



ILO EVALUATION

- **Evaluation Title:** Mid Term Evaluation of the “Towards fair and sustainable global supply chains: Promoting formalization and decent work for invisible workers in South Asia”
- **ILO TC/SYMBOL:** RAS/17/06/JPN
- **Type of Evaluation:** Mid-Term Evaluation
- **Country(ies) :** India and Nepal
- **Date of the evaluation:** November 2019 to February 2020
- **Name of consultant(s):** Smita Premchander
- **ILO Administrative Office:** ILO Country Office, New Delhi
- **ILO Technical Backstopping Office:** ILO Regional Office for Asia and the Pacific, Bangkok
- **Other agencies involved in joint evaluation:** None
- **Date project ends:** December 31, 2020
- **Donor: country and budget US\$** Government of Japan under ILO/Japan Multi-bilateral Programme, USD 2,400,000
- **Evaluation Manager:** Bharti Birla, Chief Technical Advisor, Sustainable Global Supply Chains Project
- **Key Words:** Global supply chains, Home-based work, Informality, Gender, Decent Work

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

TABLE OF CONTENTS

| | |
|---|----------|
| LIST OF ACRONYMS AND ABBREVIATIONS | I |
| EXECUTIVE SUMMARY | 1 |
| PROJECT BACKGROUND | 1 |
| EVALUATION BACKGROUND | 1 |
| METHODOLOGY | 1 |
| FINDINGS..... | 2 |
| <i>Relevance and Strategic Fit</i> | 2 |
| <i>Validity of Project Design</i> | 2 |
| <i>Progress and Effectiveness</i> | 3 |
| <i>Efficiency of Resource Use</i> | 4 |
| <i>Effectiveness of Management Arrangements</i> | 4 |
| <i>Impact Orientation and Sustainability</i> | 5 |
| SUMMARY FINDINGS ON KEY ILO PRIORITIES | 5 |
| CONCLUSIONS | 6 |
| LESSONS LEARNED AND GOOD PRACTICES..... | 6 |
| RECOMMENDATIONS | 7 |
| THE EVALUATION REPORT | 1 |
| 1.PROJECT BACKGROUND | 1 |
| 1.1 PROJECT OBJECTIVES AND MANAGEMENT | 1 |
| 1.2 THE REPORT STRUCTURE..... | 2 |
| 2. EVALUATION BACKGROUND | 2 |
| 3. METHODOLOGY | 4 |
| 3.1. DATA COLLECTION | 4 |
| 3.1.1. <i>Review of Documents</i> | 4 |
| 3.1.2. <i>Sampling Methodology</i> | 4 |
| 3.2. DATA ANALYSIS AND REPORT WRITING | 5 |
| 3.3 LIMITATIONS | 5 |
| 4. EVALUATION FINDINGS..... | 5 |
| 4.1 RELEVANCE AND STRATEGIC FIT..... | 5 |
| 4.1.1. <i>Alignment with DWCP and ILO Outcomes</i> | 6 |
| 4.1.2. <i>Alignment with ILO's Initiatives in the Country/ region</i> | 9 |
| 4.2. VALIDITY OF PROJECT DESIGN | 9 |
| 4.2.1 <i>Achievability of the Project's Objectives/ Outcomes</i> | 10 |
| 4.2.2 <i>Coherence of the Intervention Logic</i> | 12 |
| 4.2.3. <i>Implication of the Design Assessment on Indicators</i> | 13 |
| 4.2.4. <i>Integration of Gender Concerns</i> | 14 |
| 4.2.5. <i>Framework for a Theory of Change</i> | 15 |
| 4.3. PROJECT PROGRESS AND EFFECTIVENESS..... | 16 |
| 4.3.1. <i>The Progress of the Project</i> | 17 |
| 4.3.2. <i>Significant Achievements and Their Leverage</i> | 20 |
| 4.3.3. <i>The Areas of Least Achievements and Constraints</i> | 22 |
| 4.4. EFFICIENCY OF RESOURCE USE | 24 |
| 4.4.1 <i>Timelines of Delivery</i> | 24 |

| | |
|---|-----------|
| 4.4.2 Strategic Allocation of Resources..... | 25 |
| 4.4.3 Efficiency in Use of Resources | 25 |
| 4.5. EFFECTIVENESS OF MANAGEMENT ARRANGEMENTS..... | 26 |
| 4.5.1 Management, Monitoring and Governance Arrangements | 26 |
| 4.5.2 Technical, Programmatic, Administrative and Financial Backstopping | 27 |
| 4.5.3 Strategic Use of other ILO Projects, Products and Initiatives | 28 |
| 4.6. IMPACT ORIENTATION AND SUSTAINABILITY OF THE PROJECT..... | 28 |
| 4.6.1. Sustainability in the Design and Implementation of Project Activities..... | 29 |
| 4.6.2. Capacity Building for Sustainability of Project Achievements..... | 30 |
| 4.6.3 Sustainability of Project Achievements | 32 |
| 4.7. SUMMAY OF FINDINGS ON KEY ILO PRIORITIES | 33 |
| 4.7.1 Gender Issues Assessment | 33 |
| 4.7.2. Tripartite Issues Assessment | 34 |
| 4.7.3. Worker Capacity Assessment..... | 35 |
| 5. CONCLUSIONS..... | 35 |
| 6. LESSONS LEARNED AND EMERGING GOOD PRACTICES | 36 |
| 6.1. LESSONS LEARNED | 36 |
| 6.1.1. Lesson Learned 1: Barriers to Operationalize Labour Laws for HBWs. | 36 |
| 6.1.2. Lesson Learned 2: Decent Work for HBWs Requires Long Term Intervention Projects | 36 |
| 6.1.3. Lesson Learned 3: MSMEs in Global Supply Chains Need Credit-Friendly Policies | 36 |
| 6.1.4 Lesson Learned 4: The Identification of Employers is Critical to Implementation of Labour Laws..... | 36 |
| 6.1.5. Lesson Learned 5: Engagement with international brand for the HBW agenda remains challenging | 36 |
| 6.2. EMERGING GOOD PRACTICES..... | 37 |
| 6.2.1. Good Practice 1: Mainstreaming Interventions in Government Structures Enhances Sustainability..... | 37 |
| 6.2.2. Good Practice 2: Formation of National Technical Working Groups for Preparing Action Plans..... | 37 |
| 6.2.3. Good Practice 3: Enhancing Understanding of Formality and Informality Facilitates Policy Formulation | 37 |
| 6.2.4. Good Practice 4: Raising Issues of Worker Status at the Global Level | 37 |
| 6.2.5. Good Practice 5: Adaptation of ILO's Wage-Setting, OSH and PRA Training Methodologies for HBWs..... | 37 |
| 6.2.6. Good Practice 6: Leveraging Technical and Financial Resources from ILO Offices and Social Partners..... | 38 |
| 6.2.7. Good Practice 7: Leveraging Technical Support of International Labour Unions..... | 38 |
| 7. RECOMMENDATIONS..... | 38 |

List of Acronyms and Abbreviations

| | |
|----------|--|
| ACT/EMP | ILO's Bureau for Employers' Activities |
| ACTRAV | ILO's Bureau for Workers' Activities |
| AITUC | All India Trade Union Congress |
| ANTUF | All Nepal Trade Union Federation |
| APEC | Apparel Export Promotion Council |
| BEWG | Brand Ethics Working Group |
| CITU | Centre of Indian Trade Unions |
| CBO | Community Based Organizations |
| CFC | Common Facility Centre |
| CO | Country Office |
| CSO | Civil Society Organization |
| CTA | Chief Technical Advisor |
| CWC | Common Work Centre |
| DWCP | Decent Work Country Programmes |
| DWT | Decent Work Team |
| EESE | Enabling Environment for Sustainable Enterprises Project of ILO |
| ETE | End-Term Evaluation |
| EPCH | Export Promotion Council for Handicrafts |
| FGD | Focus Group Discussion |
| FHAN | Federation of Handicraft Associations of Nepal |
| FNCCI | Federation of Nepalese Chambers of Commerce and Industry |
| FNCSI | Federation of Nepal Cottage and Small Industries |
| FWEAN | Federation of Woman Entrepreneurs Association of Nepal |
| GEFONT | General Federation of Nepalese Trade Unions |
| GESI | Gender Equality and Social Inclusion |
| HBW | Home-based worker |
| HNSA | HomeNet South Asia |
| HQ | Head Quarters |
| ICLS | International Conference of Labour Statisticians |
| ILO | International Labour Organization |
| ILS | International Labour Standards |
| INTUC | Indian National Trade Union Congress |
| INWORK | Inclusive Labour Markets, Labour Relations and Working |
| JILAF | Japan International Labour Foundation |
| JTUCC | Joint Trade Union Coordination Centre |
| MBO | Member-based Organization |
| MoLESS | Ministry of Labour, Employment and Social Security |
| MSME | Micro, Small and Medium Enterprises |
| MTE | Mid-Term Evaluation |
| NPC | National Project Coordinator |
| NTUC | Nepal Trade Union Congress |
| OECD/DAC | Organization for Economic Co-operation and Development/ Development Assistance Committee |
| OSH | Occupational Safety and Health |
| PRA | Participatory Rural Appraisal |
| RBSA | (ILO's) Regular Budget Supplementary Accounts |

| | |
|-------|---|
| SDGs | Sustainable Development Goals |
| SGSC | Sustainable Global Supply Chains |
| SEWA | Self Employed Women's Association |
| SNRTP | Strengthening the National Rural Transport Programme of the ILO |
| TEA | Tiruppur Exporters Association |
| TOC | Theory of Change |
| TOR | Terms of Reference |
| TPR | Technical Progress Report |
| TU | Trade Union |
| WIF | Work in Freedom Project of the ILO |
| WISH | Work Improvement for Safe Home |

Executive Summary

Mid Term Evaluation Report

Towards Fair and Sustainable Global Supply Chains: Promoting Formalization and Decent Work for Invisible Workers in South Asia

Project Background

The ILO/Japan project *“Towards fair and sustainable global supply chains: Promoting formalization and decent work for invisible workers in South Asia”* (referred to as the Project hereafter) aims to towards promoting decent work in global supply chains. The workers at these levels are typically home-based workers (HBWs), subcontractors, and workers in medium and small enterprises in the informal economy in South Asia.

The Project focuses on three selected countries in the South Asian region: India, Nepal and Sri Lanka, of which work has been started in the first two countries in the period 2017-2019. In Nepal, the selected sectors for work included – textile and garments (especially hand knitted, Dhaka fabric) and metal craft. In India, the sectoral focus was on garments and metal sectors. The locations in India include Uttar Pradesh and Tamil Nadu, and in Nepal they include the municipalities of Kathmandu and Lalitpur.

The Project engaged with the following stakeholders a) Central and state governments in India, and the central government in Nepal; b) trade unions (TUs) and community based organizations for supporting home based workers; c) employers of HBWs and Enterprise Organizations in the garments and metal sectors such as Tiruppur Exporters Association (TEA) in India and Federation of Woman Entrepreneurs Association of Nepal (FWEAN) and Federation of Handicraft Associations of Nepal (FHAN) in Nepal and d) International brands at the high end of global supply chains.

The Project is funded by the Government of Japan under the ILO/Japan Multi-bilateral Programme, and has a budget of USD 2.4 million.

Evaluation Background

The purpose of this evaluation is to ascertain the Project’s achievements against targets and the challenges faced during implementation. This includes how it has been designed, implemented and managed; how it is recognised and valued by stakeholders; and what the impact has been on the target groups. The evaluation is also intended to identify lessons for improvement and good practices, and assess ways to sustain these beyond the life of the Project.

Methodology

The evaluation methodology included three phases, the inception phase, the data collection phase and the analysis and report writing phase. Given the short time line of the evaluation, and the fact that the three visits were spread over the evaluation period, the phases were concurrent rather than sequential, between end of November 2019 and end of January 2020.

The document review included a wide range of project documents and publications, as well as the tools, and the partner implementation agreements. The interviews were held with all categories of stakeholders, in consultation with the Project team, based on the availability of the tripartite constituents and implementing partners. The data collection covered all the Organization for Economic Co-operation and Development/ Development Assistance Committee (OECD/DAC) evaluation criteria of Relevance, Validity of Design, Efficiency,

Effectiveness of Project, Effectiveness of Management Arrangements and Impact and Sustainability of Achievements. The evaluation questions given in the Terms of Reference (ToR) were elaborated and tailored according to the categories of stakeholder

Three visits were completed: one to the ILO CO/ Decent Work Team (DWT) office in Delhi and one each to Tamil Nadu and Nepal. Around 20 interviews in person and over 5 Skype/phone interviews and 7 Focus Group Discussions (FGDs), a total number of 62 stakeholders were met, of which 34 were women and 28 men. The evaluator was not able to visit Uttar Pradesh, but this limitation was overcome by holding a phone meeting with the Deputy Labour Commissioner of the state. The stakeholder perspectives were triangulated to ensure integrity of the findings to the extent possible. A qualitative analysis was conducted to arrive at the findings and conclusions of the report.

