviews (primary data)

Semi-structured interviews were conducted (in person and online) for representatives of the ILO, the key line Ministry: Ministry of Labour and Social Welfare, private sector, TVET/Skills development institute, BDS provider and beneficiaries. In total 23 interviews were planned for and by 19 May, 22 interviews were concluded. Each interview lasted 45-60 mins

2.2.4 Limitations

The limitation to the evaluation process was the

- Inability or lack of possibility to undertake in person interviews within the provinces and at the training institutes themselves, especially to see first hand the equipment purchases.
- The timing of the evaluation which has taken place while final activities are still being conducted and in some instances where procurement processes have not concluded. This therefore limited the feedback from stakeholders in terms of what they have experienced in using the equipment.
- The proximity of the evaluation to project implementation prohibits the evaluation from assessing impact after a few months to really understand the longer term impact after activities have concluded.
- Due to time limitations, the evaluation team only interviewed a sample size of 5 trainees from the skills development institutes out of the 328 who received skills development training

3. Main Findings

3.1 Context of project implementation

The project was implemented from April 2022 – May 2023, a period of 14 months within which an inception period of 2 months was used to set up the project team, with the National Project Coordinator being recruited full time after 3 months of the start date of the project. For the first 4 months the project focused on setting up the project team, preparing for the signing of the MoU, undertaking consultations to understand the needs of beneficiaries and exploration to identify and agree on implementing partners, especially to deliver skills development and upskilling trainings.

The project was originally designed in response to COVID-19, however by the time it was implemented the restrictions from the pandemic had already eased. Borders had reopened with the expected in and out flow of migrants for employment opportunities. This presented a challenge in working only with returnee migrants and the project thus expanded its target group.

During the design stage of the project, the Department of Skills Development and Employment was identified as the lead department for project implementation. However, upon starting the project, the Department has now been split into two, 1. Department of Skills Development and 2. Department of Employment. The DoE was identified as the lead implementing department for the project, although both departments' role and mandate is critical for the outputs of the project.

3.2 Evaluation Criteria

3.2.1 Relevance of the project¹¹

The project responds to the priorities of the Lao Decent Work Country Programme (2022-2026), specifically output 3.2 for Increased availability of and access to pre-migration and on-return services, as well as to migrant workers' associations/networks, for women and men migrant workers, including in the areas of skills development, access to employment, and prevention of and protection from violence and harassment, including gender-based violence and harassment. The project also contributes towards attaining output 5.3 for Improved TVET and skills development systems, including through (i) improved access for women and persons with disabilities and (ii) increased private sector engagement in governance.

The project is aligned with the National Rural Employment Strategy and the Lao Government Covid Response Action plan. Furthermore, the project is in line with the strategy and policy direction of the Ministry of Labour and Social Welfare.

3.2.1.1 Project adaptation

The project invested a substantive amount of time/resources to identify the needs of the beneficiaries and in re-defining the target group. The project document determined the focus to be on returnee migrants, however by the time of project implementation, based on consultations with stakeholders, it appeared that many of the returnee migrants had already gone back to work abroad or were preparing to do so. This resulted in a low interest/demand to participate in upskilling or attending skills development trainings from returnee migrants. And for this reason the project broadened its

¹¹ Relevance & strategic fit: The extent to which the intervention objectives and design respond to beneficiaries' needs. How well did the project meet the needs of the beneficiaries? (including tripartite constituents, workers and employers, disadvantaged vulnerable groups of workers). How well did the project adapt to the changing needs of beneficiaries in the context of COVID-19?

target group to also include those that were vulnerable to becoming migrants: unemployed and recent graduates who would likely be attracted by higher salaries in Thailand.

Understanding the drivers of migration as part of this evaluation process was critical in understanding why it was difficult for the project to reach the initial target group and the findings validate the decision of the project to expand its target group. Although there are no available statistics to demonstrate the increased rate of migration since early 2022 (when the project started), the interviews and shared experiences of stakeholders indicates that many Lao migrants turned to working outside of Laos instead of investing their time and limited resources in Laos without guarantee for a well paid job.

The views of the evaluation interviewees are further validated by a survey conducted by IOM as recently as 2020¹² which indicated that the driving factor of migration was due to low paying job offers, an amount that can barely accommodate family expenditures and living costs, particularly in Savannakhet". Savannakhet, is one of the provincial focuses of the project and this finding clearly indicates that high costs of living combined with low paying jobs are a main driver of migration. This signals a clear need to either address the cost of living and/or address the issue of low paying jobs. It was also found that respondents from the IOM survey felt that there were little to no barriers for exiting Laos and settling into Thailand for employment. Respondents also didn't feel any pre-departure difficulties, nor did they anticipate any challenges in living in Thailand.

Given the above, and within the limited time period for project implementation the project decided to expand its target group to include aspiring entrepreneurs and existing entrepreneurs such that this can contribute to income generation and employment opportunities (this is in addition to the expansion of the target group to also include unemployed and recent graduates). This decision was reached in agreement with the main implementing partners and with consultation across provinces which was further validated through the evaluation interviews. Stakeholders have confirmed the challenge in trying to work with only returnee migrants, and that if the project had done so, it would not have reached its target nor would it have responded to the immediate needs of those who have not migrated.

3.2.1.2 Beneficiary and stakeholder needs

In December 2022, the project conducted a 'mapping report on demand and supply of the labour market in 3 provinces' to 1) identify labour skills supplied currently and demanded by employers in target sectors 2) determine the supply and demand for specific skills with focus on the need for trained personnel in selected sectors and to 3) map the labour skills development and link to the required training courses to inform the design of training packages. This report identified that

1. In 2021 there was an oversupply of labour in the labour market (due to returnee migrants)
2. In 2022 there was already a shortage of labour as the economic situation "forced workers to migrate to neighbouring countries for higher paying jobs"
3. In 2023 there is currently a high demand for labour in Laos but a short supply, especially as the Lao economy is now projected to grow by 3.5% in 2023 with an increase in production, especially in the agriculture sector, industry and service sector.

Private sector: demand side

¹² *Flow Monitoring Report*. IOM Publications - International Organization for Migration. (2022). <https://publications.iom.int/>

From the private sector side engaged in the project (including furniture, garment and hotel and restaurant sectors) there is a need for trained labour. For example, based on a sample study conducted by this project, the furniture association predicts a need for an additional 117 workers of which 26% would be women with specialized skills, specifically in the operation of sewing machines: single and double needled machine types, over lock machines and bar track machines. This is an indication of the need from the private sector for more supply of labour. Another example is from the Hotel and Restaurant sector which faces a requirement of an additional 338 workers.

Based on the interviews and the study conducted by the project, it is evident that the labour needs for the private sector is unmet. While the project has made some strides in this regard (details outlined in section 3.2.3) the challenge/gap continues to exist.

Skills Development/Training Institute: supply side

The mapping report (December 2022) found that the skills development institutes faced shortages in students participating in training programmes and this gap has remained until the time of the evaluation. However, the project made strides in enrolling 328 students into the programmes. Interviewees commended the project and acknowledged that without the efforts of the project, there may not have been many students and therefore the institutions will have struggled. The interviewees conclude that whilst the project made efforts to attract students gaps remain because 1. students are not interested in learning at skills development institutes compared to learning at TVET colleges 2. The skills development institutes still have the challenge of adapting their curriculum to provide shorter courses for a diverse range of skills requirements 3. The training materials and machinery are seen to be limited and/or outdated and 4. There is a limited number of professional technical trainers. Lastly, there was a sense/need for more cooperation with the private sector and skill centers (both public and private) to have a comprehensive approach to attracting students.

The project was able to meet these needs through provision of equipment and training of trainers within the institutes as well as support the promotion of participation in training programmes (details outlined in section 3.2.3). The project is seen to be in line with the existing strategies and approaches of the TVET system and Skills Development Institutes.

Participants/Students

The ultimate beneficiaries have indicated the usefulness and importance of the project particularly in facilitating their participation in trainings and have provided recommendations for consideration in the future, including the need for additional practical on-the-job training. With the skills they have gained, their confidence has increased and they are able to foresee a positive future, while also earning some money for now.

Ultimate beneficiary's experience

► Ms. Bon (Vientiane Capital)

► Chose not to work in Thailand like many others in her community and instead, she discovered the project activities on Facebook as advertised by the Garment Association and Garment Training Center. She applied to participate in the 20-day training and upon completion began working at a small-scale garment factory, earning about 2.6 million kip per month. She explained that the project supported her immediate needs and has set her on the path to reach her future dreams. Her dream is to own a clothing store and personally sell clothes she designs both in shops and from home.

► Mr. Bounchanh (Savannakhet)

► Has a passion for motorcycles and has gained expertise in motorbike repair while working at a shop. He participated in a car maintenance course sponsored by the project ILO-Japan at Xaybandith Institute. Instead of seeking employment in Thailand like many other young people, he aspires to establish his own motorbike and car maintenance shop. However, he lacks the necessary funds and is hesitant to borrow money without a clear business plan. He proposes a more practical training at a business premises as part of the programme, along with additional financial support or guidance for investment planning. Mr. Bounchanh is optimistic and determined to turn his dream into reality, as he believes projects like this can provide opportunities for those who wish to remain in their hometowns.

The project is viewed as relevant and important across all stakeholders interviewed, especially given its role in supporting the promotion of skills development and training as well as in its approach to directly enable participants/students to receive training. While the project has been relevant, there are more contextual/broader issues that need to be addressed in future programmes (outlined in the recommendations). The project met the needs of the beneficiaries and stakeholders to the extent that its budget and timeframe allowed. However, the needs are much larger than what could be attained during the implementation period.