Findings

Relevance and Strategic Fit

The Project is well aligned with the Decent Work Country Programme (DWCP) outcomes in Nepal and India. The Project responds to ILO's Home Work Convention No. 177, the Recommendation No. 204 on the [Transition from the Informal to the Formal Economy, and ILO's Resolution](#) concerning decent work in global supply chains. It contributes to Priority 2 of the DWCP in India, to promote Decent Work in the informal economy, and to Priority 2, for the protection of workers from unacceptable forms of work. In Nepal, the Project contributes to Priority 1 of the DWCP, enabling decent work through sustainable, inclusive and gender-responsive economic growth and to Priority 2, strengthening institutional capacities, enhancing social dialogue, and applying ILO fundamental conventions and other International labour standards (ILS). The Project and the issues find a specific mention in the 2018-2022 DWCP in Nepal and 2018-2022 in India, which commits to promoting ethical and sustainable global supply chains and HBWs' rights and dignity.

The Project contributes to the 2018-19 and 2016-17 P&B Outcome 6 on formalization of the informal economy, and to ILO's commitment to create social dialogue. With its emphasis on home-work in global supply chains, where women are over-represented, the SGSC project also contributes to Outcome 8 of ILO's P&B. For 2020-21 P&B, the project contributes directly to Outcome 7: Adequate and effective protection at work for all and in particular to Output 7.4. Increased capacity of constituents to provide adequate labour protection to workers in diverse forms of work arrangements, including on digital labour platforms, and in informal employment. The project will contribute to other realigned outcomes as well.

The Project contributes to Sustainable Development Goal (SDG) 1 on poverty reduction, Goal 3 on health and well-being, Goal 5 on Gender Equality and Goal 8 on Decent Work, and to Goal 9 on building inclusive and sustainable industries through its emphasis on promotion of Decent Work in global supply chains. It further contributes to SDGs 12 and 17, and targets 16.3 and 17.14.

Validity of Project Design

The project design was validated by assessing whether the goals are realistic, and whether the indicators represent well the progress and results. Overall, the logframe is well articulated, with some challenges which are discussed below, with respect to the three objectives outlined in the logframe, at the levels of: policy, institutions and community.

The first Immediate Objective relating to policies and regulations to promote decent work for HBWs and other informal economy workers and units engaged in global supply chains in India and Nepal. With respect to HBW in the sectors selected by the Project, the task of policy design is itself time taking, it is not realistic to expect its effective implementation in the currency of the SGSC Project.

The second Immediate Objective relates to strengthened governance to promote decent work and contribute to the development of ethical and sustainable supply chains. The objective is realistic with respect to the three ILO constituents: the government, trade unions and employer associations. However, it is difficult to make inroads into the governance mechanisms of international brands, as their policies do not support home-based work, barring a few who either do not bar HBWs or outline such a policy.

The third Immediate Objective relates to improved living and working conditions of home-based women workers and other informal economy workers engaged in selected supply chains in India and Nepal. Given the time frame of the Project, the Project will likely be able to facilitate comprehensive mapping, enrolment of members in TUs, and pilot one or two key interventions for collective work, and initiate organization of immediate contractors of HBWs.

The activities listed under each objective are very detailed and comprehensive, and logically well connected to the Immediate Objectives. The sequential phasing of the activities as depicted in the logframe proved too rigid, as several entry points were needed for addressing the needs of the target group. However, it has helped to elaborate the Theory of Change for the Project.

The indicators for assessment were assessed primarily on the basis of their measurement of progress towards the Project objectives, outreach to the target group, and gender-disaggregation. Although the current set of indicators meets all these criteria, some are overlapping and superfluous, while others need rationalization based on achievability. Recommendations are made for these changes.

The Theory of Change is depicted using the Gender Equality and Social Inclusion framework, which usefully explains the three domains of change contained in the SGSC project design. The Theory of Change (TOC) is not linear and takes into account interventions that contribute to more than one Immediate Objective.

Progress and Effectiveness

The Project has prepared the ground well for drafting a policy in each country. While baseline and mapping studies have been completed, a larger informal diagnostics study in Nepal will yield information directly relevant to the government's policy making processes. However, this is hampered by the lack of a clear definition of informality and formality in Nepal. The Project has influenced the government to include statistics on HBWs in its Labour Force Survey. In India, a National Working Group of multiple stakeholders provided feedback on a policy for HBWs drafted by HomeNet South Asia, which had not been vetted by stakeholders. The Project introduced a participatory process, with the participants of the National Working Group now taking the responsibility to complete its redrafting, as contrary to the name, the policy draft only covers own account workers and does not cover home workers/supply chain workers, in line C177 of the ILO. The state government of Uttar Pradesh has requested support from the ILO for a diagnostic study, trainings on piece rate wage calculations as well as on enabling a convergence-based approach to enable decent work for informal workers.

In order to enable the enterprises and enterprise associations to support registration and labour law compliance, the Project has provided both capacity building and technical support. As a result, in Nepal several enterprises, especially those of women, have moved from informality to formality. In India, partnerships are under formation, with TEA, Apparel Export Promotion Council (APEC) and Export Promotion Council for Handicrafts (EPCH).

The modality for preparing action plans for TUs and Civil Society Organizations (CSOs) includes forming a national working group which can enable these organizations to build their strategies. The capacity of TUs was also increased through trainings on wage calculations and Occupational Safety and Health (OSH) conditions. The former has enabled unions to use discussions on piece rate wages to organize workers, and enable them to keep wage records using wage cards developed by the Project. The latter led to enterprises and own-account works

investing in low cost improvements in working conditions. The collaboration between JILAF and NTUC led to development of tools and increased organizational capacities of unions in Nepal.

The work with global brands has been initiated, but needs to progress in collaboration with and the support of the Inclusive Labour Markets, Labour Relations and Working (INWORK) team in ILO HQ in Geneva.

The Project aimed to build a model for community-based work with HBWs, especially women, in the selected sectors. At first, an attempt to organize HomeNet Asia partners (mostly CSOs) and TUs around same issues as implementing partners did not proceed well because of challenges in approach, understanding and needs of partners. It was decided that the implementation work will be undertaken in partnership with Trade Unions, while there will be efforts to enable joint advocacy and capacity building on labour rights with both trade unions and CSOs. TUs in Nepal have made plans to implement community-based work in collaboration with the local municipal governments. In India, the Project suffered a setback and loss of time due to CITU not signing the implementation agreement after 5 months of engagement planning the intervention. Later, the Project forged a partnership with AITUC, which has organized workers in Tamil Nadu, and is poised to start work in Uttar Pradesh soon. In Uttar Pradesh, the road map has been developed, and the state and local officials have initiated support for the Project. Yet, there is a lot of ground to cover, as the Project is already in its last 11 months of operation.

Efficiency of Resource Use

The SGSC Project had a late start to the activities, but since 2018 has speeded up activities under all the three Outcomes. SGSC has been a highly efficient project, compared to its overall budget, as it has leveraged resources for the Nepal chapter, from the national or regional projects, and from the Nepal and India Country office. Collaborative projects in India are under exploration.

ILO's DWT specialists as well as HQ Specialists have provided the crucial inputs, especially in wage determination, OSH conditions, and advice on the design on informality diagnostics. The ILO HQ officials have provided support to discuss and project the key issues raised and addressed by the Project, for discussions at the ILO conferences, thereby taking a regional projects' learnings to the global level.

The Project has leveraged resources in cash and kind from its partners too. Trade unions in Nepal have involved the local governments, and used their facilities and funds to conduct training programme. Enterprise organization in Nepal have pooled in funds from other projects. In India, TUs who participated in the Project's capacity building programmes have conducted training and awareness programmes and have enrolled HBWs. This offers evidence not only of efficiency, but also of ownership of the Project's objectives by the stakeholders, and sustainability of the Project's achievements.

Effectiveness of Management Arrangements

The full management team and full operations had a delayed start. The CTA was appointed in July 2018. The Nepal NPC was recruited in late 2018, and the India NPC in March 2019. So, the full team has been in place only after March 2019. Despite this, the overall management arrangements have been very effective, with the Project gaining support from the senior management team in India and Nepal, and the programme team, to make all the necessary contacts with the constituents to complete the Project commitments.

The DWT team in Delhi has provided excellent technical support to the SGSC project, in capacity building activities, development of tools, as well as ongoing support on critical issues of Statistics for the informal economy, and other issues relating to wages, OSH, TUs, Enterprises and gender.

The Project is a part of the INWORK programme in ILO HQ, and has received support not only on technical issues at the national level, but also to raise the issues highlighted by the Project at a global level.

Impact Orientation and Sustainability

The Project partners have been selected on the basis of their ability and willingness to actively lead the process of reaching the lowest tier of workers and enterprises at the lower end of global supply chains. The partners had ownership of the Project activities, which has significantly aided the potential for sustainability.

The Project has used a multi-stakeholder approach for building policy advocacy agendas. The Project has formed National Working Groups with stakeholders from among the government, TUs and CSOs, both in India and Nepal. These have followed consultative processes that increase the ownership by the stakeholders of the agenda of Decent Work for HBWs and informal economy workers.

The Project's capacity building activities have been very effective. Several TUs who had received training by the Project, have gone ahead and conducted trainings independently and thereby increased their membership, and put into practice tools like the wage log book. They have also made low cost improvements in work-place safety of their homes/ working areas. The enterprise associations and TUs have continued trainings beyond the financial support of the ILO project.

The sustainability of some of the structures/ forums created by the Project is high. For instance, the National Inter-ministerial Working Group formed in Nepal is well entrenched in the official structures which enhances its sustainability beyond the Project period. The sustainability of training programmes is enhanced by the strategy of partners to garner support from the local government in providing physical and financial resources for the trainings, as evidenced in Nepal. The interventions by JILAF helped the unions to comply better with the organization structure mandated for unions in Nepal, thus making a long term contribution to union capacities in Nepal.

Some critical interventions need further follow up to be completed and sustained, for example investments needed for work place safety, or finding technical solutions for use of harmful materials e.g. mercury. These issues have been highlighted by the Project, but more time and technical support is needed to address them adequately.

Although there are several indications of sustainability of the activities and use of capacities and tools developed till the mid-term, it is too early to evaluate sustainability of the Project. This aspect is best addressed during the end-term evaluation.

Summary Findings on Key ILO Priorities

Gender Issues Assessment: The Project has made significant contributions to gender equality and social inclusion, through its focus on marginalized social groups who work in the informal economy, and in sectors with high Decent Work deficits. The capabilities of partners to include women in their membership, to increase their access to official social scheme, to formalize women's enterprises, and to deliberate on how workers need to be represented and included in national policies and statistical systems are major contributions. The Project has also exposed gender-based inequalities which pose barriers to gaining union membership, unresolved questions relating to sustainable institutional forms of collectivization, and difficulties in accessing labour rights due to lack of formalization of employers, or slow growth of the sectors.

Tripartite Issue Assessment: The Project objectives and processes were well aligned with tripartite constituent's objectives, needs and preferences. The Project has conducted extensive consultations with all constituents and engaged in building capacities of all tripartite partners to recognize and address needs of HBWs in global supply chains. It has also succeeded in bringing together 'tripartite plus' partners, by using social dialogue to form a joint forum with participation of tripartite partners as well as Civil Society organizations.

Worker Capacity Assessment: The Project focuses on a highly invisible and vulnerable group of workers, and in attending to their needs, develops several lessons and good practices for promoting Decent Work for workers and enterprises at the lowest end of global supply chains.

Conclusions

In conclusion, the SGSC project has added value to the ILO and the donor in addressing the needs of its target group, women and HBWs and workers and employers in the informal economy. The project design has been used flexibly, increasing effectiveness. The work on all streams of the Project has progressed well, although delayed start and entry barriers have posed problems in reaching the expected levels of achievement at the mid-term assessment. The collaborations within ILO teams, country offices and HQ have been effective in raising issues of recognition, conceptualization, statistical systems at the national and global levels. The ownership of the Project by the partners has been demonstrated by their continuing activities beyond those funded by the project and leveraging of additional facilities and resources. The Project needs an extension for logical completion of the activities started, and for generating knowledge in its areas of intervention. The Project merits a third phase to strengthen ILO South Asia's work in promoting Decent Work in the informal economy, and towards formalizing informal enterprises at the lower end of global supply chains.

Lessons Learned and Good Practices

The Lessons Learned through the SGSC project experiences include:

- Even when national labour laws are conducive to HBWs, several other challenges remain before governments can operationalize social protection to HBWs. These include definitions of formality and informality, the lack of a strategy to implement labour laws in the informal sector and to raise the resources needed.
- Home based women workers face multiple Decent Work deficits, and addressing these calls for long-term pilots to find credible pathways.
- The growth of small and micro enterprises in global supply chains is constrained by the availability of formal credit, which results in slow growth, thereby reducing the availability of work in the lowest tiers of the global supply chains.
- The implementation of labour laws, such as ensuring availability of minimum wage to HBWs, is rendered difficult due to the contracting and job-work system which obfuscates the employer-employee relationships inherent in HBW.
- As ensuring adherence of high labour standards for HBW is perceived as difficult, engagement with international brand for the HBW agenda remains challenging.

The Good Practices emerging from the SGSC project are as follows:

1. Mainstreaming interventions in government structures enhances sustainability, as evidenced by the Inter-ministerial National Working Group set up by the Project in Nepal.
2. Establishing National Technical Working Groups has been an effective mechanism for preparing joint action plans, as it has facilitated deliberations among TUs, MBOs and other stakeholders.
3. Enhancing the understanding of formality and informality facilitates policy formulation, and inclusion of HBWs and informal economy workers in national data systems.
4. Raising issues of worker status at the global level has been effective in challenging definitions of HBWs as 'independent contractors', which would risk of depriving HBWs of their labour rights.
5. The ILO's Wage-Setting, OSH and Participatory Rural Appraisal (PRA) Training Methodologies have been effectively adapted for HBWs, creating capacities and tools for sustaining future activities on this issue.

6. A major strength of the SGSC project has been the leveraging of technical and financial resources from ILO offices and social partners.
7. The support from JILAF to NTUC has enabled development of tools and capacities of the unions in Nepal to identify and collectivize informal workers.

Recommendations

Recommendation 1: Consider changing indicators of the Project: ILO and the donor may consider rationalizing the indicators of the Project so as to more closely map the Outputs, and to remove the overlaps identified through actual implementation of the project, namely in the indicators across different or same Objectives and Outputs. These are detailed in Annexure 8 of the Evaluation Report.

(Action: Project Management, ILO CO/ DWT Office Delhi (Senior Management) and Donor; Priority: High; Resources required: No)

Recommendation 2: Evaluate the institutional form of collectives organized by the Project: As TUs lack the technical and financial capacity for building and sustaining financial and producer collectives of women, the Project would be well advised to limit its interventions to collectives such as Common Facility Centres, or Common Work Centres, which the project has planned in discussion with the trade unions. The Project can, however, work towards improved capacity of workers for bargaining for better wages, for garnering more work, and for sharing resources.

(Action: Project Management, ILO CO/ DWT Office Delhi (Senior Management) and Donor; Priority: High; Resources required: No)

Recommendation 3: Consider producing an analytical document on the experiences of the SGSC Project, so that they can be useful to ILO projects, and to other stakeholders addressing issues of HBWs and ways out of informality in the South Asian region and globally.

(Action: ILO Country Offices (Project Management), Priority: High, Resources required: Yes)

Recommendation 4: Consider extending the duration of the SGSC Project by six months, in order to reach a logical completion of the Project objectives.

(Action: ILO Country Offices (Project Management) and Donor, Priority: High, Resources required: To be assessed)

Recommendation 5: Consider designing a third phase of the Way Out of Informality (Sustainable Global Supply Chains) Project, to strengthen further ILO's work in all three domains of change, policy, strengthening institutions and community-based work, and to advance the ILO's agenda of ratification of Ratification of ILO Conventions relevant for informal and HBW (C 177 and Recommendation 204).

(Action: ILO Country Offices and Donor, Priority: High, Resources required: Human/ Financial resources required for design and development of a comprehensive proposal)

Recommendation 6: Consider prioritizing sustainability criteria during the End-term Evaluation, as sustainability of key interventions and achievements will be better assessed towards the end of a project's duration.

(Action: ILO Regional and Country Offices, Priority: Medium, Resources required: No)

The Evaluation Report

Mid Term Evaluation Report Towards Fair and Sustainable Global Supply Chains: Promoting Formalization and Decent Work for Invisible Workers in South Asia

1. Project Background

Decent Work across global supply chains is an important area of work for ILO globally. The ILO/Japan project *“Towards fair and sustainable global supply chains: Promoting formalization and decent work for invisible workers in South Asia”* (referred to as the Project hereafter) aims to towards promoting decent work in global supply chains. The workers at these levels are typically home-based workers (HBWs), subcontractors, and workers in medium and small enterprises in the informal economy in South Asia. The upper-tiers of global supply chains, larger and more formal enterprise have linkages with large, medium-sized and small enterprises engaged in the production of goods in both the formal and informal economies. While the top tiers have increasingly become more consolidated, the lower tiers have become fragmented and complex, thereby reducing their bargaining power. The enterprises in the top tier, often adopt highly flexible production and work patterns resulting in informal working arrangements, piece-rate production, home-based work and non-standard forms of employment.

The Project has been operational in 3 countries – India, Nepal and Sri Lanka. In Nepal and in India, where there is a large informal sector, the government and other ILO constituents and social partners are interested in working with the ILO on Decent Work across global supply chains. In Nepal, the selected sectors for work included – textile and garments (especially hand knitted, Dhaka fabric) (in Bhaktapur, Kathmandu and Lalitpur) and metal craft (metal statue making, gold and silver jewellery). In India, the sectoral focus was on garments (Tamil Nadu, Uttar Pradesh and Delhi) and metal sector (including brassware, iron and German silver work) (Uttar Pradesh). Sri Lanka has been added to the Project only in November 2019. Here, the Project is expected to focus only on policy advocacy and capacity building in the context of home workers and HBWs in the lower tiers of the global supply chains.

The ILO constituents are interested in job creation, employment opportunities, compliance with labour laws, wages and working conditions, and social protection. The Sustainable Global Supply Chains (SGSC) project works with partners with the lower tiers of the supply chain (home based work, micro-enterprises), as well as higher levels (international brands).

1.1 Project Objectives and Management

The three specific outcomes of the SGSC project are as follows:

1. Improved and effective implementation of policies/regulations to promote decent work for HBWs and other informal economy workers and units engaged in global supply chains.
2. Strengthened governance to promote decent work and contribute to the development of ethical and sustainable supply chains especially at the local levels.
3. Improved living and working conditions of HBWs and other informal economy workers engaged in selected supply chains.

The SGSC Project focuses on three selected countries in the South Asian region: India, Nepal and Sri Lanka, of which work has been started in the first two countries in the period 2017-2019. The Project has focussed

primarily on lower tiers of global supply chains in two sectors: garments and metal handicrafts. The locations include Uttar Pradesh and Tamil Nadu in India, and the municipalities of Kathmandu and Lalitpur in Nepal.

The Project engaged with the following stakeholders a) Central and state governments in India, and the central government in Nepal; b) trade unions (TUs) and community based organizations for supporting home based workers (HBWs); c) employers of HBWs and Enterprise Organizations in the garments and metal sectors such as Tiruppur Exporters Association (TEA) in India and Federation of Woman Entrepreneurs Association of Nepal (FWEAN) and Federation of Handicraft Associations of Nepal (FHAN) in Nepal. and d) International brands at the high end of global supply chains.

The Project is funded by the Government of Japan under the ILO/Japan Multi-bilateral Programme, and has a budget of USD 2.4 million.

The Project has been implemented from July 2017 to December 2019, with one extension that will take its completion date to December 2020. This is the mid-term evaluation of the Project.

The CTA of the Project is based in India. Further details of the project management are provided in [Section 4.5.1](#).

This report documents the main findings and conclusions of a mid-term evaluation of the SGSC project managed by the International Labour Organization (ILO) and funded by Japan in the South Asian region with a main focus on Nepal and India (Sri Lanka was added to the Project only in November 2019). The evaluation was carried out from November 2019 – February 2020.

1.2 The Report Structure

In the first section, the report explains the Project, and the following two sections explain the evaluation background and the evaluation methodology. Section 4 contains detailed findings, according to the evaluation criteria and Terms of Reference (TOR) questions. Conclusions are drawn in Section 5. Section 6 lists the lessons learned and good practices emerging from the SGSC project. Finally, Section 7 provides recommendations for the Project, and the ILO management. A total of 13 Annexures are then appended to the report.

2. Evaluation Background

The purpose of this evaluation is to ascertain the Project's achievements against targets and the challenges faced during implementation. This includes how it has been designed, implemented and managed; how it is recognised and valued by stakeholders; and what the impact has been on the target groups. The evaluation is also intended to identify lessons for improvement and good practices, and assess ways to sustain these beyond the life of the Project. The evaluation focuses on only India and Nepal since Sri Lanka was added to the Project only in November 2019.

The clients and the main audience of the evaluation are the donor (Government of Japan), the ILO Country Office / Decent Work Team (DWT) management in Delhi and Kathmandu, the ILO-SGSC project team, ILO constituents, and the implementing partners of the Project. The primary users of the evaluation, together with the clients, are the tripartite constituents involved by the Project in the countries of operation and other implementing parties (e.g. Community Based Organizations (CBOs), Civil Society Organizations (CSOs), etc.).

The evaluation follows the Organization for Economic Co-operation and Development / Development Assistance Committee (OECD/DAC) criteria and the specific questions covered for the evaluation under each criterion are summarised in Table 1.

Table 1 Criteria for Evaluation and Terms of Reference (ToR) Questions

| Criteria | Questions of the Terms of Reference |
|--|--|
| Relevance and Strategic Fit | To what extent do the Project objectives/ outcomes correspond to the Decent Work Country Programme (DWCP) outcomes (for Nepal and India, see before) and over contribution to Outcome 6 of the ILO as well as the Sustainable Development Goals (SDG)? How well does it complement other ILO/other agencies' initiatives in the countries/region? |
| Validity of Project Design | To what extent are the Project objectives/outcomes realistic? To what extent can the planned activities and outputs logically and realistically be expected to lead to the achievement of objectives and outcomes? Is the intervention logic coherent? Are gender concerns integrated in the Project design and does the Project document provide guidance on how to address gender issues and the needs of women and men in project implementation? |
| Project Progress and Effectiveness | To what extent is the Project on track for achieving its immediate objectives? In which areas (under which outputs/components) does the Project have the greatest achievements? What have been the main factors and how can they be leveraged? In which areas does the Project have the least achievements? What have been the main constraints? Are intervention strategies gender-sensitive? How and to what extent have stakeholders (particularly the ILO constituents) been involved in project implementation? |
| Efficiency of Resource Use | What are the timelines of delivery of the allocated resources? Have resources (funds, human resources, time, expertise etc.) been allocated strategically to achieve outcomes? Have resources been used efficiently? Have activities supporting the strategy been cost effective? |
| Effectiveness of Management Arrangements | Are management, monitoring and governance arrangements for the Project adequate? Is the technical, programmatic, administrative and financial backstopping from project management adequate? Has the Project made strategic use of other ILO projects, products and initiatives to increase its effectiveness and impact? |
| Impact Orientation and Sustainability | How likely are project achievements going to be sustainable? To what extent are sustainability considerations taken into account in the design and implementation of project activities? To what extent will national partners have strengthened their capacity to ensure sustainability of achievement beyond the Project duration? |
| Lessons Learned and Good Practices | What lessons and good practices can be learned from the Project that can be applied in similar future projects? |

The list of questions is given in the Terms of Reference (TOR), included at Annexure 1. The questions are also listed in the sections where they are primarily answered.

Evaluation Schedule: During the inception phase, which lasted from end November 2019 to mid-December 2019, the team reviewed the existing project documents, conducted interviews with key stakeholders who informed the design of the evaluation, and prepared data collection tools tailored for the different categories of stakeholders. The inception report is included in Annexure 2. Field visits were undertaken to Nepal during 17 to 20 December 2019, and to Tamil Nadu, India, from 8 to 10 January 2020. Skype meetings were held with the ILO/Japan Programme Overall Coordinator on Dec 3, and with Chief Technical Advisor (CTA) on 14 January 2020 (again), the former National Project Coordinator (NPC), Nepal on 15 January 2020 and the Indian officials of the

Labour Department on 22 and 23 January 2020, to collect additional information to support the findings was received till 26 January 2020. The detailed meeting schedule is provided in Annexure 3. The bulk of the data analysis and report writing was completed from 11 to 29 January 2020. A draft report was submitted on 28 January 2020. The feedback was received, and the final report submitted to ILO Delhi in February 2020.

3. Methodology

The evaluation methodology included three phases, the inception phase, the data collection phase and the analysis and report writing phase. Given the short time line of the evaluation, and the fact that the three visits were spread over the evaluation period, the phases were concurrent rather than sequential, between end of November 2019 and end of January 2020.

The steps for data collection are explained below.

3.1. Data Collection

3.1.1. Review of Documents

The evaluator reviewed a wide range of project documents and publications shared by the Project team which included:

- Project documents
- Publications
- Tools prepared by the Project and its implementing partners
- Reports of meetings and workshops conducted by the Project

Annexure 4 provides the complete bibliography of documents that were reviewed.

3.1.2. Sampling Methodology

The evaluator used a purposive methodology, selecting interviewees in consultation with the Project team, based on the availability of the tripartite constituents and implementing partners. The evaluator interviewed 8 categories of stakeholders, as depicted in Table 2 below:

Table 2: Stakeholder Categories and Number of Interviews

| Kind of stakeholder | Number of people met / spoken to | | |
|---|----------------------------------|-----------|-----------|
| | India | Nepal | Total |
| ILO Management Team | 3 | 2 | 5 |
| ILO DWT Team | 6 | | 6 |
| ILO SGSC Project Team | 2 | 1 | 3 |
| ILO/Japan Programme Overall Coordinator (Bangkok) | | | 1 |
| Government | 2 | 1 | 3 |
| Trade Unions | 3 | 12 | 15 |
| Home-based Workers / Enterprises | 24 | | 24 |
| Enterprise Organizations | 2 | 3 | 5 |
| Total | 42 | 19 | 62 |

The evaluator held 19 interviews, 7 FGDs and 5 Skype calls covering a total of 62 stakeholders.

The data collection was conducted on the basis of questions designed as per the Evaluation Matrix in the Inception Report. The full list of stakeholders interviewed is provided at Annexure 5. The evaluation questions given in the Terms of Reference (TOR) were elaborated and tailored according to the categories of stakeholders. The stakeholder perspectives were triangulated to ensure integrity of the findings to the extent possible.