The project did well to respond to the needs of a broader target group given the change in Lao migrants availability / interest during project implementation and the activities implemented are suitable for continuation even in a next phase (in addition to other more systemic support that is needed specifically at the institutional level).

3.2.2 Validity of design¹³

The project design, in terms of the logical framework is realistic and well structured, however without a theory of change articulated within the project document, the likelihood of attaining the immediate development objective is ambitious, in the part that reads “the target beneficiaries **will have recovered** from the impact of COVID-19 by engaging in an income generation activity”.

¹³ Validity of intervention design: To what extent is the project design (objectives, outcomes, outputs, and activities) and the underlying theory of change logical and coherent? Has the design and implementation adequately considered cross cutting issues like gender equality, social dialogue, and a just transition to environmental sustainability?

The theory of change, which expects that beneficiaries will have recovered from the impact of COVID-19 because the relevant institutions are strengthened in terms of infrastructure and technical capabilities, assumes that this would convert into a direct impact on the beneficiaries lives. The 'access' to the services and the 'uptake' of the services has not been mentioned as part of the expected outputs or activities. In this regard, the design of the project leans towards the provision/supply of support and could be strengthened with a specific outcome on the demand side/uptake of the support.

The project design, in terms of the indicators for measuring success of the output 1.1. could be better defined. Output 1.1. focuses on the increased capacity of government, social partners, private sector, TVET and skills development centers to support employment services, but the indicator of success focuses solely on the number of returning migrants that are supported to garner wage employment opportunities (data will be disaggregated by sex, age, etc.). The indicator doesn't speak clearly to demonstrate an 'increased capacity' of the institution but rather captures the support received/access by migrants. An additional indicator could have been around how the project measures increased capacity of the institutions themselves, i.e. number of training support provided, equipment, indicators of improved service delivery (including outreach).

Output 1.3. focuses on the integration of migrant workers, aspiring entrepreneurs and MSMEs into markets (through increased competitiveness and industrial linkage programmes) but the indicator/measurement of success speaks to the outreach and income generation opportunities. This output should include an indicator on the specific efforts made by the project to support the 'integration into markets' as per the output and or the number of beneficiaries that were integrated. Alternatively, the term 'integration' could be defined by the project to focus on the number of 'integration' opportunities made available by the project.

Furthermore, the intention that supporting aspiring entrepreneurs will immediately create more job opportunities should be articulated as a long term intention and not one for the direct achievement/impact of the project. The strategy in the ProDoc also speaks to integrating MSMEs as part of the supply chains, whilst also building their capacity. This is ambitious based on the timeframe and the size of the project team.

Based on the evaluation interviews, the objectives of the project are well outlined but some activities have been omitted in their implementation as the project was nearing an end and implementing partners still had several pending activities to conclude. The strategy, focus and approach of the project is commended. However, some areas have been identified as 'missing' in order to have a comprehensive support system for returning migrants. These areas include adapting/further developing labour policies to encourage employers to provide better working conditions, as well as capacity building for regulatory and implementing institutions at the provincial level. Furthermore the project assumed the availability of data and there is more support needed to guide implementing partners on how to monitor progress/achievements with the overall objective of the project.

The evaluation interviews also indicated that the flow of activities has been well designed, with a largely positive result of 75% of participants obtaining jobs demonstrates a well structured plan from the beginning.

The project design however did not consider the time it would take for the project to undertake inception consultations and missions prior to commencing activities. The limited time frame from the design stage also meant that trainers were not able to practice or equip themselves to continue carrying out trainings despite completing their capacity building activities.

The ultimate beneficiaries were content with the project design and outlined the need for more practical training support or apprenticeship so as to better position them in the real market.

The project design focuses mostly on the technical component of the implementing partners/institutions; however, the budget breakdown, based on the donor requirements, is geared more towards procurement of equipment. A more evenly balanced budget allocation at design stage could have better equipped the project team to conduct more in depth capacity building programmes for the trainers or institutional capacity building in the provinces.

3.2.3 Project progress and effectiveness¹⁴

In the first 4 months of the project, the project team focused on consultations with stakeholders in order to identify implementing partners, the immediate needs of the institutions as well as the support needed by ultimate beneficiaries. During this period the project team also prepared for the signing of the MoU, which received high visibility and signaled a commitment from the stakeholders and showed the project's alignment with institutional priorities.

The majority of the project activities could only be carried out after the MoU signing in September, which gave the project 8 months to achieve its target of providing direct support to 200 returned migrants, unemployed, recent graduates, aspiring entrepreneurs and MSMEs while also indirectly supporting a further 3,000 beneficiaries. Despite the relatively short timeframe for implementation, **the project has surpassed its target reach of 200 beneficiaries and reached a total of 516 direct beneficiaries (328 labourers, 101 MSMEs, 40 academic representatives, 41 government representatives, and 6 employer organization representatives).** This support refers to training (both skilling & upskilling) conducted by professional trainers. **44% of these direct beneficiaries were women. Moreover, there are also 821 labourers supported through public employment service centers (PES) in 5 districts that are provided with equipment support by the project. 458 of this number were female.**

¹⁴ The extent to which the intervention achieved, or is expected to achieve, its objectives, and its results, including any differential results across groups.

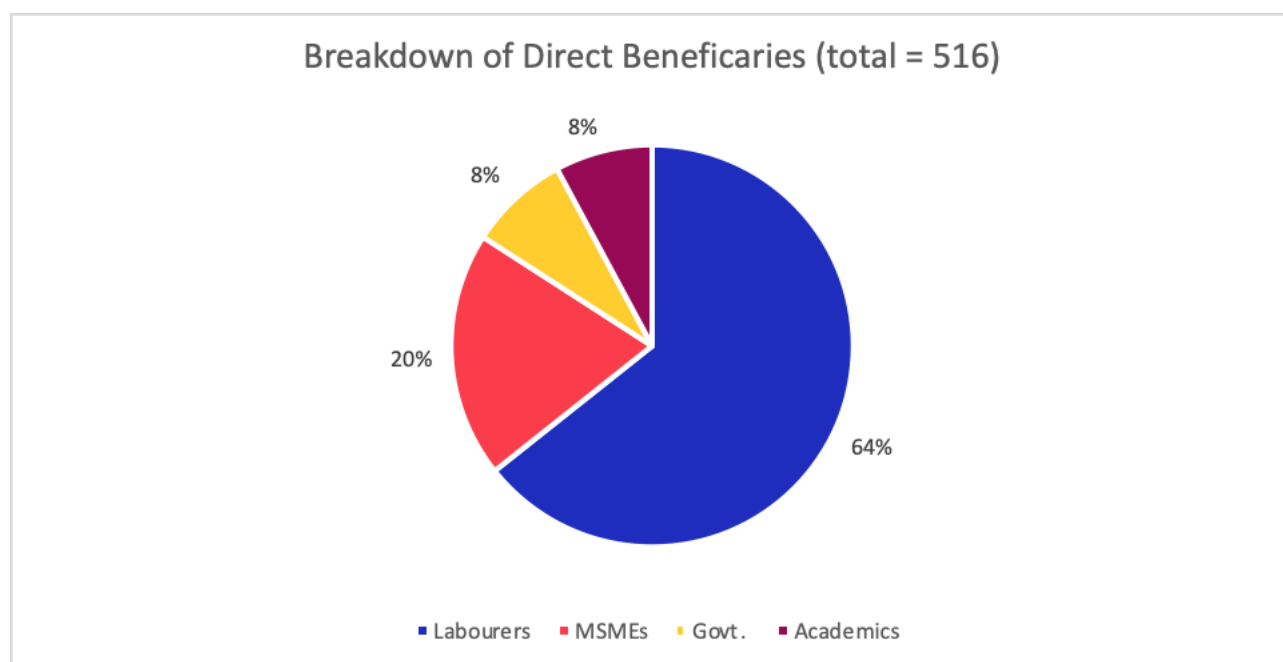


Figure 1: M&E Report as at 23 May 2023, indicating beneficiaries reached through training and capacity building (Total= 516)

In addition, the **indirect beneficiaries of the project will continue to increase** as the equipment will continue to be accessible beyond the project's lifespan. Currently, the indirect beneficiaries are being calculated as the sum of data provided by each institution. The estimated total

Institution	# of beneficiaries (2022-2023)	Note:
PES	821	# of labourers that received consultation from Public Employment Service Center in Savannakhet and Champasak
Xaysombath	175	School - 45 (tailoring), 75 (machinery), 55 (electricity)
Champasack Skill Development Inst.	190	Training institute - 90 (tailoring), 65 (ICT), 35 (motorbike maintenance)
LFTU	40	Training Institute- 40 (carpenter)
Garment Skill Development	80	Training Institute - 80 (40/year)
Department of Employment	200,000+	Department of Employment's website http://www.lmi.molsw.gov.la/#
Salo Bio Coffee Cooperative	115	# of families as a member of each Cooperative
Production and Tourism Cooperative	59	# of families in each Cooperative
Quality Coffee Dansavanh Group	7	# of families as a member of each Cooperative

Tea Producer Group	110	# of families as a member of each Cooperative
Coffee Producer Group	59	# of families as a member of each Cooperative
Total:	201,306 labourers 350 families who are members of cooperatives and production groups	Labourers include returnee migrants workers, unemployed people and newly graduates

Figure 2: This chart indicates the number of different workers in 2022-2023) who will continue to benefit from the equipment received from the project.

At the outcome level: an increase in opportunities for returnee migrant workers (women and men) with productive wage employment through linkages with self development including COVID-19 preventive measures, existing wage employment and self-employment opportunities the project has successfully provided opportunities to access support and take up opportunities, now and in the future.

Specifically, at output level, the following has been attained:

- **Output 1.1:** Government, social partners, private sector, TVET and skill development centres have increased capacity to support gender-sensitive employment services, including identifying returned migrant workers and linking them to wage employment and COVID-19 preventive measures
 - Mapping study conducted to understand the supply and demand of labour in the three target provinces. This has equipped stakeholders with data and insights to inform current and future programme design for bridging the gap between unemployed workers and employers, and in understanding the available skills trainings at the institutes
 - A working meeting (first of its kind) brought together representatives of the Department of Employment, Skill Development Institute, Lao Federation of Trade Unions and Sector Associations. The discussions focused on skills training for job placements based on the need of the Labour Market. This meeting allowed all partners to express their challenges and needs and clearly signaled the need for more social dialogue and conversation around the challenges and gaps. The meeting indicated the misalignment between the demand and supply of labour in Laos.
 - 328 workers at risk to migrate were supported with wage employment opportunities through skills development training and job placements and 178 were placed in employment, this included:
 - Garment training (C1)
 - Carpenter training (Level 1)
 - Motorbike maintenance training (C1)
 - General mechanical repair training (C1)
 - Industrial electricity training (C1)
 - Tailoring training (C1)
 - Housekeeping training
 - Food and beverage training
 - Electrical maintenance training (for coffee cooperatives and farmer group staff)

- 101 MSMEs (which includes cooperatives) were trained on business development skills, the topics included:
 - How to start a business and become an entrepreneur; access to markets using social media
 - Access to markets (for members of coffee cooperatives, farmer groups and MSMEs from the Champasak CCI)
 - Cooperative development (for members of the Savannakhet CCI)
 - How to increase and add value to banana products in Savannakhet province (for returned migrant workers, unemployed and villagers)
 - How to increase and add value to fish products in Champasak province (for returned migrant workers, unemployed and villagers)
 - Writing a business plan, financial plan and accounting using ILO's Laos in Business module (for MSMEs in Savannakhet)
- 81 staff members from the DoE, skills development centres, TVET institutions, public employment services received training on
 - Service mindset and people management (for DOE staff and Vientiane Skills Development Institute)
 - Training of Trainers on Entrepreneurship and Financial Literacy using ILO's CBED tool (for Self-Employment Promotion Division staff and teachers from 3 provincial skills development institutes)
 - Training for trainers on how to use and facilitate ILO's Think.Coop training tool (for members of the coffee and tea cooperatives and farmer groups)
 - Training of trainers on business plan development using ILO's CBED tool and Marketing/sales using ILO's R4B tool (for the Self-Employment Promotion Division of the DoE and teachers from the skills development centres in Vientiane, Champasak and Savannakhet)
- 821 labourers were supported and consulted through the district PES in Songkhone district (Savannakhet province), Champhone district (Savannakhet province), Athsaphangthong district (Savannakhet province), Champasak district (Champasak province) and Soukhounmma district (Champasak province). This number is collected from each PES who received equipment support from the project and who provided services on job matching, job registration, working overseas, and so on. Out of this number, 458 of them were female.
- IT equipment provided to support the work of DoE and 5 district PES Centres based on their specific needs. The significance of this contribution is that they will be able to improve their ability to 1) collect and disseminate information regarding employment opportunities and labour rights, by linking with employers job requirements, a sort of "online job portal" 2) arrange for job placement and career guidance services to improve job matching services and 3) support preparation of required documents for wage employment (for in country and out the country). The IT equipment in this regard includes, monitors, laptops, computers, printers, project screens, mobile speaker, cameras and microphones to the total value of USD 99,723.00 and a total unit piece of 121.

► **Output 1.2:** TVET, skill development institutes and business development providers (m/f) have increased capacity to develop upskilling and recognition of prior learning programmes for returned migrant workers with mainstreamed COVID-19 preventive measures.

- 271 un-skilled workers at risk of migrating and returnee migrant workers were trained and certified their skills(as captured under output 1.1). A total of 11 skill development trainings were conducted
- 57 skilled workers at risk of migrating and returnee migrant workers were assessed and recognized for their skills with certification. A total of 3 upskill training sessions were conducted.
- Equipment procured for vocational and skills development institutes to upgrade their equipment and facilities for improved training delivery (including blended/online learning) and to support them to better assess and certify skills of trainees. The equipment procured is based on the institute's assessment and in liaison with private sector needs. This includes: Sewing machines, motorcycles for training purposes, band saw, drilling machines, engines etc. The equipment is specific to the sectors: furniture, garment, mechanic/repairs and for electric repairs. The total value of fixed equipment is USD72,464.00 for 151 units. Besides that, the project also provided rotating equipment used by beneficiaries to practice skills taught throughout the trainings.

► **Output 1.3:** Integration of migrant workers, aspiring entrepreneurs and MSME into markets through increased competitiveness and industrial linkage programmes

- 20 training sessions to support returned migrants, aspiring entrepreneurs and MSMEs for self-employment and income generation opportunities.
- 4 Training of Trainer sessions held to increase capacity building of local partners as well as equipment support like projector, computer, speakers etc to continue provision of trainings related to MSME development (for aspiring entrepreneurs or existing cooperatives/production groups and MSMEs) to the value of USD23,038.00.
- Equipment was procured for selected MSMEs and cooperatives who demonstrated high performance and commitment in pursuing entrepreneurship/business in the coffee sector under the guidance of the Lao Coffee Association, Coffee Production Cooperative and Tea Production Group. Equipment includes coffee grinders for shared use in the lab, greenhouse material, roasting machinery for shared use, bag sealing machine, Solar cell spotlight, Water sprayer, Moisture meter, Plastic bucket, Tea dying plate, Tea whitening machine, Tea rolling machine, tea drying pan, tea containing box etc to the value of USD52,494.47.
- Other startup equipment/kit was also procured for selected 20 aspiring entrepreneurs/beneficiaries who passed the skill development training from the project's implementing partner institutes in pursuing entrepreneurship and self-employment in Tailoring, General Machinery Repairment, and Electricity Repairment. Equipment includes sewing machines, cover stitch machine, steam iron set, buttonhole machine, wrench tools, puma air machine etc to the value of USD14,799.80.

All stakeholders/beneficiaries interviews have confirmed that despite the short implementation period the project has managed to meet their immediate needs in both technical and infrastructure/equipment aspects. They also commend the project for its decision to expand the target group and validated that without these adjustments, the project, and therefore the skills development institutes would not have sufficient attendance/participants. Without the project, they interviewees confirmed that they would have been concerned about any attendance at all.

Challenges outlined in project implementation include the limited time period, and the limited budget or activity for policy level initiatives/support. Interviewees appreciated combining training of trainers' support with direct support to unemployed/aspiring entrepreneurs. There are several requests for

further support to enable trained participants (at the institution level and direct beneficiaries) to put into practice what they have learned, i.e. practical training. Other challenges included the last minute cancellations from participants (10%) and therefore the reduced numbers per session. In summary, “this project is very good and exactly in line with the current situation” and “it was necessary to adjust the target group, this has been good for all of us stakeholders”.

Particular attention was placed on the strong communication, collaboration, flexibility and availability of the ILO project team, represented by the National Project Coordinator. This was especially appreciated by the private sector who explained that there is always a need for an active and proactive project coordinator if results are to be achieved.

The internal and external factors that influenced the ability of the project to deliver in time are:

Internal

- Recruitment of national project coordinator was done on a full time basis in July (4 months after the project was activated in the ILO system)
- The focal point/lead ministry movements/adjustments led to delays in signing the MoU (signed 6 months after the project was activated) which left 8 months of project delivery (including the no-cost extension phase)
- Due diligence was taken, as with all procurement processes in the ILO and this process, per contract can take 3 weeks, not including the consultation process and time for transfer of funds
- With only one technical staff, the weight of both organizing technical trainings, leading stakeholder engagement and consultations as well as oversight on the procurement process, the speed in which the project could spend the necessary funds on equipment was hampered

External

- Returned migrants to Laos had already commenced preparations to re-migrate and therefore were not interested in attending local skills development training
- Economic circumstances made it more challenging for the project to convince participants to join, especially with the perceived limited employment opportunities, and of those opportunities available, the conditions/pay were not attractive in comparison to self subsistence work (in agriculture for example)

The 3 outputs as per the Prodoc, with the indicators identified at design stage, have been achieved. The outputs delivered have been satisfactory to the stakeholders and beneficiaries with an astounding request for further support in the same activities (to expand reach and for more depth, including practical sessions for both trainers and students).

At the institutional level there is appreciation for the equipment and institutional capacity building and request for expansion to more provinces

At the Outcome level, the project has achieved its expectation of “Increased opportunities for returned migrant workers (women and men) with productive wage employment through linkages with skill development, including COVID-19 preventive measures, existing wage employment and self-employment opportunities”.

Overall, the feedback from stakeholders and the ability for the project to surpass its target indicated highly effective project implementation and stakeholder management. The project has set the foundation for further work in the sector of skills development.

Beneficiary feedback

- Ms. Boursavanh (Champasak) underwent training at Champasak ESKDI supported by the project. With her new skills, she opened a successful home shop. She is seeking to specialize in wedding clothing design, and prepare to attend additional advanced courses to attract more customers and expand her business. Despite the higher earning potential in Thailand, she prioritizes caring for her parents while running her business from home. Ms. Boursavanh is sincerely grateful to the ILO-Japan project for this opportunity.
- « Participants from the garment training programme reported gaining knowledge and skills in sewing machine use, sewing techniques, measurements, pattern drawing and pattern cutting. Post-training surveys indicated:
 - 75% of the participants found the training to be very useful
 - 70% of the trainees understood the training content clearly
 - 90% of the participants were satisfied with the training material and delivery.