3.2. Data Analysis and Report Writing

The evaluator triangulated the information across different interviews and used qualitative data analysis and synthesized the raw data gathered from the interviews and FGDs. The data was organized according to the categories of stakeholders and countries of work, to arrive at an overall assessment on the evaluation criteria (relevance, validity of design, progress and effectiveness, efficiency of resource use, effectiveness of management arrangements and impact orientation and sustainability) and the specific questions of the evaluation.

3.3 Limitations

The evaluator made an effort to cover all categories of constituents and partners of the SGSC project in India and Nepal. However, the time available for the study did not allow for some interviews. It was not possible to visit the state of Uttar Pradesh in India and the implementing partner Self Employed Women's Association (SEWA). The evaluator conducted 5 interviews by Skype / phone, with the former Nepal National Project Coordinator (NPC), the Donor, the CTA and officials of the Departments of Labour, Tamil Nadu and Uttar Pradesh. The coverage of stakeholders has been representative of each category of ILO constituents and partners in the countries of operation. The reliability of the evaluation findings is predicated on the integrity of information provided to the evaluator from the documents and interviews, which the evaluator has triangulated through further interviews.

Another limitation has been a lack of availability of financial information in the duration of the study, due to which Terms of Reference (TOR) Question 13 could not be adequately addressed.

4. Evaluation Findings

4.1 Relevance and Strategic Fit

Main findings:

- *The Project is well aligned with the DWCP outcomes in Nepal and India.*
- *The Project responds to ILO's Home Work Convention No. 177, the Recommendation No. 204 on the [Transition from the Informal to the Formal Economy](#), and ILO's Resolution concerning decent work in global supply chains.*
- *The SGSC Project contributes to Priority 2 of the DWCP in India, to promote Decent Work in the informal economy, and to Priority 2, for the protection of workers from unacceptable forms of work.*
- *In Nepal, the Project contributes to Priority 1 of the DWCP, enabling decent work through sustainable, inclusive and gender-responsive economic growth and to Priority 2, strengthening institutional capacities, enhancing social dialogue, and applying ILO fundamental conventions and other international labour standards (ILS). The Project's work finds a specific mention in the in the 2018-2022 DWCP in Nepal, which commits to promoting ethical and sustainable global supply chains and HBWs' rights and dignity.*
- *The Project contributes to the 2018-19 and 2016-17 P&B Outcome 6 on formalization of the informal economy, and to ILO's commitment to create social dialogue. With its emphasis on home-work in global supply chains, where women are over-represented, the SGSC project also contributes to Outcome 8 of ILO's P&B.*

- *The Project contributes to SDG Goals 1 on poverty reduction, Goal 3 on health and well-being, Goal 5 on Gender Equality and Goal 8 on Decent Work, and to Goal 9 on of building inclusive and sustainable industries through its emphasis on promotion of Decent Work in global supply chains. It further contributes to SDGs 12 and 17, and targets 16.3 and 17.14.*

4.1.1. Alignment with DWCP and ILO Outcomes

1. To what extent do the Project objectives/ outcomes correspond to the DWCP outcomes (for Nepal and India, see before) and over contribution to Outcome 6 of the ILO as well as the SDGs?

Globally, 730 million women and men remain in poverty while being employed, and 172 million while being unemployed. Informal employment remains significant, especially in rural areas where the overwhelming majority of those in extreme poverty are working. Micro and small enterprises which represent 80 per cent of enterprises and 50 per cent of employment globally, often face barriers in terms of access to capital, financial resources, public infrastructures and markets, with negative implications for business sustainability. Women entrepreneurs and women-led enterprises in the informal economy face additional challenges in accessing capital and markets. Informal enterprises are often seen by formal enterprises as a source of unfair competition that undermines their growth and sustainability.

The ILO also has a long history of engaging in discussions on policies and implementing interventions on the informal economy, including for specific groups of workers such as home workers and domestic workers. The ILO adopted Home Work Convention No. 177 and Domestic Workers Convention No. 189 in 1996 and 2011 respectively. The 2002 International Labour Conference (ILC) Resolution on Decent Work and the Informal Economy defined the informal economy, the ILO adopted a Recommendation on the [Transition from the Informal to the Formal Economy in 2015 \(No. 204\)](#), recognizing the high incidence of the informal economy in the labour market and the need to address decent work deficits associated with informality. Finally, in 2016, ILO member States adopted a [Resolution concerning decent work in global supply chains](#) which called on the ILO to develop a comprehensive programme of action encompassing the promotion of the ratification and implementation of the ILO standards relevant to decent work in global supply chains, the promotion of policy coherence, capacity building of relevant stakeholders, the promotion of social dialogue, and research to generate reliable data on decent work in global supply chains. The P&B 20-21 also highlights the need to “accelerate the transition of enterprises from the informal to the formal economy, and formalizing informal employment even in formal enterprises, thereby unlocking their potential to develop and ensuring fair competition in national and international markets.” (p 19, P&B 20-21)

DWCP

The SGSC Project will contribute to the achievements of DWCPs in India and Nepal. In India, it responds primarily to Priority 2 (create sustainable, inclusive and decent employment for women and the youth, especially vulnerable to socio-economic and environment exclusion and in informal economy) of the DWCP and to Priority 1 (promote, adopt, and implement ILS for protection of workers from unacceptable forms of work) too. The Project aims to translate into practice provisions from labour law and in particular addressing unacceptable terms of works and the whole issue of protection of workers. It aims to enable informal workers and employers to organize, which will enable them to have greater awareness about their work status, understand the existence or otherwise of the employer-employee relationships inherent in their work arrangements, and demand their rights. In making these aspects visible and raising them for discussions, the SGSC project contributes to Priority 1 of the DWCP.

In Nepal, promotion of employment-centric and inclusive growth; improved labour market governance and industrial relations; and promotion of fundamental principles and rights at work are key priorities of DWCP.

The Project primarily responds to Priority 1 (Enabling decent work for all through sustainable, inclusive and gender-responsive economic growth) and also to Priority 2 (Strengthening institutional capacities, enhancing social dialogue, and applying ILO fundamental conventions and other ILS). This project contributes to employment and economic growth through promoting ethical and sustainable global supply chains and HBWs' rights and dignity. The 2018-2020 DWCP in Nepal will also have a significant emphasis on these areas.

These contributions are highly relevant, as none of the three countries where the Project operates have ratified the Convention 177. Hence, the Project addresses both global and local priorities, and is coherent with ILO's priorities.

Contribution and Alignment with SDGs

The SGSC Project contributes to ILO's P&B outcomes and thereby the achievement of the decent work goal of the SDGs – the 2030 agenda.

The Project contributes to the 2018-19 and 2016-17 P&B Outcome 6 on formalization of the informal economy. The Project's immediate objectives are in line with the changes expected under Outcome 6 which include:

- An enhanced knowledge base on the size, characteristics and drivers of the informal economy enabling action towards formalization and monitoring of progress
- Improved and well-coordinated legislation, policies and compliance mechanism that facilitate the transition to formality, including for those most vulnerable to decent work deficits
- Increased action by employers' and workers' organizations and representative organizations in the informal economy to assist workers and economic units in the informal economy and facilitate the transition to the formal economy.

Further, with its Outcome 1, SGSCP also contributes to ILO's commitment to create social dialogue on labour migration, in Thematic Area 21- Social Dialogue and Tripartism.

The Project also contributes to Outcome 8, specifically the target 8.8 of P&B 2018-19 which aims to "protect labour rights and promote safe and secure working environments of all workers". Outcome 8 highlights particularly, the invisibility of work in the lower tiers of global supply chains – such as home-work, where women are overrepresented. Comprehensive and sustainable social protection for all recognizes social security as a human right and key to advancing social justice, promoting inclusive growth and achieving the SDGs.

Additionally, the Project also contributes to Outcomes 3, 4 and 7. These outcomes contribute to the achievement of SDGs. The contributions of the SGSC Project to the ILO P&B outcomes and to the SDGs is elaborated in **Table 3**.

Table 3: SGSC Project's Contribution to ILO outcomes and SDGs

| SDGs and targets | Relevant ILO Outcomes, and SGSC Project's Contributions |
|---|--|
| SDG Goal 1: No Poverty | |
| 1.1. By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day. | This relates to all ILO Outcomes. The SGSC project contributes towards these with its Outcome 3, which seeks to improve the living and working conditions of HBWs, and informal economy workers at the lowest tiers of global supply chains. |
| 1.3. Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable. | This relates to ILO's Outcome 8. The SGSC project contributes to this Outcome through its facilitation of access to social protection for Home Based Workers. |
| SDG Goal 3: Good health and well-being | |
| 3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all. | This relates to ILO's Outcome 8. The SGSC project contributes to this Outcome through the facilitation of linkages of HBWs and informal economy workers with government schemes of health insurance. |
| SDG Goal 5: Gender Equality | |
| This relates to ILO's Outcomes 1 and 6. SGSC project contributes to these Outcomes through its efforts to visualize women's home-based participation in economic activities, through recognizing their work in global supply chains. Their inclusion in unions and other collectives enables voice, influence and agency. The Project also aims at increased awareness about wages and Occupational Safety and Health (OSH) conditions. These Outcomes contribute towards better jobs for women, and better social protection for women. | |
| SDG Goal 8: Decent Work and Economic Growth | |
| <p>8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services.</p> <p>8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p> <p>8.7. Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.</p> | <p>SDG Target 8.3 relates to ILO's Outcomes 3 and 4. Target 8.5 relates to all ILO Outcomes and Target 8.7 relates to ILO's Outcome 7.</p> <p>The SGSC project contributes to all the targets of SDG 8, through its efforts at influencing policies for enabling HBWs and informal economy workers more towards formalization and Decent Work (Immediate Objective 1). All its interventions through Immediate Objectives 2 and 3, or strengthening governance, and improving lives and working conditions of the target group of HBWs and informal economy workers advances the achievement of SDG 8.</p> |

The SGSC project contributes to the safe-working conditions-related targets of SDG 8, in particular SDG target 8.8., which aims to: “Protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment”. ILO is the custodian agency for further developing the methodology for two indicators of SDG target 8.8 concerning sex-disaggregated data on occupational safety and health (OSH), freedom of association and collective bargaining for migrants and women and those in precarious employment.

Apart from the above, the Project also works on the promotion of decent work in global supply chains contributed to the global goals of building inclusive and sustainable industries (Goal 9), reducing inequalities (Goal 10), ensuring sustainable production and consumption (Goal 12), and strengthening partnerships for sustainable development (Goal 17). Further, the SGSC project contributes to other targets that 2030 agenda calls for: the rule of law (SDG target 16.3), accountable institutions (SDG target 16.6) and enhancing policy coherence for sustainable development” (SDG target 17.14).

4.1.2. Alignment with ILO’s Initiatives in the Country/ region

| |
|--|
| 2. How well does it complement other ILO/other agencies’ initiatives in the countries/region? |
|--|

At the country level, this Project will help ILO in supporting its constituents in conducting gender-responsive diagnoses of informality at the national, regional and sectoral levels to assess the nature and characteristics of informal enterprises and the workers they employ and identifying barriers to and motivations for formalization with a view to developing evidence-based policy responses and increasing awareness and understanding of the advantages of formalization and decent work.

In Nepal, this SGSC project compliments and aligns well with the Environment for Sustainable Enterprises (ESEE). While the SGSC project is leading and providing technical backstopping of diagnostic and informality, the ESEE project contributed financially for the process. The preparation of the compendium and the toolkit for use by All Nepal Trade Union Federation (ANTUF) and General Federation of Nepalese Trade Unions (GEFONT) and the Employer Handbook for FHAN was done funds supported by the ESEE project, and the technical work being done by the Project team. The Project worked with the Strengthening the National Rural Transport Programme (SNRTP) project in the finalization of the OSH policy and initiated discussions on Nation OSH Programme.

At the regional level, the Project also complements the initiatives of Work In Freedom (WIF) Programme which worked predominantly with migrant workers and focused on the garment sector, among others. It also complements the Sustaining Competitive and Responsible Enterprises (SCORE) Project.

At the global level, this Project will help ILO to meet its goals to develop research and comparative analysis on relevant measures to foster the transition of enterprises and the workers they employ to the formal economy. It will also enhance the knowledge base on sectoral approaches towards a more formal economy and on access of enterprises in the informal economy to domestic and global value chains as an incentive to formalization.

4.2. Validity of Project Design

Main findings

- *The design was validated by assessing whether the goals are realistic, and whether the indicators represent the progress and results well.*
- *Overall, the logframe is well articulated, with some challenges which are discussed below, with respect to the three objectives outlined in the logframe, at the levels of: policy, institutions and community.*

- *The first Immediate Objective relates to policies and regulations to promote decent work for HBWs and other informal economy workers and units engaged in global supply chains in India and Nepal. With respect to home-based work in the sectors selected by the Project, the task of policy design is itself time taking, it is not realistic to expect its effective implementation in the current phase of the SGSC Project.*
- *The second Immediate Objective relates to strengthened governance to promote decent work and contribution to the development of ethical and sustainable supply chains. The objective is realistic with respect to the three ILO constituents: the government, trade unions and employer associations. However, it is difficult to make inroads into the governance mechanisms of international brands, as their policies do not support home-based work, barring a few who either do not bar HBWs or outline such a policy.*
- *The third Immediate Objective relates to improved living and working conditions of women HBWs and other informal economy workers engaged in selected supply chains in India and Nepal. Given the time frame of the Project, the Project will likely be able to facilitate comprehensive mapping, enrolment of members in TUs, and pilot one or two key interventions for collective work, and initiate organization of immediate contractors of HBWs. The achievement of the Immediate Objective 3 to the full development of lessons and good practices is unlikely unless the Project is extended, and is given a third phase to continue these interventions.*
- *The activities listed under each objective are very detailed and comprehensive, and logically well connected to the Immediate Objectives. The sequential phasing of the activities as depicted in the logframe proved too rigid, as several entry points were needed for addressing the needs of the target group. However, it has helped to elaborate the Theory of Change (TOC) for the Project.*
- *The indicators for assessment were assessed primarily on the basis of their measurement of progress towards the Project objectives, outreach to the target group, and gender-disaggregation. Although the current set of indicators meets all these criteria, some are overlapping and superfluous, while others need rationalization based on achievability. Recommendations are made for these changes.*
- *The Theory of Change is depicted using the Gender Equality and Social Inclusion (GESI) framework, which usefully explains the three domains of change contained in the SGSC project design. The TOC is not linear and takes into account interventions that contribute to more than one Immediate Objective.*
- *The Project designs integrates gender concerns by focusing on sectors where women have a large presence in the lower end of the supply chain, either with individual or shared family work. The design provides for women to be included in unions, to advance their voice, influence and agency, to facilitate their access to social protection understand women's work conditions better, and build their capacities to do wage negotiations. By prioritizing the policy agenda, the Project aims to promote Decent Work for women in the informal economy. The Project further envisages women-only organizations to be promoted, however the institutional form has proved to be a challenge, which is being addressed by the Project.*

4.2.1 Achievability of the Project's Objectives/ Outcomes

3. To what extent are the Project objectives/outcomes realistic?

The overall development objective of the SGSC project is to contribute to the development of ethical and sustainable global supply chains where all those engaged in global supply chains especially those at the lower tiers of supply chains such as HBWs, sub-contractors, and micro, small and medium enterprises in the informal economy enjoy decent work in South Asia. The Project covers three countries, Nepal, India and Sri Lanka, of which the evaluation covers the first two.

The Project has three immediate objectives and the extent to which these are realistic is discussed below:

1. **Improved and effective implementation of policies/regulations to promote decent work** for HBWs and other informal economy workers and units engaged in global supply chains in India and Nepal.

The SGSC Project's first task has been to get HBWs recognized as workers. Starting from this level, the effort appears to have been to bring a wide range of stakeholders on board to review the policy environment, and to enable drafting of a policy for HBWs (Please see Annexure 6). However, effective implementation is too ambitious a goal. In Nepal, where the legal and political environment is protective of labour, the government is currently occupied with attending to issues arising from providing protection to workers in the formal sector. The definitions of formality and informality are not yet clear, nor are the resource generation strategies for protection to workers in the informal economy designed yet. It is therefore, not realistic to expect effective implementation of policies yet. In India, too, social protection is not yet operationalized for all informal economy workers in all states. In both countries, the implementation of labour rights is rendered difficult by the un-identifiability of an employer who can be held accountable. For these reasons, while the Project has made, and is likely to make further progress in improved and effective design of policies, an expectation of significant achievement in implementation would be unrealistic.

2. **Strengthened governance to promote decent work** and contribute to the development of ethical and sustainable supply overall chains especially at the local levels in India and Nepal.

Objective 2 is realistic with respect to the three ILO constituents: the government, trade unions and employer associations. However, it is difficult to make inroads into the governance mechanisms of international brands, as their policies do not support home-based work (Please see [Section 4.3.3](#)). Similarly, in a field such as home-based work, where the work and workers both remain invisible, the first steps include enabling greater visibility of this highly vulnerable group of workers. International brands first need to recognize their existence, and be agreeable to engage with the lowest tier to remove their Decent Work deficits. Starting from this point, the expectation in the logframe with respect to international brands adopting ethical guidelines are too ambitious for the SGSC project to achieve.

3. **Improved living and working conditions** of home-based women workers and other informal economy workers engaged in selected supply chains in India and Nepal.

The Project has enabled unions to identify and enrol HBWs as members. Although unionization enables access to social protection, where social protection schemes are available (e.g. Tamil Nadu in India), in other areas, official social protection schemes are not yet operational or accessible. Further, for access to rights, workers need to use collective bargaining processes which are rendered difficult by the dispersed nature of home-based work, and the invisibility of the employer.

Further, collective bargaining is possible only in a scenario where the industry is growing and returns to all factors of production is increasing. In the context of an economic slowdown (case in the Indian), export units are themselves facing a lack of business growth. This intensifies the competition amongst workers, thereby eroding their ability to engage in collective bargaining.

The Project has considered several options for collective work in the two selected sectors in India and Nepal. The institutional form of cooperatives does not enjoy public or official trust, and the new form of a Producer Company would be beyond the management capacity of workers and TUs. Although the Project has rightly decided to focus on common facility centres (CFC) /common work centres (CWC) as initial interventions (See section 4.3.3), the solutions for collectivization (as cooperatives and /or producer companies) at the lower tiers of the global supply chains are not very evident at this stage. Presently, the project is helping to

collectivize HBWs – to make them visible, and engage in understanding piece rate wages. This is needed to move to the next step of bargaining for wages and other rights. The possibilities of different approaches being explored by project need a larger time for implementation.

In summary, a Project such as SGSC can build capacities, evidence and agendas for advocacy at the policy level; however, as a single and time bound project, it cannot be held accountable for policy outcomes. Moreover, the policies are still in the design stage, a process that is being facilitated by the Project. Therefore, it is unrealistic to expect achievement in terms of implementation of policies. With respect to Objective 2, it is unrealistic to expect that international brands will make ethical guidelines within the duration of this Project. With respect to Objective 3, it is unrealistic to expect the Project to implement a comprehensive community-based programme. The Project may realistically be able to complete the design of the community-based programmes in Nepal and India, and facilitate their enrolment through members of TUs. It will also likely be able to pilot 1 or 2 key interventions for collective organization of work, which are relevant and important for HBWs (Common Work Centre (CWC) / Common Facility Centre (CFC)). The Project may also be able to facilitate the organization of the immediate contractors of these HBWs. However, as the work on Objective 3 was expected to start much later than Objectives 1 and 2, the discrepancy between the expectations and duration of the Project leads towards the suggestion of extending the duration, so that at least three years of work be granted, from the time that activities started, i.e. July 2018-July 2021. (Please see Recommendation 1)

The DWT specialists, the ILO programme team and the Project team all highlighted that working with HBWs poses multiple challenges. Their work deficits are a result of other factors of marginalization including poverty, limited education, limited mobility and limited social network. Enabling them to gain voice and agency through institution building is a long process. Many of these pathways cannot be completed in a project of 3-year duration, hence follow up projects for would be needed (Please see Recommendation 2).

4.2.2 Coherence of the Intervention Logic

4. To what extent can the planned activities and outputs logically and realistically be expected to lead to the achievement of objectives and outcomes? Is the intervention logic coherent?

The activities and outputs of the Project, as depicted in Annexure 7 are as follows:

- Outcome 1, **improved and effective Implementation of policies** is expected to be achieved through four objectives:
 - **Output 1, Conducting baseline studies**, has five accompanying activities. These relate to designing of the study, and use of the study for designing the community-based work. The activities also include linages and partnership with international companies. These are coherent and have linkages not only with Outcome 1, but also with Outcome 3. They also involve developing a tool, for gender sensitive guidelines for generating relevant reliable data, which seems ambitious given that the Project has to utilize the results of the baseline in further implementation. **Output 2, conducting Mapping studies**, is expected to be completed through two activities: mapping studies and identification and adoption of specific project aims. **Output 3, creating a roadmap to develop policies and other regulations**, and **Output 4, awareness raising and policy advocacy campaigns**, call for a series of consultation meetings with governments, social partners and other key stakeholders to develop road maps. These outputs are **to be achieved through consultations and awareness raising activities**.

- **Objective 2 of strengthened governance to promote Decent Work has four Outputs**, requiring action plans to be made by government, enterprise associations, TUs and international brand companies. The activities include meetings and workshops, providing technical support, making implementation agreements, and fostering relationships between TUs and Member-based Organizations (MBOs). All these are logical and well connected to the Objective. The fourth output, however, is based on activities relating to discussions and design of ethical practice guidelines with international brand companies. This has proved difficult due to the closed-door policies of international brand companies towards home-based work, as discussed earlier in Section 4.2.2. The activities here are based on the assumption that international brand companies would be open to such discussions and interventions, and although the activities are coherent, they are not realistic.
- **Objective 3 relates to the design and implementation of a comprehensive community-based programme.** This is to be achieved through a detailed designing and implementation process, and then documenting the lessons and good practices. Although these activities are coherent, the scope is too vast to be completed within the time period that the Project will have to implement it on the ground. This has been discussed in section 4.2.1.

The logframe depicts many of the activities to be taken up sequentially. The Project team redesigned the workplan, as several entry points were needed simultaneously, and was granted the flexibility needed by the senior management in Delhi and Bangkok. The Project used capacity building activities as entry points, e.g. the wage setting and the OSH trainings. Further, setting up of the multi-stakeholder working groups needed to precede data collection rather than follow it. The work under Objectives 2 and 3 is inter-linked and is jointly done, especially in case of implementing a community outreach program envisaged under Objective 3. The effectiveness of the Project and its ownership and sustainability has increased by first getting all the constituents on board and then designing the research and data collection. Thus, the redesigning and relaxation of the sequential completion of activities has benefited the Project. However, the logic of the phasing highlights the interdependence of the various domains of change envisaged under the project design, and is taken on board while depicting the Theory of Change that is outlined in [Section 4.2.4](#).

4.2.3. Implication of the Design Assessment on Indicators

The indicators in the logframe are designed on the basis of the original logframe, which, on assessment, appears too ambitious given the time limit of the SGSC Project. The coherence and usefulness of indicators is examined on the basis of whether they reflect the outputs and outcomes of the activities completed and planned (Annexure 8 provides the details). This assessment leads to the need to rationalize the indicators to a smaller number, and frame the indicators to accurately reflect the Project's implementation. The revision of indicators also takes on board whether there is a good mix of indicators on the following considerations:

- Indicators showing progress, on outputs and objectives
- Indicators of outreach of capacity building activities for the ILO's social partners, and other types of Project partners
- Indicators of types and numbers of outreach at the ground level, or end-beneficiaries
- Indicators that reflect and can be used for learning and knowledge generation (research, tools)
- The potential for gender-disaggregation for at least for a few of the above indicators

Although the current indicator set meets most of the above criteria, and reflects outputs, outreach and capture both quantitative and qualitative data, some of the indicators are overlapping, and some others are too ambitious. With reference to the previous sections on achievability of objectives and activities, some

rationalization of the indicators is suggested. The changes suggested in the indicators are explained in Annexure 8. These include:

- **Immediate objective 1** relating to policy design and implementation has 5 indicators: Adoption of road maps, availability of sex-disaggregated data, data and information on regulatory environment and government programmes, and awareness raising and policy advocacy campaigns. Adoption of road maps has two indicators, which are suggested to be merged. The last indicator too, has been revised to define achievable targets.
- **Immediate objective 2** relating to strengthening capacities for governance has 14 indicators. The indicators relating to cases of successful social dialogue, number of meetings on global supply chains and DW facilitated by government institutions, access to social protection schemes have either remained unchanged or minor modifications are suggested. The indicators where significant revision or removal is suggested include the ones relating to international companies adopting ethical and sustainable standards, those relating to preparing action plans, and those relating to access to social protection schemes.
- Under **Immediate Objective 3**, indicators 3.1 is not relevant as TUs already provide a local network to address living and working conditions of HBWs, 3.3 which calls for wage negotiation outcomes, 3.5 which also relates to collective bargaining and 3.6 for access to social protection schemes are suggested to be removed, as they are either already covered by other indicators, or not practical to expect in the currency of the current Project.

4.2.4. Integration of Gender Concerns

5. Are gender concerns integrated in the Project design and does the Project document provide guidance on how to address gender issues and the needs of women and men in project implementation?

For a detailed analysis of the gender sensitivity of the Project, please refer to [Section 4.7.1](#).

The Project integrates gender concerns in many ways. To begin with, the Project is focused on home-based work, and of the sectors selected one of them, garments supply chain, is highly women dominated. In the second sector selected, that of metal handicrafts, the Project offers scope to dis-aggregate and document the work of women and men. Just as their work gets subsumed within a family enterprise, so does their economic contribution to the earnings not get calculated separately. The Project offers the opportunity to expose women work so that they do not get paid for separately. The Project design includes the development of tools that partners can use to understand women's work conditions better, and build their capacities to do wage negotiations.

The Project design also incorporates according voice, influence and agency to women, by incorporating the facilitation of their membership in unions, and creation of women's institutions such as SHGs and cooperatives.

All these aspects of the Project design make it a project where women are not only recognized as workers, but institutional capacity is created to bridge the Decent Work deficits in women's home-based work in the two selected sectors.