3.2.4 Efficiency of resource use¹⁵

The project design focuses mostly on the technical component of the implementing partners/institutions; however, the budget breakdown, based on the donor requirements is geared more towards procurement of equipment. The budget allocation at design for procurement was USD548,458, for technical activities USD118,396 and for operation costs, USD182,084. A more evenly balanced budget allocation at design stage could have better equipped the project team to conduct more in depth capacity building programmes for the trainers or institutional capacity building in the provinces.

The financial resources as a total have been adequate, however the distribution of them, as per the project design, is skewed towards the procurement of equipment and the funds for technical support is limited (65% of project budget for equipment) and the remaining 35% of the funds split between technical support and operation costs. All stakeholders have requested for more technical support and additional funds could have been allocated for this if there was flexibility in budget allocations.

Given the large proportion of funds for equipment, the project could have invested in engaging a procurement expert to advise on the best method of procuring equipment at reduced prices and in the most efficient administrative process whilst ensuring the follow the ILO's procurement regulations. The time spent procuring each equipment has cost the project time that the NPC could have spent on technical support for the partners.

The project has received the highest level of political support from the Ministry of Labour and Social Welfare since its commencement and continues to receive this from the Department of Employment. In addition, the private sector and skills development institutes as well as the PES centres in the provinces have been availing both their technical inputs and administrative support to carry out activities. Despite resource challenges on the side of implementing partners (who may need to advance funds before project funds arrive), all stakeholders have shown commitment in working quickly to achieve results within a short period of time. Stakeholders have been involved since the beginning through consultation on the needs, identifying the gaps, planning for activities and in concluding handover of equipment and training material (business development related).

¹⁵ The extent to which the intervention delivers, or is likely to deliver, results in an economic and timely way. Have the available technical and financial resources been adequate to fulfil the project work plan? Is the project receiving adequate political, technical and administrative support from its national partners/implementing partners? Are the relevant stakeholders involved in an appropriate and sufficient manner? Does the project have an M&E system in place that collects sex- disaggregated data and monitors gender-related results?

The project has collected data throughout its implementation and towards the end has been consolidated into an M&E report which does well to capture the results and feedback from trainee participants. Together with communication pieces the project has done well to capture all activities and their combined importance in attaining the expected outcome of the project: returnee migrants have increased opportunities for income generation.

3.2.5 Impact orientation¹⁶ and sustainability¹⁷

A key component of the project is procurement of equipment to support local institutions to deliver on their mandate in skills development, public/private employment services and integration into markets. However, the project recognized in its design and implementation stage that equipment alone will not be a sustainable approach and will not deliver impact in the long run. The project has intentionally carried out activities and provided technical advice that will have positive longer term effects, including: 1. Demonstration of the importance of dialogue between government, private sector, labour representatives and skills development institutions 2. Integration of business development learning/training at the trainer level and directly to aspiring entrepreneurs and MSMEs 3. Demonstration of the value of cooperatives and production groups 4. Shift in mindset, to focus on the opportunities that do exist in Laos through entrepreneurship rather than focusing solely on wage employment where opportunities for decent salaries are scarce 5. Forging partnerships at the district level between skills development institutes and private sector.

¹⁶ The extent to which the intervention has generated or is expected to generate significant positive or negative, intended or unintended, higher-level effects. Note: Impact addresses the ultimate significance and potentially transformative effects of the intervention.

¹⁷ The extent to which the net benefits of the intervention continue, or are likely to continue. Note: Includes an examination of the financial, economic, social, environmental, and institutional capacities of the systems needed to sustain net benefits over time.

In terms of impact, with use of the equipment will continue to increase the indirect beneficiaries as more returnee migrants and unemployed or MSMEs begin to access them in the training centres/skills development institutions or indirectly through the services of PES centres and the DoE. Furthermore, given that the trainers/teachers have been introduced and capacitated to use enterprise development modules from the ILO, this positions them to continue providing these trainings to future students for them to consider entrepreneurship as a career path or as an alternative to leaving Lao PDR.

However, the long term impact and sustainability of the equipment or trainings introduced by the project is reliant on the effective use by the implementing partners. For the equipment, its real value will be determined by their use - whether for improving the labour market information systems or skills matching or for training purposes. There is a higher risk for the equipment within training institutions/skills development centres becoming obsolete if the institutions are unable to attract students. This points to the need for a coherent strategy across stakeholders to promote the importance of skills development and encourage the uptake of services from the skills development institutions.

As identified in the annex Good Practice Template, a significant and good practice is the procurement of equipment for the Lao Coffee Association. This equipment includes a coffee grinder, a greenhouse, roasting machine, pupper machine, plastic sleeves and a bag sealing machine and a computer. This equipment will support any current and future members of the association to add value to their products and thereby increase their income generation. Under the coordination and maintenance of the association the equipment will be an attractive service offering for the membership to grow and thereby contribute to its sustainability.

3.3 Evaluation team findings/learning

In addition to the findings centred around the evaluation criteria, the evaluation team concludes the following:

- While other countries grapple with the issue of brain drain, where the most educated professionals migrate from the country for more secure and better remunerative employment opportunities, Laos is dealing with an increasing large outflow of migrant workers who are lower skilled/less educated as they are the most vulnerable to the economic challenges the country is currently facing.
- There is a cycle with relation to migration. The weakened economy has led to high inflation and depreciation of the currency. As a result businesses and households are negatively impacted. Employers continue to offer relatively low wages compared to the cost of living and are reluctant to increase given their reduced production and profits. They are also less likely to increase job offerings in a constricted and uncertain economic environment. So instead of a pull factor to attract workers, there is a push factor which is leading to more migration of Lao workers for better paying jobs. And because of this, there is less investment or interest by returned migrants or unemployed in technical skills development. This then reduces the ability of the Public Employment Services centre or the Skills Development centres to be able to play their role and provide services.
- There is a need for a common direction for both the supply and demand sides of labour. Employers call on the government to assist in sourcing more labour to meet their production needs, but on the other hand, regulators and workers representatives are calling on employers to provide more attractive packages to encourage labour to take up of available positions and

to incentivize labour to stay. Compounded with this, there is the cultural perception that migration is “trendy” and employment outside of Laos is glorified, thereby pushing labour out.

- Because of the limited wage employment opportunities, entrepreneurship presents itself as a strong alternative for income generation. However, sole entrepreneurs face greater challenges in terms of finances, security, production levels and access to markets. For this reason, production groups and cooperatives are better positioned to leverage the production and efficiency gains from groups of entrepreneurs and meet the needs of the market.
- Currently the DoE does try to support in promoting the uptake of skills development courses and participation in TVET but it is not enough to convince workers to focus on staying in Laos.
- Without a migration policy for workers leaving Laos it makes it difficult for systemic change and a coherent direction of support from government and development partners. A migration policy that clearly articulates the vision and the commitments from the national government will guide local governments/institutions on where to place their focus. A holistic approach to addressing the cycle of migration is needed. Short term or quick fix projects will be unable to realize their full potential or impact if the other areas are not addressed at the policy and national level.
- The PES's are underfunded and don't have the full capacity to set up the necessary information system ,gather up to date data, explain labour rights and opportunities to unemployed and returnee migrants and therefore are limited in their role. The same applies to skills development centres. Without sufficient resourcing and reliance on development projects, the centers are unable to play the role of the 'meeting' point of employers and workers to receive the necessary and updated skills needed in the labour market.
- The ease in which Lao migrants are able to seek employment in Thailand is a pull factor for migration, and combined with the push factors of high cost of living and low salaries in Laos is indicative of an upward trend for migration. Studies show that the use of agents to facilitate migration out of Laos is declining and therefore migrants are seeking work opportunities abroad without any security or safeguards. The 2022 study from the IOM reports that most migrants indicated that they did not know where they would get help from in case of a workplace problem. Most respondents turn to their family and friends if problems arise but only a small minority could resolve their problems through these means. This is extremely risky and positions Lao migrants as even more vulnerable than if they were within Laos. While the economic situation in Laos is one that cannot be directly controlled by implementing partners, the importance of informing Lao migrants on their rights and establishing support mechanisms for them remains. In the interim, this information flow and protection services should be addressed to avoid further informal employment migration.
- The project mapping report of the demand and supply of labour indicated a positive projection for increased labor demand in specific skill areas and sectors, it is likely that, aside from the agriculture sector, the service, industry, energy and mining sectors including logistic activities will significantly influence future opportunities for employment in Lao PDR. “ This will require new skill-intensive jobs, a fresh focus on specialized skills training and development in order to prepare for and contribute to a growing demand for new abilities and competencies in the emerging Lao labor markets, especially in non-agricultural sectors”. Specialized skills training for in-demand sectors is a critical area that needs to be addressed if Laos is to sustain the projected growth.

- Currently, there are limitations on data collection for migrant workers as well as skills availability from labour. Data is critical to influence policy, programming and decision making.

4. Conclusions

The evaluation has assessed, and concluded that the project, despite being in operation for 14 months (of which the official MoU was signed 10 months ago) has been successful in reaching 2.5 of 3 of the outputs and has substantially **contributed to** the projects objective of increased opportunities for return migrant workers with productive wage employment through linkages with self development, including COVID-19 preventive measures, existing wage employment and self-employment opportunities. In the end, all stakeholders and beneficiaries (based on the sample interviews) have confirmed their satisfaction with the results and request for continued support of this nature.