The Project envisages the formation of women-only organizations such as Self-Help Groups (SHGs) and cooperatives. However, these are financial organizations, which require longer than 3 years to build. Further, only a few unions, e.g. SEWA in India, have experience in building and sustaining financial collectives of women. Finally, financial cooperatives are not considered viable and sustainable institutions in India and Nepal, and do not have sufficient policy support, which has moved to other types of collectives such as producer companies. Therefore, promoting SHGs and cooperatives, and any other types of financial collectives through a 3-year time bound project such as SGSC may pose financial risks for the women. This evaluation perceives greater value in

creating other types of collectives, such as CFCs or CWCs, which the Project has envisaged and plans to pilot in 2020.

4.2.5. Framework for a Theory of Change

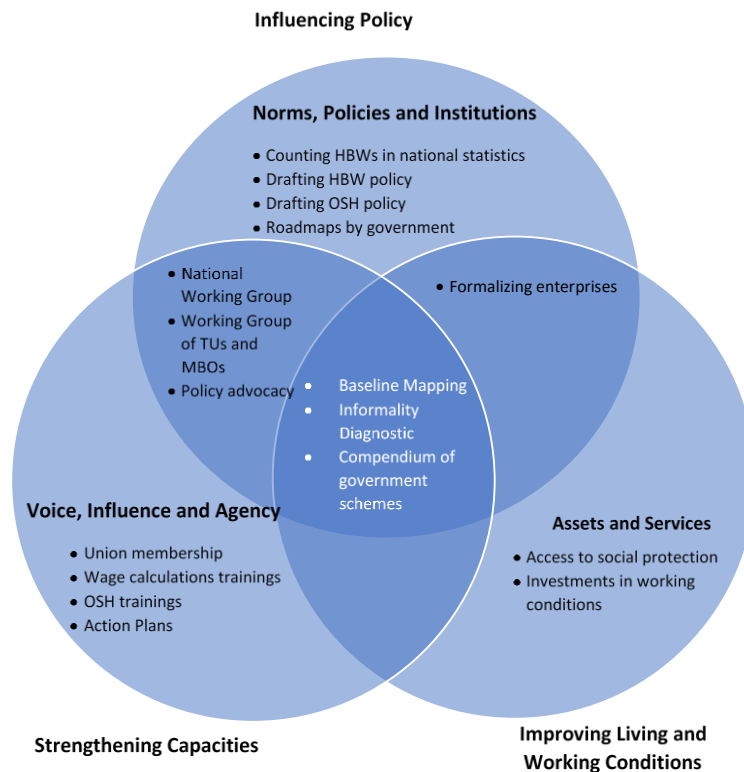
The above discussion on the design of the Project enables a concretization of the TOC of the Project. The TOC is summarized in the GESI framework, which has been developed originally in Nepal, and is now used by several UN agencies for design of programmes. The Nepal government has used the GESI framework to design its policies, and Nepal has a GESI group comprising of donors who assess their project design using this framework.

The framework envisages three domains of change which contribute towards gender equality and inclusion, which include

- **Assets and services** in the hands of those excluded, improves their condition and also their ability to enhance influence and hold the state and other social actors accountable.
- **Voice, Influence and Agency**, which provides access to decision making, and is largely determined by representation and organization building.
- **Rules of the game**: Norms, policies and institutional changes. They may also be referred to as the broad enabling environment.

The Project design, when viewed from the GESI lens, may be depicted in the following diagram:

Figure 1: Evaluation of Project Interventions using the GESI Framework



Interventions in one domain trigger changes in other domains. For instance, increasing voice, influence and agency (through organizing collectives) can enable workers to influence policies in their favour, and to demand social protection services from the government. The knowledge gained from Wage and OSH trainings can enable them to make small investments in their own working conditions. Similarly, unionizing home- based workers, along with strengthening capacities of unions and creating multi-stakeholder forums such as the working groups with the government, and with TUs and MBOs, speeds up the process of influencing policies towards promoting Decent Work for HBWs and informal economy workers. The diagram is not linear, incorporating the possibility that interventions may encompass one or more domains, and that the impact of these interventions may also be in more than one domain of change. Depicting the TOC in the GESI framework also highlights that most of the Project's interventions are in the domains of norm setting and building capacities of the ILO constituents to do so.

4.3. Project Progress and Effectiveness

| |
|--|
| 6. To what extent is the Project on track for achieving its immediate objectives? |
| 7. In which areas (under which outputs/components) does the Project have the greatest achievements? What have been the main factors and how can they be leveraged? |
| 8. In which areas does the Project have the least achievements? What have been the main constraints? ¹ |
| 9. Are intervention strategies gender-sensitive? |
| 10. How and to what extent have stakeholders (particularly the ILO constituents) been involved in project implementation? |

Main findings

- *The Project has prepared the ground well for drafting a policy in each country. While baseline and mapping studies have been completed, a larger National Diagnostics of Informality in Nepal will yield information directly relevant to the government's policy making processes. The Project has influenced the government to include statistics on HBWs in its Labour Force Survey. In India, a National Working Group of multiple stakeholders provided feedback on a policy for HBWs drafted by HomeNet South Asia, which had not been vetted by stakeholders. The Project introduced a participatory process, with the participants of the National Working Group now taking the responsibility to complete its revision. The state government of Uttar Pradesh has requested support from the ILO for a diagnostic study, trainings on piece rate wage calculations as well as on enabling a convergence-based approach to enable decent work for informal workers. The state government of Uttar Pradesh has requested support from the ILO for a diagnostic study, trainings on piece rate wage calculations as well as on enabling a convergence-based approach to enable decent work for informal workers.*
- *In order to enable the enterprises and enterprise associations to support registration and labour law compliance, the Project has provided both capacity building and technical support. As a result, in Nepal, several enterprises, especially those of women, have moved from informality to formality. In India, partnerships are under formation, with TEA, Apparel Export Promotion Council (APEC) and Export Promotion Council for Handicrafts (EPCH).*

¹ Question 9, Are intervention strategies gender-sensitive is answered in two sections. The gender sensitivity of Project design is discussed in Section 4.2.3. The gender sensitivity in implementation of the Project is discussed in Sector 4.7.1. Question 10 on involvement of ILO's constituents is addressed in section 4.7.2.

- *The modality for preparing action plans for TUs and CSOs includes forming a technical Working Group which can enable these organizations to build their strategies. The capacity of Tus (and Govt. and Enterprises) was also increased through trainings on wage calculations and OSH conditions. The former has enabled unions to use discussions on piece rate wages to organize workers, and enable them to keep wage records using wage cards develop by the Project. The latter led to enterprises and own-account works investing in low cost improvements in working conditions.*
- *The work with international brand companies has been initiated, but needs to progress in collaboration with and the support of the Inclusive Labour Markets, Labour Relations and Working (INWORK) team in ILO headquarters (HQ) in Geneva.*
- *The Project aimed to build a model for community-based work with HBWs, especially women, in the selected sectors. The first attempt to organize HNSA partners and TUs to take this forward faced challenges of reaching the target group, as the Project is mandated to work with supply chain workers. Another agreement planned with Centre of Trade Unions (CITU) could not be formalized. TUs in Nepal have made plans to implement community-based work in collaboration with the local municipal governments. In India and Nepal, CWCs and CFCs are planned as two of the key interventions. In Tamil Nadu, work started over six months ago, and was delayed due to local and state elections, but currently work is underway to establish links the local officials and implementation agreements have been drafted or made with TUs/ enterprise organizations in India and Nepal.*

4.3.1. The Progress of the Project

The Project has three immediate objectives, and the progress against these is detailed in Annexure 9. The progress has been as follows:

Immediate Objective 1: Improved and effective implementation of policies

The outputs to be completed to achieve this objective included a baseline study, mapping study, creating road maps and awareness raising policy advocacy campaigns.

In Nepal, a mapping study for baseline was conducted, which did not, however, provide sufficient information for sector selection, because of the invisibility of HBWs. The sector selection was done on the basis of discussions with social partners and key stakeholders. The selected sectors were textile and garments (especially hand knitted, Dhaka fabric) and metal craft. Learning from Nepal, the mapping study was not commissioned in India. Instead, a literature review was conducted. A rapid assessment survey is planned. The selected sectors in India were garments and metal.

In Nepal, the government has requested a National Diagnostic for Informality, which is under way. This is expected to be a very effective document which will help all the stakeholders clearly define and understand informality, home-based work and who the HBWs are. This is also expected to reveal areas of policy recommendation. This is documented as one of the good practices of the Project (Please see [Good Practice 3](#)). This is being conducted in collaboration with the ILO DWT Specialists (wages, statistics) and INWORK HQ team of ILO. In India, too, the Uttar Pradesh state government has asked the ILO to support a similar process as well as trainings on wage setting/piece rate wages etc. In Nepal, a compendium of government schemes has also been completed, such a compendium is commissioned in India.

Both in India and in Nepal, National Working Groups have been formed to create roadmaps, which were started with three stakeholder groups: the government, the TUs and other MBOs, and employers' associations. The detailed composition of the National Working Groups in India and Nepal is given in Annexure 10.

State level consultations have been conducted in UP, and similar discussions are going to be conducted in Tamil Nadu. In Nepal, the roadmap has been formulated but the implementation challenges have to be first tackled in the formal sector and then in the informal sector.

In India, a joint stakeholder consultation in Uttar Pradesh, resulted in the preparation of a road map. This is under process in Tamil Nadu. In Nepal, a tripartite Inter-ministerial National Working Group has been established by the Ministry of Labour Employment and Social Security (MoLESS) which has formulated a road map. The intervention strategies are to be planned by the tripartite partners. A key strength of Nepal is that the new Constitution safeguards labour rights by recognizing all part-time and HBWs as workers and grants them social protection. However, the operationalization of this intention is hampered by the lack of clarity of definitions of formal and informal jobs.

The next output under this objective is to conduct awareness raising policy advocacy campaigns. The first steps of outlining a policy for HBW were taken when HNSA presented to the National Working Group, a first draft that HNSA had prepared. The stakeholders have provided their feedback and it was agreed by members of working group (which includes HSNA) to redraft the policy. For this a small technical group comprising of 7 members is being constituted. presented back to working group members and later presented to government as the draft prepared by the Working Group for adoption. In Nepal, central unions and the partners of Home Net South Asia asked for the inclusion of HBW statistics in the Nepal Labour Force Survey report. The SGSC Project team endorsed this and, along with the ILO's specialist on labour statistics at DWT Delhi, enabled the inclusion of HBWs in the final report.

Data collected through baselines and mapping studies was expected to provide the information for drafting policies. However, given the delay in starting the Project, these activities have been undertaken concurrently. A key determinant of policy influence is that the stakeholders are convinced of the need for drafting a policy for a particular group of workers such as HBWs. This has been discussed both in India and in Nepal. Some clear achievements have been made, such as inclusion of statistics on HBWs in the Nepal Labour Force Survey Report.

Immediate Objective 2: Strengthened Governance to Promote Decent Work and Develop Ethical and SGSC

Immediate objective 2 mainly deals with formulation of action plans with different stakeholders – the government, the employers' organizations, the TUs, brands and other stakeholders like CSOs.

Under Output 2.1, the government is expected to formulate action plans on how the government can better enforce labour laws and extend better labour and social protection to informal enterprises and HBWs, especially women, in at least one community. In order to strengthen the Indian government's capacity to do this, the Project organized trainings on wage calculation and OSH for government officials. The Uttar Pradesh government has requested for the replication of these trainings with more labour officials. In Tamil Nadu the talks with the Labour Commissioner has just started about creating an action plan. In Nepal, discussions have been initiated with the Federal government and some representatives of the provincial governments. The Project has supported the MoLESS in developing an OSH policy and an initial frame of OSH implementation based on policy.

Under Output 2.2, the Project is expected to build capacities of employers and their organizations to extend business development and registration support to informal enterprises, and to promote labour law compliance among them. In Nepal, the Project has partnered with Employer Organizations such as FHAN, FWEAN and discussion have been underway with Federation of Nepal Cottage and Small Industries (FNCSI), who have not only attended trainings, but also moved forward to enable small enterprises, especially women's enterprises, to get registered with the Department of Cottage and Small Industries. In some cases, the cost of registration is also paid by FWEAN. In India, the Project has just started engaging with employers' organizations like TEA, APEC and EPCH.

Output 2.3 envisages the development of action plans for TUs and other stakeholders including CSOs for promoting Decent Work for informal economy workers, especially HBWs and women. As stated in Immediate Objective 1, the modality used for collaboration was the formation of a National Working Group, which were formed in both Nepal and India. In Nepal, the three central trade unions (CTUs) engaged are ANTUF, GEFONT and Nepal Trade Union Congress (NTUC) and discussions have been initiated with. In India, 11 CTUs have been engaged, along with some Membership Based Organizations (MBOs). The Project has also working with other civil society organizations include HNSA, Weigo, Fair Wear, and Traidcraft. The Project is also engaging with collectives of multi-stakeholders – Women in Value Chains, Thought Coalition, Multi Stakeholder Initiative – Tamil Nadu (MSI-TN), Change Alliance and more. The capacities of the unions and MBOs have been increased through wage-calculation and OSH trainings which are currently under development as toolkits so that the training may be replicated by the unions and MBOs. Some TUs have already replicated these trainings. Following the OSH trainings, some enterprises have made investments to improve working conditions. In Nepal, NTUC has worked with JILAF to restructure the collectives in accordance with the 3-tier structure, developing the capacities of the affiliate TUs, identifying and collectivizing informal workers and creating a compendium of the existing government schemes.

Box 1 Participants in Training Programmes

| | Nepal | India |
|--------------|--------------|--------------|
| Women | 1,495 | 890 |
| Men | 1,064 | 413 |
| Total | 2,559 | 1,543 |

The Project has provided capacity building support to all partners. A total of 36 meetings and capacity building exercises and 6 Participatory Rural Appraisals (PRA) have been conducted in India. In Nepal, the Project conducted 84 meetings and capacity building exercises and 8 PRAs. Box 1 gives the gender-disaggregated data of the participation in these trainings and PRAs. The Project has built capacities of over 4,000 representatives of stakeholders, including about 2,385 women and about 1,477 men.² (Please see Annexure 11 for further details)

Output 2.4 requires the Project to support international brand companies to develop and adopt ethical practices to promote decent work at the lower end of global supply chains. The Project conducted several meetings with brands and the Brand Ethical Working Group (BEWG) which has 49 brand members. This work has to proceed in collaboration with the INWORK team in ILO HQ, which addresses brands in the global supply chains.

Immediate Objective 3: Improved Living and Working Conditions of Home-based women workers

Output 3.1 refers to the design of a comprehensive community based programme designed to improve the living and working conditions of home-based women workers and other informal economy workers in selected supply chains. The supply chains selected are garments and metal handicrafts.

In Nepal, the Project created a Kathmandu Working Group of informal workers, which constitutes six CBOs (HNSA partners) and three CTUs. HNSA's own priorities changed in favour of their regional workplan; however, the SGSC Project has continued its work, completing 2 meetings to discuss the advocacy agenda, and a third meeting is planned to discuss data and statistics issues. Currently, three central TUs under their implementation agreements, have taken the initiative to work with local governments who have committed budgets for support and trainings in the coming years. Also, FHAN and FWEAN have started community based programmes with

² These figures do not remove multiple participation by delegates, so the actual number of participants may be a little lower than the figures provided here.

support of the project. In India, the strategy for community-based work is being implemented by AITUC in seven locations in Tamil Nadu and is expected to begin in nine locations in Uttar Pradesh.

In India, the Project did the ground work with CITU, but the latter opted not to sign an implementation agreement with the Project, citing their inability to implement the Project on the ground; this setback resulted in five months delay in the implementation. In Tamil Nadu, the Project plans to start CWCs where women can work in a common space, or CFC, where some facilities (e.g. machines for sewing, or for metal work) can be located and shared by all workers. The Ministry of Labour and Employment in India expressed their wish to see pilot project interventions in at least two locations (e.g. 2 states) to allow for comparison of experiences and sharing of learnings with other states.

4.3.2. Significant Achievements and Their Leverage

The significant achievements of the Project have been in the modalities followed for achieving the objectives and outputs of the Project. These include:

- **Established working groups** among HBW organizations and TUs to discuss policy in Nepal and India to discuss ways forward. The discussions in these groups have increased the capacity of the partners to engage in policy making processes. The technical working group in Nepal has been discussing definitions and implications of being HBWs. 2 working groups have been established in Nepal. One is a Tri-partite Inter-ministerial Working Group under the chair of the Joint Secretary Labour, MoLESS, Government of Nepal. This includes representation from Employer Organization (Federation of Nepalese Chambers of Commerce and Industry), Workers Organization (Joint Trade Union Coordination Centre – (JTUCC)), Central Bureau of Statistics (CBS) and Ministry of Industry Commerce and Supplies (MoICS). In India, a similar Working Group of Trade Unions and Homebased Workers organizations group is formed. A tripartite inter-ministerial working group is going to be formed in Uttar Pradesh. In India, the technical working group is preparing the draft of the national policy for HBWs. Once the policy is drafted, these groups have the potential to engage with advocacy for HBWs. The achievement has been in getting TUs and member-based organizations together to have a common understanding and common roadmap (output 2.2) of how to work and what to gather at the local level. It helps in mobilization of workers so that these workers both organize themselves and can be linked up with the organizations. Unions, who traditionally have been in the formal sectors, have been now connected with the informal and invisible workers. This way of working with them helped them to look at this through the lens of the supply value chains. Further, working groups led by the government have also been established, which will enable research and knowledge generation at the national level, policy making and implementation.
- **Creating National Diagnostics of Informality** (Nepal- Output 1.2): This document will enable to achieve the following goals:
 - Help clearly define formal and informal work and the workers in each category. These definitions are to be now accepted commonly across all departments.
 - Identify the workers in the informal sector and HBWs in particular
 - Help the MoLESS Nepal to pin-point sectors in which the study recommendations can be implemented for formalization of informal economy by reducing negative aspects of informality. This informality diagnostic will have 2 phases – using recommendations to make/amend/strengthen policy environment for transition to formality a and implementing recommendations made in 1-2 sectors to see changes, measuring the impact achieved. Some of it may be beyond the current duration of the project (and Nepal government has articulated that the Project's support should continue till this phase).

- Give insights to the ILO about where sustainable community-based activities can be done.

- **Capacity building of TUs and governments** (Outputs 1.1, 2.1, 2.2, 2.3) in data collection, needs analysis, understanding and recording wages and OSH. The project adapted some PRA tools for the use of the trade unions to identify this largely invisible group of workers at the lowest level of global supply chains. Unions in India and Nepal were not aware of this methodology and for very first time used this process of participatory learning and action, which was modified with active participation of the unions and pilot testing the tools. Unions in India and Nepal have replicated these modified PRAs to increase their membership (e.g. AITUC, GEFONT), some of them in locations where they did not work earlier. In Nepal, JILAF's contribution has been instrumental in developing the capacities of TUs in terms of streamlining their organizational structure as well as undertaking capacity building initiatives (Please see [Good Practice 7](#)). In India, even those unions which were not supported by the Project went ahead and increased their membership of HBWs (e.g. Bhartiya Mazdoor Sangh (BMS) and Indian National Trade Union Congress (INTUC)). Unions like Hind Mazdoor Sabha (HMS), United Trade Union Congress (UTUC) and Labour Progressive Federation (LPF) have recognized home-based work as a priority area for their actions. Box 2 shows the number of workers unionized until December 2019.

Box 2: Number of workers unionized

| <i>Nepal</i> | <i>India</i> |
|--------------|----------------|
| ANTUF - 728 | AITUC-TN - 800 |
| NTUC - 270 | BMS- 1,160 |
| GEFONT- 302 | INTUC - 460 |

As the SGSC project had a high degree of involvement with the various ministries of the government in terms of forming Inter-ministerial Working Groups, the Nepal government representatives made a special mention of the Project in the General Body meeting of the ILO in Oct 2019.

- **Adaptation of ILO methodologies for HBW:** The Project has enabled the adaptation and use of OSH and Work Improvement for Safe Home (WISH) methodologies for HBW through practical and simple training techniques. An intervention in terms of OSH is a safe entry point since it is non-controversial. It is also easy to see value in terms of gains in productivity. The Project has used the OSH and WISH toolkits for training workers and unions. Similarly, training workers to use time and motion studies to calculate piece rate wage and understanding the equivalence to the minimum wage and thereby being able to negotiate in wage setting has been a big achievement for the Project. The Project has also started discussions about living wages and connecting piece rate wages to that. The Project has provided Wage Log books in which workers and enterprises can start recording their work and wages.
- **Influencing discussion of informality in the 21st International Conference of Labour Statisticians (ICLS):** The Project has organized consultations on 19th and 20th ICLS standards and new definitions regarding home workers and HBWs have been discussed based on the requests made by the TU. The new ICLS Definition of homeworkers has termed them as “independent contractors”. This can take away their labour rights. The TUs of both the countries opposed that. These will contribute to the discussions on the 21st ICLS on informality as well as implementation of the 19th and 20th ICLS in India.

Another national level achievement relates to the ILO country office (CO) Nepal ensuring that HBW descriptive statistics were included for the first time in Nepal Labour Force Survey 2017/18.

The Project has had several achievements, of which some are outlined above. They are also developed as Good Practices (Please see [Section 6.2.](#)). Mainstreaming of gender issues is also a major achievement of the Project, and is discussed in [Section 4.7.](#)

4.3.3. The Areas of Least Achievements and Constraints

The areas where the Project has faced challenges in achieving its objectives, and the challenges faced are listed below:

- **Engagement with Brands:** It has been difficult for ILO to get the international brand companies involving global supply chains on board. This is because most of the brands do not want to engage with HBWs, and have instructed their suppliers down the supply chains to not give work to HBWs. The brands possibly adopt this strategy as effective supervision of labour standards at the end of the supply chain is rendered difficult by the invisibility of HBWs. The Project team has held multiple meetings to find a way forward. They have managed to connect with the BEWG involving 49 international brands/ retailers who are interested in enabling decent work for home workers. The development of work with these brands necessarily requires the guidance and support of INWORK in ILO HQ, which has been sought.
- **Institutional Form of Collectives in the Community-Based Programme:** Immediate Objective 3 envisages a community-based programme with women HBWs, and enrolling them into a collective as the first step towards creating workers' enterprises at the lowest end of the supply chain. Theoretically, this is an excellent strategy for enabling the visibility and empowerment of the workers. In practice, however, worker-owned collectives face a challenge in the current context. The traditional form of collectives, cooperatives, are not considered reliable, are perceived to have problems of appropriation by leaders and politicians, and have lost official trust. Instead, the institutional form that enjoys official trust and subsidies is currently the producer company. These too take a long time to form, and are not feasible within the time frame of the SGSC project. Formation of single-tier organizations at the ground level such as SHGs requires long term capacity building and supervision too, which is rendered difficult by the time bound nature of the Project, and if formed, will leave the women open to risks of losing their collective savings. In this case, the Project's decision of not forming financial collectives or cooperatives has been wise, and the least risky for women HBWs. Instead, the project plans to bring women together for collective work, forming CWCs where women can come to a common place (which could be the house or compound of one of the workers), and here they can do individual or collective work. Another form would be CFCs, where investments could be made on equipment/machines that can be shared by workers (e.g. lathes for metal work, expensive sewing machines for garment work). These would have the advantage of making the work at the lowest supply chain visible, and would also increase the bargaining power of the workers. Although no concrete results are available at the time of the Mid-term evaluation (MTE), this is a promising way forward for collectives envisaged under Outcome 3.
- **Challenges Arising from the Context of Home-Based Work:** The context of HBW, which engages some of the poorest and most vulnerable workers in low-paid work, poses several challenges in operationalizing the Project objectives. These include, but are not limited to, the following:
 - **Enrolling women members in unions:** An important achievement of the Project has been the large numbers of women enrolled in unions. However, this has posed difficulties where the HBW is done as a family enterprise (e.g. the metal sector), and/or where men are already union members. In family-based work, the first step has been to make the women's work visible, as their contribution is perceived as ancillary, and not as work. In these enterprises, men are the

first to take union membership. As membership carries a fee, most households consider paying the fee for a second member, the woman, unnecessary and costly. Other barriers to membership are women's low literacy levels, and lack of understanding about unions. In Nepal, union membership does not offer any immediate benefits, such as access to official social protection schemes (as in Tamil Nadu), which reduces the motivation to join unions.

- **Registration of enterprises:** Although the Project partners have facilitated registration of many enterprises, especially women's enterprises, convincing enterprises to formalize is a challenging task. Registration carries a cost, which many enterprises at the lower end of the value chain perceive as an additional burden. Secondly, formalization, by definition, calls for compliance not only with labour laws, but also brings the enterprise under the tax regime. Enterprises would consider formalization beneficial if it also enabled them to raise subsidized loans, and enterprise associations such as FWEAN try to make these linkages with banks as well as government schemes.
- **Challenges of implementation of social protection for HBWs:** Social protection is a fundamental right in Nepal. However, the government has just started to address first the social protection needs of the formal sector. In the informal sector, defining and identifying workers, and raising the resources to meet their needs will both need to be strategized, a task to which the government will arrive after it has completed setting the system for formal workers. In India, too, the Unorganized Sector Worker Welfare Boards have been formed, but they are not operational in most states. Thus, even if women join unions, immediate access to social protection is denied, except in the state of Tamil Nadu.
- **Challenges in operationalizing collective bargaining:** Access to rights is the key benefit of collectivization, yet, this is rendered difficult in home-based work. The contractors who bring the home-based work for the women are largely informal. Currently, they pass on piece-rates based on the decisions of the exporting companies, and have little voice in increasing these piece rates. They also form the lower tier of the global supply chain, and are themselves in need of organization. The SGSC project has taken this understanding on board, and now plans to organize these contractors, to enable better social dialogue and collective bargaining.

HBWs are not only invisible and unrecognized, but are also among the poorest and most vulnerable sections of society. Their homes are their workplaces, so any workplace hazard impacts the entire family (e.g. use of harmful material in the production process, such as mercury). Finding solutions to some of these challenges involves partners and initiatives well beyond the scope of a Technical Cooperation Project (TCP) such as SGSCP.

The reflections from areas of significant and least achievements highlight that

- The pathways of moving from informal to formal work and enterprises need consistent work on selected strategies.
- Women take time to recognize themselves as workers, especially when they share productive work within the family group, as in metal work. As men enrol first as members, families do not perceive the need to enrol women as independent members, especially as a fee is to be paid for each individual member.
- The development of models for grassroots community-based work needs different organizational forms to be tested, issues of middle-level contracting, and roles of different tiers in the supply chain to be clarified.