Below are the specific conclusions presented against each evaluation criteria based on the evaluation teams assessment from the desk review and stakeholder interviews.

4.1 Relevance

1. The recovery of the Lao economy following the economic impact of the COVID-19 pandemic, was slow and faced an additional set back in 2022 when the currency depreciated and inflation rose. The socio-economic impact of this increased the vulnerability of households. Due to the higher costs of living and relatively lower wages, both Lao migrants (returnee) and Lao workers (locally) turned to migration (out of the country) or subsistence agriculture to generate a livelihood.
2. The project's initial target group (returning migrants) therefore was a challenge to reach. The project team's decision, following consultation with stakeholders, was to broaden the target group to include unemployed and workers with potential to migrate was valid and justified.
3. The project's objectives and design responded to the **immediate needs** of the institutions responsible for public employment services, the institutions responsible for provision of skills development training and to the immediate needs of returned migrants, unemployed workers and aspiring entrepreneurs. This project was also relevant as it identified the specific gaps that exist in the institutions and responded directly through necessary equipment and institutional capacity building.

4.2 Validity of design

4. The project design was logical from its immediate (expected) outcome, to the outputs and the corresponding activities. However, there were two main assumptions taken in the design which affected project delivery.. Firstly, the project assumed that returning migrants would still be in Laos at the time of project implementation, and secondly, that those that have remained, combined with the existing unemployed, would be interested in taking up skills development training. However, given the low salary ranges offered (and high cost of living) wage employment is not a 'pull' factor for labor to take up training and wage employment in Lao PDR.
5. The project design, in accordance with the donor requirements, provided equipment to institutions as a foundation for a longer term recovery for the job market following the impact of COVID-19. However, the evaluation notes that it takes years and needs a systemic change for institutions or individuals to fully recover from the impact of COVID.
6. The indicators of success at output level were not adequately defined or broken down. For output 1.1, the indicator of success would better focus on how the institutions demonstrate an increased capacity rather than focusing on the uptake of the services. The measurement indicator should focus on the increase in capabilities of service provision (i.e. number of

workers linked to wage employment). Output 1.2, in the same regard, the indicator of success should have focused on the increased capacity of skills development provision (improvement in the quality of the training for example).

7. The project design was ambitious in terms of the procurement of equipment within a short period of time in combination with providing technical support. In order to follow all administrative procedures and consultative processes the period for project implementation was too short and didn't allow any time for measuring impact or use of the skills or equipment received.
8. The project, given its short timeframe and the multiple socio-economic challenges, focused on the immediate contribution it could make to supporting the existing institutions and environment. However, a future, more longer term and comprehensive programme could consider addressing the root cause of Lao migration. Other explorations could conclude why returnee migrant workers or unemployed do not value the existing skills development programmes on offer, and thirdly how the PES centres can sustain themselves. The immediate needs for beneficiaries and implementing partners have been met for the short term, but a more comprehensive approach is required in the future.

4.3 Project progress and effectiveness

9. The project achieved 2.5 out of the 3 outputs despite delays faced in initially commencing activities which were beyond the control of the project team. The target of reaching 200 beneficiaries was surpassed with an astounding 429 direct beneficiaries reached in different capacities and roles. Direct beneficiaries in this regard includes the 'end beneficiary' which was redefined to: returning migrants, unemployed (those at risk of migrating), new graduates and aspiring entrepreneurs. The project also reached 87 intermediary beneficiaries/stakeholders who have the mandate and responsibility to support the labour market either in linking labour with employment opportunities, or to provide the training to increase the skills and therefore likelihood of employment. Other beneficiaries of the project include representatives of the private sector and government who operate at the policy or strategic level.
10. Output 1.3 was partly achieved despite meeting the target and the indicator as defined in the original project document. The "integration of migrant workers, aspiring entrepreneurs and MSMEs into markets" has not yet been achieved due to a mismatch in the output and the corresponding activities and indicators. Although when interpreted more broadly, the training support provided by the project on how to identify markets and grow one's business in the long term will contribute to the achievement of this output.
11. The procurement of equipment for the PES and DoE will facilitate longer term support at the more institutional level, while the procurement of equipment of the skills development institute will directly contribute to the increase in skills development. Both strategies have been appreciated by stakeholders and combined constitute a comprehensive support from the project.
12. The modality and manner in which the project has been implemented is perceived as strong and necessary especially to deliver in a context which is complex and struggling. The project team and implementing partners have done well to extend their reach and to contribute to changes in mindset, especially for those who will re-consider migrating as well as those who will consider entrepreneurship as a result of the project.

4.4 Resource efficiency

13. The project design focuses mostly on the technical component of the implementing partners/institutions; however, in line with the donor requirements, the budget breakdown is geared more towards procurement of equipment. A more evenly balanced budget allocation at design stage could have better equipped the project team to conduct more in depth capacity building programmes for the trainers or institutional capacity building in the provinces

4.5 Impact and sustainability

14. The project has consistently had sustainability as part of its approach from the provision of training to trainers, selection of modules that would be used in the future, selection of equipment that is most relevant and value for money. At the core of this project is the provision of technical support through the ToTs and access to open source modules developed by the ILO (enterprise development related topics). Skills transfer and knowledge gained will remain with the beneficiaries (either for the teachers or students themselves) and this impact cannot be measured immediately.
15. Procurement of equipment will also have a long lasting impact as they will be available for use for years to come. However, concern is raised for the equipment within the skills development centers/institutions in the case that the institutions cannot attract students to attend. This is a challenge that has been raised during the evaluation process (attracting students).

5. Lessons learned and good practices

Lessons:

- 1) The project was designed for implementation for 12 months, which in itself was deemed too short, especially that this period included consultations, preparing for the MoU signing, identifying needs, building partnerships, administering agreements, providing technical support, applying due diligence for the procurement process and delivering materials as well as measuring results. Under any circumstances the timeframe is too short to measure the impact and this responsibility therefore lies on the organization and implementing partners for the future. Although a 2 month no-cost extension was granted, the period of actual implementation of activities was only 8 months (out of the total 14 months) which all interviewees determined to be far too short.
- 2) The number of outputs and activities, as well as the target of 200 beneficiaries, from the initial design stage was realistic and 'do-able' as the project has proven, however, the ability to spend, as well as pace the project activities was compromised due to the time frame.
- 3) The project has a disproportionately large budget for procurement in comparison to its operational and technical support budget based on the donor requirements. For this reason, the project could not extend its presence any further and faced a 'rush' for expenditure towards the end of project implementation. In order to make the best use of the funds allocated for procurement, the project team followed the right process: consultation, negotiation and contracting equipment by equipment. However, in hindsight, the procurement could have been done through a more public one time/lump-sum procurement process or other more efficient ways (which could have been advised by a procurement expert within the organization or externally). The challenge was that the project had to do both technical support and procurement at the same time, and thus the procurement (with its extra budget allocation) was still being spent towards the end of the project.
- 4) Equipment is critical in both increasing productivity at MSME level, supporting institutions responsible for skills matching and information sharing as well as those providing training, however, the need for technical support has been found to be just as critical, if not more, at both the operational level of the institutions and in the service provision.
- 5) Stakeholders have all been committed and supportive of the project but have all pointed out much larger, programmatic and policy level challenges that exist in the space of skills development and labour migration. Whilst this goes beyond the current projects control and scope, it has been identified as a critical need. This includes revision of the existing Workforce employment decree 245/GOL (dated 22.05.2020, article 11) relating to the obligation of Lao workers outside the country and the need to contribute to the government, but does not include how much. In addition the enforcement of article 15 within the same decree calls for recruitment agents to pay a few (not indicated how much) to the government agencies for migrants. As a whole, there is a need for a clear policy direction or strategy on supporting and directing lao migrants, outbound and inbound.
- 6) The need for clear, consistent and collaborative communication and dialogue between all stakeholders in the labour market is critical. and for this, there is need for a specific platform or fora for issues to be raised, including the skills available, the skills needed and the resources available and required to facilitate improvement in skills development.

- 7) It is evident that the PES centres are under-resourced and a sustainable model or approach is needed to enable them to increase income such that they can sustainably deliver improved services.
- 8) There is an atmosphere/negative mindset towards investing in skills development by the unemployed and returnee migrants because they are unable to see how this will convert into increased employment or wages. However, in the garment sector, after training there has been an increase in salaries offered to beneficiaries. Addressing this challenge requires both 1. improvement in working conditions/wage offers and 2. encouragement and more information sharing on the benefits and opportunities in staying within Laos for employment. This will lead to an increase in enrollment of students and thereby will reduce the dependence of the skills development institutions/centres on project funding.
- 9) Entrepreneurship remains an effective way for trained but unemployed graduates or returnee migrants to earn a livelihood. For this, the value of production groups and cooperatives needs to be highlighted and participation in this should be encouraged. Introduction of the new training tools (enterprise development related) and training of trainers proved to be useful as it has now enabled those who cannot get wage employment to not remain unemployed, but instead find alternative opportunities.

Good practices: (more details within the templates in the annex)

- 1) The project has worked in an integrated way with many stakeholders and across several sectors in Lao PDR. The management has had a clear vision of the importance of partners and stakeholders having ownership of the activities to continue beyond the project. Thus, the project's strategies for sustaining systems and tools (e.g. training packages and equipment) will remain with national agencies and also other international projects/programmes.
- 2) The approach of providing equipment and training on cooperative management to an existing association (Lao Coffee Association) demonstrates how value addition can be enhanced and shared amongst MSMEs whilst also growing the ability of the sector to meet the demands. This will also attract more members and strengthen the voice, organization and production of the sector.

6. Recommendations

Supporting migrant workers and addressing the factors that lead them to leave Laos requires a comprehensive approach involving multiple stakeholders, as this project has proven.

These are the recommendations of the final evaluation that build on the conclusions from chapter 4. The recommendations are based on feedback from the interviewees of the evaluation and a triangulation between findings, results of the project and gaps identified.

Recommendation 1 (ILO Country Office; ILO Regional Office)

Job security and opportunities will continue to be a driver for migration, especially for younger populations and the most vulnerable. Thus, the ILO should continue to make efforts to mobilize resources to leverage the momentum and the already good work begun by expanding on the project objectives, timeframe and reach based on recommendations from stakeholders.

A more comprehensive, and long term programme should consider the more systemic/policy related challenges and support the MoLSW to

1. Develop a migration policy or decree which provides direction for local government on what to communicate to possible migrants and how to guide returnee migrants in partnership with the existing ILO Triangle and Safe and Fair project
2. Facilitate dialogue between private sector and training institutions to strengthen the job matching and skills development content
3. Strengthen the information system and promote access to the information showing opportunities for employment and skills needed by employers
4. Encourage skills development centres to adapt curriculum or training programme for more short term courses as needed by private sector and to include topics increasingly required in the future world of work: digital skills, green skills, soft skills.
5. Provide skills dev training combined with on the job experience/practice
6. Integrating soft skills and business development/entrepreneurship training or financial training as part of the technical courses (as an add on)
7. Continue strengthening trainers at the skills development institutions to develop their capacity as trainers
8. Strengthen the PES in their service delivery mindset and people management
9. Conduct a national campaign raising importance on investing in skills development and on the employment opportunities available with the country

A parallel initiative should focus on

- i. Linking aspiring entrepreneurs with markets
- ii. Linking entrepreneurs with production groups or cooperatives
- iii. Strengthening the cooperative movement to meet market demands (market linkages)

High priority, level of resources: Medium, timeline: long (3-5 years)

Recommendation 2: (ILO Country Office and Department of Employment, and Ministry of Commerce and Industry)

Foster economic development and support the MSME and cooperative sector to create job opportunities within Laos. An improvement in the economic conditions in Lao PDR will reduce the need for individuals to seek employment abroad. In this regard, the recommendation is to provide more support for aspiring entrepreneurs and opportunities for self employment. This support can be both technical and equipment or financially where projects have the budget to do so. The technical support could focus on business planning, financial planning, accounting, access to markets, identifying opportunities, working with existing cooperatives or production groups. The same approach as the project should be applied 1. working with sector associations or cooperatives where they exist and strengthening their capacity to serve their members and 2. training of existing trainers, especially at district level so that they are able to extend their services to the most vulnerable. The trainers should be supported by experienced business development service providers as mentors, especially for sector specific advancements.

High priority, level of resources: Low, timeline: long (1 years)

Recommendation 3: (ILO Country Office and DoE)

Enhance educational opportunities and vocational training programmes within the existing institutions to equip individuals with the skills needed for the job market. This will fill the labour needs for the private sector whilst also encourage more foreign and local investors who are more likely to invest if there is a well educated and skilled workforce. Effort is required to strengthen the relationship between private sector and skills development institutes, as well as private sector, the skills development institutes and public/private employment service centres. Ultimately all stakeholders given their unique roles will need to have a stronger relationship with consistent communication. Specific activities/initiatives include

- Social dialogue platform/forum for regular exchanges between private sector, skills development institutes and public and private employment service centres
- Joint revision or creation of short courses to meet the immediate needs of private sector for labour (including practical on the job training) and to consider the skills needed in the future world of work including digital skills, green skills and soft skills.
- Joint public awareness campaign on the opportunities that exist within Laos in terms of skills development, employment and entrepreneurship

High priority, level of resources: Medium, timeline (1-2 years)

Recommendation 4: (ILO Country Office and Department of Employment)

Strengthening the public and private employment service centres in Lao PDR can significantly contribute to improving the efficiency and effectiveness of the labor market. Specifically, the PES centres can be supported through:

- Identifying sources for funding as this is critical for their operations. Sustained financial support enabled the PES centres to maintain a skilled workforce, continue investments in technological infrastructure and positions them to offer a wide range of services to job seekers and employers
- Enhanced outreach and awareness: Conduct targeted outreach campaigns to raise awareness about the services provided by employment centers. Utilize various communication channels, including social media, community radio stations and community events to reach a diverse range of job seekers and employers.

- Support the PES centres to provide services that would attract job seekers and employers through tailored services, per sector or for different user groups, including specialized support for vulnerable populations including migrants.
- Support the development of a robust labor market information system to provide accurate and up-to-date data on job vacancies, skill requirements, and employment trends. This information will help job seekers (including potential and returnee migrants) make informed decisions and will assist employment centers in matching candidates with suitable employment opportunities.
- Continuous Staff Training for PES centres: provide regular training sessions on topics such as career counselling, job matching techniques, interview skills, migration risks, labour rights and labor market trends. Well-trained staff can offer high-quality assistance to job seekers and employers.
- Specific support should be provided on the operations and marketing side of the PES centres starting with strengthening the information available on opportunities, skills available, labour rights, risks and challenges associated with migration and benefits of staying within Laos. Raising awareness about the potential consequences of irregular migration can help individuals make informed decisions.
- Identify alternative ways for the PES centres to make an income, including, for example, advocating for a policy to ensure that agents who recruit migrant workers should receive a clearance from the PES centre after paying a fee.

High priority, level of resources: High, timeline (2-3 years)

Recommendation 5: (Department of Employment)

There is a need to focus on developing a policy and thereafter programmes that align with one vision, of encouraging unemployed and returnee migrants to stay in Laos. The Ministry/Department should drive the direction and messaging, starting with a national promotion campaign on taking up local employment opportunities (benefits) and outlining the technical trainings available within the country. Where possible and needed the DoE can seek resources from development partners to support receipt of training. The steps can be

- Develop policy that focuses on encouraging more secondary graduates and unemployed to study in TVET or skills dev institutes;
- Issue decree/mandate for PES
- Raise awareness through national campaign
- Consider tax/fee for agents who are facilitating migration of workers

High priority, level of resources: High, timeline (3-5 years)

Recommendation 6: ILO project or Ministry of Labour and Social Welfare

Strengthen capacity of cooperatives and associations for sectors with high growth and employment potential, for example the coffee cooperative and associations. This involves empowering the organization to enhance their capacity and operations. This can be done by:

- Providing further education and training programs to cooperative members and leaders on topics like: cooperative principles, governance, management, financial literacy, marketing, and

other relevant topics. Building members' skills and knowledge will strengthen the cooperative's overall capacity.

- Provide technical assistance to cooperatives in areas such as business planning, financial management, marketing strategies, and governance structures.
- Facilitate access to financial resources for cooperatives. This can be achieved through partnerships with financial institutions that understand the unique needs of cooperatives. The Ministry of Industry and Commerce and the Bank of Laos can also consider allocating cooperative development funds or encouraging favorable loan programs to support cooperative initiatives.
- Encourage existing cooperatives to network and collaborate with each other for sharing experiences, resources, and best practices. Collaboration can lead to collective bargaining power, joint marketing efforts, and economies of scale.
- Develop a policy (at national level) that supports the growth and sustainability of cooperatives. This includes a legal framework that recognizes and protects cooperative rights, provides tax incentives etc.
- Assist cooperatives in accessing markets and integrating into value chains. This can involve facilitating partnerships with buyers, providing market information, supporting product certification and quality standards, and promoting fair trade practices. Enhancing market opportunities strengthens the economic viability of cooperatives.
- Promote gender equality and social inclusion within cooperatives. Encourage the participation of women, youth, marginalized communities, and people with disabilities in cooperative leadership and decision-making processes. This fosters diversity, inclusivity, and equitable benefits for all members.

Medium priority, level of resources: High, timeline (4-5 years)

Annex

- A. Terms of Reference
- B. List of people interviewed
- C. Question set used for interviews
- D. Good practices template

Annex A



Terms of Reference (ToR): Consultant to conduct the final evaluation for ILO's 'Reduced vulnerability of returnee migrant workers through linkages to employment opportunities and integration into local economic development in response to COVID-19' project

Objective

The International Labour Organization (ILO) is seeking a consultant/service provider to conduct a final internal evaluation of the project "Reduced vulnerability of returnee migrant workers through linkages to employment opportunities and integration into local economic development in response to COVID-19 Project". This evaluation will consist of a desk review of project results, key stakeholder interviews and result in a final report showcasing feedback and overall project impact. The main purpose of this evaluation is to provide an independent assessment of the progress to date, through an analysis of relevance, effectiveness, efficiency, effects and orientation to impact of the project. This forms part of the International Labour Organization's (ILO) strategic practice of ensuring that projects and programmes are adequately evaluated.

The objective of the assignment is to:

- Independently assess the project against project outcomes and indicators
- Capture the feedback and perspective of a range of stakeholders on the impact of the project activities
- Identify good practices and lessons learned that would contribute to learning and knowledge development of the ILO and project stakeholders
- Inform the ILO on whether the project strategy has worked effectively, and provide recommendations on additional approaches suggested by stakeholders for consideration in future initiatives
-

Background

The COVID-19 outbreaks in neighboring countries have resulted in major influxes of workers returning home as they lost their jobs, some temporarily and others permanently. Over 200,000 Laotian working abroad had to return home in 2021, causing a projected decline of up to USD\$125 million in remittances in 2020, an amount equivalent to 0.7% of GDP². This has had a significant negative impact on household incomes, social services, and the national economy. Thus, this ILO's efforts in Lao PDR aim to support the environment for employment creation within the private sector through MSME's market and capacity development in response to COVID-19 and through employment services linking migrant workers with available jobs. This will reduce the vulnerabilities faced by returning migrant workers by offering opportunities for wage employment in the corporate sector and self-employment. The project will focus on providing:

- Support to the government, social partners, private sector, TVET and skill development centers to develop the capacity of the employment services, including identifying returned migrant workers and linking them to wage employment opportunities.
- Support the government, TVET and Skill development institutions to develop the capacity to adapt skill development programmes, including training on COVID-19 preventive measures to assess and certify skills and reskills and upskill returned migrant workers.

Scope of Work

The consultant/service provider will begin by conducting a desk review of project design and strategy documents, activity documents, communications and research and publications. The desk review will suggest a number of initial findings that in turn may point to additional or finetuned evaluation questions. Based on this, he/she will submit a proposed work plan including a list of questions to ask beneficiaries in accordance to the evaluation criteria outlined below. The ILO and consultant will jointly agree on the work plan, list of questions, and final list of stakeholders.

The evaluator will then undertake key stakeholder interviews (a list will be provided by the project team) with the ILO project staff, including backstopping support in Bangkok. The evaluator will have group/separate meetings with project partners and national experts that have been actively engaged in the project activities as well as with project beneficiaries.

The impact assessment will follow the OECD/DAC evaluation criteria (see annex), namely:

1. Relevance of the project
2. Validity of design
3. Project progress and effectiveness
4. Efficiency of resource use
5. Impact orientation and sustainability

The consultant/service provider will draft a **report** capturing the findings and submit to the ILO project team for review. The final version should address the criteria above and include feedback from key stakeholders as well as integration of the ILO team's comments.

Deliverables:

The main outputs of the evaluation will be comprised of:

- **Refined evaluation questions:** Upon review of the available documents and an initial discussion, through skype interviews, with relevant ILO staff, the evaluator will develop a detailed analytic framework of questions and sub-questions, based on the evaluation questions defined in this ToR, and consistent with Results-Based Management (RBM) and the OECD/DAC criteria.
- **Evaluation report (draft & final)** as per the proposed structure in the ILO evaluation guidelines (see Checklist 5: Preparing the evaluation report). This should include:
 1. Title page (standard ILO template)
 2. Table of contents
 3. Acronyms
 4. Executive summary
 5. Body of the report
 6. Project background
 7. Evaluation background
 8. Methodology Page
 9. Main findings
 10. ILO cross-cutting themes including gender and nondiscrimination, social dialogue and tripartism, international labour standards, and just transition to environmental sustainability.
 11. Conclusions
 12. Lessons learned and emerging good practices
 13. Recommendations
 14. Appendices (TOR, table with the status achieved of project indicators targets and a brief comment per indicator, list of people interviewed, Schedule of the field work overview of meetings, list of Documents reviewed, Lessons and Good practices templates per each one, other relevant information).

The report shall follow the ILO in-house style manual, which shall be made available to the selected respondent. Language, words, terms and phrases to be used in the report must be respectful of labour rights, gender equality, persons with disability and rights of other marginalized groups. For any clarity, ILO should be contacted. The main evaluation report should be concise and not exceed 15 pages excluding annexes (supporting data and details can be included in annexes).

Timeframe

The evaluator's services will be required over a span of 1 month (10 April – 26 May, 2022). It is expected that the evaluator will start immediately upon receiving the contract. The evaluator may propose the number of exact amount of working days along with their daily rate in their application. A projection is given below:

Total est. working days = 15

Task	Responsible Person	Days
<ul style="list-style-type: none"> Briefing with the evaluation manager, the project team and the donor Desk Review of programme related documents Inception report developed (including list of questions for stakeholders and work plan) 	Evaluator	3
• Interviews with projects staff, partners beneficiaries	Evaluator with support from ILO	5
• Draft report based on consultations from field visits and desk review	Evaluator	5
<ul style="list-style-type: none"> Quality check by evaluation manager Circulate draft report to stakeholders Consolidate comments of stakeholders 	Evaluation manager (ILO)	0
• Finalize the report incorporating comments from stakeholders	Evaluator	2

Annex 1: Questions to consider:

Please note that these questions are a preliminary suggestion and the service provider is expected to provide feedback and adapt once they have completed the desk review.

1. Relevance & strategic fit
 - How well did the project meet the needs of the beneficiaries? (including tripartite constituents, workers and employers, disadvantaged vulnerable groups of workers)
 - How well did the project adapt to the changing needs of beneficiaries in the context of COVID-19?
2. Validity of intervention design
 - To what extent is the project design (objectives, outcomes, outputs, and activities) and the underlying theory of change logical and coherent?
 - Has the design and implementation adequately considered cross cutting issues like gender equality, social dialogue, and a just transition to environmental sustainability?
3. Project effectiveness
 - To what extent the outputs and outcomes have been achieved or are likely to be achieved?
 - To what extent the outputs produced and delivered are satisfactory (stakeholders should be interviewed to gauge how they perceive them)?
 - Have the project activities and impact been evenly distributed across the geographic areas (explore why or why not)?

- What internal and external factors may have influenced the ability of the ILO to meet the project targets and what measures were taken in particular in the context of Covid19?
 - In which way do the project's outputs and outcomes contribute to gender equality?
4. Efficiency of resource use
- Have the available technical and financial resources been adequate to fulfil the project work plan?
 - Is the project receiving adequate political, technical and administrative support from its national partners/implementing partners?
 - Are the relevant stakeholders involved in an appropriate and sufficient manner?
 - Does the project have an M&E system in place that collects sex- disaggregated data and monitors gender-related results?
5. Impact orientation and sustainability
- Is the programme strategy and programme management steering towards impact and sustainability?
 - How has the project contributed to increasing the capacity of people and national institutions or strengthened an enabling environment (laws, policies, people's skills, attitudes, relationship, organizational and institutional capacity, coordination, etc.) c. How likely is it that the project results and activities be sustained beyond the project, through the action of government, social partners and other stakeholders? Are the positive gender-related outcomes likely to be sustainable?

Annex B: List of stakeholders interviewed (and integrated within the report findings)

No	Organization	Name	Role	Location
1		Ms. Anousone Sosenginh	National Project Coordinator/ Project manager	Teams (online)
		Ms. Mattie Milliken	Junior consultant on Enterprise Development	Teams (online)
2	Partner representative s	Ms. Anousone Khamsingsavath	Director General, Department of Employment (DoE) from the Ministry of Labor and Social Welfare (MoLSW)	Department of Employment (DoE) office
		Ms. Manivone	Technical Staff from Policy Division	
		Ms. Kanthala	Self Employment Division, Division Head	
3		Mr. Bounthavieng Bouphavong	Head of Public Employment Service (PES) Songkone, Savannkhet Province	WhatsApp's (Online)
		Mr. Bourla Bounyaeth	Deputy Head of PES, Champone district, Savannkhet Province	WhatsApp's (Online)
4		Mr. Youthin Chanthavong	Acting PES Champasak district, Champasak province	WhatsApp's (Online)

5		Mr. Hatsakoun Phommasone,	Acting PES Soukkouma district, Champasak province	WhatsApp's (Online)
6	LNCCI	Mrs. Daovading PHIRASAYPHITHAK	LNCCI Secretary General	Zoom (online)
7	SVK CCI	Ms. Viengchamphone	Coordinator	Zoom (online)
8	Lao Coffee Association	Mr Sengchanh Khammountha	Vice Chairman	Zoom (online)
		Mr. Sivixay Xayasaeng	Office manager	
9	Lao Garment Association	Mr. Bountham	Office Manager	Zoom (Online)
10	Lao Furniture Association	Mr. Bounpheng	Office manager	<u>Zoom (online)</u>
11	TVET-Champasak Province's Employment Service and Skill Development Institute	Mr. Khampasong Boudsengngam	Head of Technical Office	Zoom (online)
		Ms Vannaly Phommavong	Garment Teacher	
		Mr. Sichan Hongyankham	Car maintenance Teacher	WhatsApp's
12	TVET- Institute of Xaysombath Technology in Savannakhet	Dr. KeoPhouthong Bounphavanh	Director/Trainer	Zoom (online)
13	DF Filing Consultancy and Translation Sole Co., Ltd (DFICT)	Mrs. Chounlathan PHENGDY	Director	Zoom (online)
		Mrs. Chanligna Phengdy (Sunny)	Manager	Zoom (online)
14	EDC- Business Development Service Providers	Mr. Thone Bounvatthana	Co managing/Trainer, EDC	Zoom (online)
15	Consultant	Mrs Souparina Sisombath	Freelance	Zoom (online)
16	Beneficiaries – from Institute of Xaysombath Technology in Savannakhet	Mr. Bounchanh	Student at Machinery Course	WhatsApp's
17		Ms Senglay	Garment Course	WhatsApp's

18	Beneficiaries – from Champasack Province’s Employment Service and Skill Development Institute	Mr. Xaysanouk Heunmoungkoun	Motobike maintenance Course	WhatsApp’s
19		Ms Boursavanh	Garment Course	WhatsApp’s
20	Beneficiaries – from Garment Training Development Center	Ms Bon	Garment Course	WhatsApp’s
21	Beneficiaries – Lao Coffee Association	Mr Somphou (DaenSavan Group Cooperative)	Training and Equipment	WhatsApp’s
		Mr. Kongchai (Agriculture Tourism Cooperative)	Training and Equipment	WhatsApp’s
		Mr. Chon – Nong Luang Group Cooperative	Training and Equipment	WhatsApp’s

Annex C: Question set used for interviews

Category of interviewee	Link with the OECD Criteria	Question
ILO		
Project Team	Introductory	<ul style="list-style-type: none"> * What have been your role / responsibilities in the project? * Could you outline the implementation timeframe (including signing of the key documents) * At what stage of project implementation would you say the team is at?
	1. Relevance & Strategic Fit	<ul style="list-style-type: none"> * Could you briefly describe the context/environment in which the project has been working in, in relation to the objective of the project ? * How well do you feel the project has met the needs of the beneficiaries? (Including the tripartite constituents) * Could you explain a bit on the target group of the project and any adjustments that have had to be made in this regard? * How did the project adapt to the changing needs of beneficiaries, especially in the context of COVID19
	2. Validity of intervention design	<ul style="list-style-type: none"> * In terms of project design, what was your involvement? * What is your views in terms of the projects objectives, expected outcomes, outputs and activities? * Do you think the logical framework or basically the expected theory of change made sense? * Do you think the design and in implementation adequate considerations were made for gender equality? dialogue? environmental aspects? * In what ways/examples could you see these considerations applied in implementation? if at all
	3. Project effectiveness	<ul style="list-style-type: none"> * In terms of progress, and reaching the outcomes and outputs, what stage is the project at or what are your views on this in terms of being achieved? * In terms of geographic distribution, how has the project been implemented and has there been an even balance of support (why or why not)? * Have there been any internal (ILO) factors that have affected the ability to meet project targets? what measures have been taken? anything in particular in line with COVID19? * Have there been any external factors that have affected the ability to meet project targets? what measures have been taken? anything in particular in line with COVID19? * Does the projects outputs and outcomes contribute to gender equality in implementation

	4. Efficiency of resource use	<ul style="list-style-type: none"> * Have the available technical and financial resources been adequate to fulfil the project work plan? * Is the project receiving adequate political, technical and administrative support from its national partners/implementing partners? * How has the project involved the relevant stakeholders involved in an appropriate and sufficient manner? * Does the project have an M&E system in place that collects sex-disaggregated data and monitors gender-related results or how have results been measured?
	5. Impact orientation and sustainability	<ul style="list-style-type: none"> * Do you think there are any elements of the programme strategy or activities that will continue beyond the lifespan of the project? * Do you think there are any particular elements that will have longer lasting impact than what is captured in the project design? * How has the project contributed to increasing the capacity of people and national institutions or strengthened an enabling environment (laws, policies, people's skills, attitudes, relationship, organizational and institutional capacity, coordination, etc.) * How likely is it that the project results and activities be sustained beyond the project, through the action of government, social partners and other stakeholders? * Are the positive gender-related outcomes likely to be sustainable?
Skills Development Specialist	Introductory	<ul style="list-style-type: none"> * What is your role in the organization and specifically in relation to the project? * Were you involved in the design stage? or at the donor agreement level?
	1. Relevance & Strategic fit	<ul style="list-style-type: none"> * In terms of the regional perspective, would this project be in line with the ILO's on going efforts or is this something new? * in terms of Laos, would you say this is something new from the ILO side? is there any similarities with any other ILO projects related to skills development? * How well do you feel the project adapted to the changing needs of beneficiaries?
	2. Validity of design	<ul style="list-style-type: none"> * What are your views in terms of the logical framework/expected change/theory of change of the project? * are there any adaptations in the strategy that you would have advised from design stage in hindsight? * what are your views in terms of the targets set and the timeframe in which to achieve them? * in terms of cross cutting issues like gender equality, dialogue, environmental sustainability, do you think the project design has captured this or could more be done? if so, what/how?

	3. Project effectiveness	<ul style="list-style-type: none"> * What are your views/thoughts on the projects progress/achievements in terms of outputs, and its intended outcomes? * are there any internal or external factors that you think have affected the projects imeplementation?
	5. Impact orientation and sustainability	<ul style="list-style-type: none"> * in terms of the project strategy/approach itself, do you think these can/will be carried on in Laos? has this been done/taken on board in other countries in the region? * what would you say the longer term impact could be or will be for a project of this nature? * after the end of this project, how would the ILO continue support (if any?) in this area

Category of interviewee	Link with the OECD Criteria	Question
Partner representatives (MoE and PES), TVET (Vocational/Skills Institute), Private Sector, BDS		
	Introductory	<ul style="list-style-type: none"> * What is the overall role/mandate of your institution? * you were identified as a key stakeholder, What has your role/ link been with the project, as an institution?
	1. Relevance & Strategic Fit	<ul style="list-style-type: none"> * Could you briefly describe the context/environment currently in laos in relation to migrant workers, and previously since a year? What is the situation? *Do you think a project like this was needed in laos given ther situation? * do you feel the project has met the needs of the beneficiaries? * is a project like this inline with the priorities or objectives of your institution? or is there a different direction or priority that you would propose?
	2. Validity of intervention design	<ul style="list-style-type: none"> * are you aware of the overal project objectives etc? * What is your views in terms of the projects objectives, expected outcomes, outputs and activities? * Do you think the the approach/strategy was good?
	3. Project effectiveness	<ul style="list-style-type: none"> * Do you have any view/thoughts on the projects progress? and any adaptations it has has to make? * have there been any particular challenges that you think have come up externally that affected the project? * are there any good/strong elements you feel this project has that should be considered for future? * in line with COVID19 do you think the project adjusted as needed? was COVID19 still relevant at the time of project implementation?

	5. Impact orientation and sustainability	<ul style="list-style-type: none"> * Do you think there are any elements of the programme strategy or activities that will continue beyond the lifespan of the project * Has the project contributed to increasing the capacity of your institution or other necessary ones? * How likely is it that the project results and activities be sustained beyond the project, through the action of government, social partners and other stakeholders? * for the future, would you have any recommendations for such a project to consider? or certain priorities to focus on?
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Category of interviewee	Link with the OECD Criteria	Question
Beneficiary		
	Introductory	<ul style="list-style-type: none"> * Could you tell us a little bit about yourself? where you are based and your background in terms of training/job? * and with the project/ILO, what has your involvement been?
	1. Relevance & Strategic Fit	<ul style="list-style-type: none"> * Could you tell us in your view context/environment currently in Laos in relation to migrant workers and skills development? * what is the situation previously and now? * Do you think support like this was needed in Laos given the situation? * do you feel the project has met your needs as a 'beneficiary'? * is there anything else you wish or suggest the project to focus on in the case of someone with your situation?
	2. Validity of intervention design 3. Project effectiveness	<ul style="list-style-type: none"> * Do you think the way the project supported you was a good approach? * are there any changes you wish the project had? or is there anything different that a project like this should do? * are there any good/strong elements you feel this project did that should be considered for future? * in line with COVID19 do you think the project adjusted as needed?
	5. Impact orientation and sustainability	<ul style="list-style-type: none"> * Do you think there are any elements of the programme strategy or activities should I continue beyond the lifespan of the project * Has the project contributed to increasing your capacity? * from what you learnt or did with the project, do you think it will help you in the future? * for the future, would you have any recommendations for such a project to consider? or certain areas to focus on?

ILO Emerging Good Practice Template

Project Title: Reduced Vulnerability of returnee migrant workers through linkages to employment opportunities and integration into local economic development in response to COVID-19

Project TC/SYMBOL: LAO/21/03/JPN

Name of Evaluator: Anjali Patel and Pamouane Phetthany

Date: 28 May 2023

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 consultative approach has led to a strong appropriation of the project by its stakeholders and this has lead to successful attainment of the targets.
Relevant conditions and Context: limitations or advice in terms of applicability and replicability	The project in its inception invested substantive time to identify the immediate needs of stakeholders whilst also identifying which stakeholders were best positioned to deliver project activities (through implementation agreements). Stakeholder inputs and guidance was requested and provided throughout project implementation especially in identifying the equipment required, the skills trainings to be provided and the most appropriate additional modules (enterprise related) to be provided.
Establish a clear cause-effect relationship	Strong engagement and ownership from stakeholders is the foundation for a continued partnership and collaboration beyond the lifetime of the project. There are much larger systemic issues that need to be addressed and because of the projects approach, stakeholders can jointly advocate for certain changes needed
Indicate measurable impact and targeted beneficiaries	Measurable impact is the expressions of commitment to continue the initiatives underway and the request for continued project implementation in this manner (based on interviews of the evaluation)
Potential for replication and by whom	All ILO Projects

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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.)	Collaboration with the Lao Coffee Association in order to provide support to its members (existing and new)
Relevant conditions and Context: limitations or advice in terms of applicability and replicability	One of the main outputs of the project was to provide technical support (advisory and equipment) to returnee migrants and aspiring entrepreneurs. The project worked with the Lao Coffee Association and procured a range of equipment which will be managed, maintained and hosted by the association. This equipment will enable hundreds, if not more, aspiring entrepreneurs, returnee migrants or existing MSMEs to access and increase value addition for their products.
Establish a clear cause-effect relationship	Increase value addition to products will enable producers to gain larger profit margins as well as meet the market demands. The shared nature of the support will ensure that the equipment reaches economies of scales rather than only benefiting a few MSMEs (if directly procured by individuals). This will also attract more members to the association which will in turn strengthen their presence, voice and services for the future.
Indicate measurable impact and targeted beneficiaries	Measurable impact is number of individuals/enterprises that access the equipment and the increase in production (or profit margins) as a result of this.
Potential for replication and by whom	Enterprise related projects (across development partners)