- Interventions such as informality diagnostics studies are merely the first steps to defining the concepts of informality and formality in a way that they can be operationalized for policy making (e.g. Nepal). The government of Nepal perceives the need for ILO's assistance in the phase of operationalization, by which time the Project would have ended already.
- Leaving pilots incomplete can have negative impacts on organizations and target groups, a risk which can be mitigated by extension of the current Project and /or follow-on projects.
- There is also a business case to be made to wait for the investments already made in the Project to bear fruit.

For these reasons, an innovative pilot such as the SGSC Project needs a longer time period, and merits a third phase to come to a logical conclusion on some of the streams of work started under the Project.

4.4. Efficiency of Resource Use

Main findings:

- *The SGSC Project had a late start to the activities, but since 2018 has speeded up activities under all the three Immediate Objectives.*
- *The SGSC project has been a highly efficient project, compared to its overall budget, as it has leveraged resources for the Nepal chapter, from the national or regional projects, and from the Nepal CO. Collaborative projects in India are under exploration.*
- *ILO's specialists have provided the crucial inputs, including advice on the design on informality diagnostics, on gender issues, and on the guidance in wage determination and OSH conditions.*
- *The ILO HQs have provided support to issues raised and addressed by the Project, for discussion at the ILO conferences, thereby taking a regional projects' learnings to the global level.*
- *The Project has made strategic use of multiple other ILO projects like SNRTP, EESE, SEP in Nepal and Regular Budget Supplementary Account (RBSA) funding in India.*
- *The Project has leveraged resources in cash and kind from its partners too. Trade unions in Nepal have involved the local governments, and used their facilities and funds to conduct training programme. Enterprise organization in Nepal have pooled in funds from other projects. In India, TUs who participated in the Project's capacity building programmes have conducted training and awareness programmes and have enrolled HBWs. This offers evidence not only of efficiency, but also of ownership of the Project's objectives by the stakeholders, and sustainability of the Project's achievements.*

4.4.1 Timelines of Delivery

| |
|--|
| 11. What are the timelines of delivery of the allocated resources? |
|--|

The Project was approved in July 2017. In the first year of activity, 2017, the progress was limited to discussions with stakeholders and one workshop in Nepal. The Project activities started post 2018, when the current CTA was appointed for the Project. The approval from the government in India was obtained in late 2018. In India, the Project faced an implementation challenge when after more than 4-5 months of groundwork with the CITU, they withdrew due to their internal reasons. This delay has now been overcome by signing an implementation agreement with AITUC. Recognizing these extraneous issues, the donor extended the Project's duration on a no-cost basis, up to December 2020.

4.4.2 Strategic Allocation of Resources

12. Have resources (funds, human resources, time, expertise etc.) been allocated strategically to achieve outcomes?

The Project's budget was underspent in 2017 as the Project was not in full implementation. In addition, an unspent amount of approx. USD 405,211 from earlier Phase I project was added to the budget of 2019, which the Project requested to be moved to year 2020. As of January 2020, the budget appears underspent for the year 2019. This is because of the internal challenges within the implementing partners' organizations. As a result, 3 implementation agreements (2 with unions and 1 with employers' association) have been possible only in January 2020. Further funds analysis has not been possible due to the lack of financial data at the time of the MTE.

Contribution of ILO specialists

The SGSC Project has used the technical expertise of the CTA and the Decent Work Team (DWT) specialists including INWORK (HQ) Specialist very effectively. The details of the collaboration with the various ILO specialists have been discussed in [Section 4.5.2](#).

SGSC collaboration with other regional projects and Country Offices

The Project team has collaborated with various other Projects in the regions. In Nepal, the Project has collaborated with the EESE Project, which has contributed funds for National Diagnostics on Informality study and related workshops, and for development of 3 (three) publications (a compendium, an employer handbook and a registration brochure) for the Project. The Skills for Employment Project (SEP) supported the costs for organizing a Tripartite Technical Working Group meeting organized by the project. The Project collaborated with the SNRTP project to organize 2 joint workshops to develop the draft of an OSH policy as well as a national OSH programme. SNRTP also contributed to Nepal 'Responsible Business Summit' where SGSC project participated in a panel discussion. The financial collaboration of the SGSC project with the other projects in Nepal is given in Box 3.

The project secured additional funding from the Nepal and India COs as well as collaborated with different ILO projects, as depicted above. In Nepal, the CO has provided additional monetary resources, whereby the technical support is provided by the SGSC Project, and funds contributed by other projects. The CO in Nepal has also trained FWEAN entrepreneurs using the ACT/EMP tool ENCOMPASS, which indirectly contributes to the SGSC Project. The SGSC project has leveraged a total of USD 49,930 from the Nepal office till December 2019. In India, the CO contributed to the cost for capacity building trainings of TUs members and development of a handbook on participatory appraisal, planning and learning. More collaborations in India are currently being sought.

Box 3: Contribution of ILO Projects to SGSC Project for Nepal (USD)

| | |
|--------------|---------------|
| EESE | 23,043 |
| SEP | 195 |
| SNRTP | 5,869 |
| Total | 49,931 |

4.4.3 Efficiency in Use of Resources

13. Have resources been used efficiently? Have activities supporting the strategy been cost effective?

The feedback of all stakeholders was that the SGSC Project has been highly efficient in the use of resources. The Project team has been innovative and garnered resources from other Projects and ILO offices to conduct the activities needed to promote the Project objectives.

Not only has the Project leveraged resources (as stated in the previous section), the partners have demonstrated leveraging of resources too. For instance, when GEFONT conducted activities on the ground in Nepal, they involved the local government, bringing the ward officials, Mayor and the Deputy Mayor to participate in their trainings. They used local government's resources such as training halls of the municipality. Similarly, FHAN coordinated with the municipalities of Kathmandu and Lalitpur to deliver the OSH trainings for metal workers, with the former providing space and food. FWEAN found that women's enterprises could not muster the resources needed for registration, so they pooled in money from their other projects to enable the enterprises to pay the registration fees. ANTUF provided Personal Protective Equipment (PPE) together with OSH trainings to their workers from their own funds. NTUC exceeded targets in terms of outreach. In India, Bhartiya Mazdoor Sangh (BMS), and INTUC have organized HBWs without the financial support of the Project. Apart from that, unions like Hind Mazdoor Sabha (HMS), United Trade Union Congress (UTUC), and Labour Progressive Federation (LPF) have recognized home-based work as a priority area for their actions.

These examples of pooling resources to conduct the training programmes also demonstrate local stakeholders' ownership of the Project's interventions. They provide evidence not only of efficiency but also the high relevance of the Project to the local stakeholders.

4.5. Effectiveness of Management Arrangements

Main Findings

- *The full management team and full operations had a delayed start. The CTA was appointed in March 2019. The Nepal NPC was recruited in late 2018, and the India NPC in March 2019. So, the full team has been in place only after March 2019. The overall management arrangements have been very effective, with the Project gaining support from the senior management team in India and Nepal, and the programme team, to make all the necessary contacts with the constituents to complete the Project commitments.*
- *The DWT team in Delhi has provided excellent technical support to the SGSC project, in capacity building activities, development of tools, as well as ongoing support on critical issues of Statistics for the informal economy, and other issues relating to wages, OSH, TUs, Enterprises and gender.*
- *The Project is a part of the INWORK programme in ILO HQ, and has received support to raise the issues highlighted by the Project at a global level.*

4.5.1 Management, Monitoring and Governance Arrangements

| |
|--|
| 14. Are management, monitoring and governance arrangements for the Project adequate? |
|--|

Management

The Project was approved in 2017. In the first year of the Project, the recruitment of the key staff was not yet completed for the posts of Project Manager (an international Position at P4 grade based in Delhi), National Project Coordinator (NPC) for India and Nepal, and Project Assistant for India. From 2017 to 2018, the Gender Specialist as well as the Programme Officer of the of the ILO DWT for South Asia and the CO for India in New Delhi provided backstopping support to coordinate with the government and social partners. The current CTA was appointed to the Project in July 2018, after which all the Project activities have been speeded up.

In Nepal, The Programme Assistant of the Project's phase I (Way out of Informality project) continued to work as the Administrative Assistant for the Project in Nepal. In the initial months of the Project in 2017, the Programme Officer of the Kathmandu office provided backstopping support to coordinate with the stakeholders.

Full time National Project Coordinator (NPC) was recruited in June 2018. He has joined another ILO project by end 2019, and a new NPC for Nepal is currently awaited.

The ILO Delhi Office was responsible for the overall implementation and management of the Project. The Project was managed by a P4 CTA. The CTA reported to the ILO Director in Delhi as well as to the Overall Coordinator of the ILO/Japan Multi-bilateral Programme in the ILO Regional Office for Asia and the Pacific in Bangkok. The National Project Coordinators reported directly to the CO Directors and the CTA provided technical guidance and supervision to the country project teams. The CTA, the Programme Officer, and the Administrative Assistant of the ILO/Japan Multi-bilateral Programme, based in Bangkok provided coordination support especially when communicating with the donor.

At the ILO HQ level, the SGSC Project is technically backed by the WORKQUALITY Department, and more specifically the Inclusive Labour Markets, Labour Relations and Working Conditions Branch (INWORK) and Gender Equality and Diversity Branch (GED). The technical backstopping in South Asia is provided by the DWT in Delhi, by specialists from different departments including INWORK, ENTERPRISE, ACTEMP, ACTRAV and STATISTICS.

The SGSC project has a management, monitoring and governance structure akin to other TCPs in ILO. The monitoring of the Project is done via annual TPRs and annual workplans prepared by the national offices and the CTA. The TPR of 2017, 2018 and 2019 reported the achievements of the Project output wise and indicator wise. (For a summary of Project outputs, please see Annexure 9).

4.5.2 Technical, Programmatic, Administrative and Financial Backstopping

| |
|---|
| 15. Is the technical, programmatic, administrative and financial backstopping from project management adequate? |
|---|

The CTA was responsible for the overall technical quality of the Project, design, development and validation of knowledge products, provision of technical assistance, and coordination and implementation of all Project activities. The CTA has worked closely with the ILS, Wage, OSH, Statistics and Gender Specialists as well as the Specialists on Employers' Activities and Workers' Activities in the DWT-SA and call upon the technical assistance of the other specialists in the ILO DWT-SA in New Delhi, the ILO Regional Office in Bangkok and ILO HQ (INWORK especially) as required to support the achievement of various outputs.

The SGSC project has used the DWT team well, with the experts being called for inputs on several of the Project's activities, and to contribute to the Project outcomes. A few of these instances include:

- The Gender Specialist completed the design of the SGSC project. She supported selecting the areas (gender dominated industries in home-based work in Nepal) in which the Project was to be implemented and identifying research gaps in these areas. In the first year she functioned at the CTA of the Project, and in 2018, brought all Nepali stakeholders together for a consultation workshop in Nepal. She commented on the mapping study in Nepal, and will provide inputs in a workshop that the Project has planned, for building capacities of women and men leaders on issues of women workers in HBW and the informal sector.
- The Labour Market Specialist from the INWORK, ILO HQ has provided support for the National Informality Diagnostic in Nepal, along with the DWT team of South Asia including Wage Specialist, and Statistics Specialist stationed in Delhi.
- The OSH Specialist helped in organizing 3-day OSH related training of trainers. These trainings were done on the premises and were kept short so that it was easy for and motivated the workers to attend. This way they did not have to miss work and lose pay.

- The Wage Specialist was involved in training on piece wage calculation and throwing up the problems in the definition of informality and home-based work.
- The Workers' Specialist was involved in the launching of the Project. His inputs were taken, and he continues to advise them on how to keep central level TUs engaged.
- The Employers' specialist has been engaged with the process on a continuous basis.

The Project has received management support from the senior management and programme team of ILO in the implementation of the Project as well as for supplementing funds (as seen above in [Section 4.4.3](#)).

The support of ILO HQ has been instrumental in reenergizing discussions on C177 on home workers, especially as its ratification across the world has been low. The CTA of the SGSC project was invited as a speaker at the Regulating Decent Work Conference in 2019, on a special session on Home workers, chaired by the head of the WORKQUALITY Department. The CTA was also invited to join a meeting with select experts on issue of home workers. The interest and support of WORKQUALITY and INWORK departments of ILO HQ, and the senior management, programme team and DWT team in India has been very valuable in taking on board the experience the SGSC Project has to offer, on the measurement of informality, home workers and working conditions and work equality.

Financial backstopping is done from the ILO Bangkok office; and as project finances have been decentralized to the Country Offices, financial delegation is appropriate to meet the SGSC project's needs.

4.5.3 Strategic Use of other ILO Projects, Products and Initiatives

16. Has the Project made strategic use of other ILO projects, products and initiatives to increase its effectiveness and impact?

The CTA of the Project has significant experience on other ILO projects, with some of them being especially relevant, such as the WIF programme which has a strong gender focus, the earlier project on Reducing Vulnerability to Bondage in India (2011-2013), Convergence Child Labour project and prior experience in Gender projects. In Nepal, the Project has worked along with the EESE project and SEP Project on National Diagnostic of Informality. Some funds were also used from the EESE project for creating tools by the TUs in this Project. Additionally, it worked with the SNRTP project in the finalization of the OSH policy. These have been recorded earlier in section 4.4.3.

4.6. Impact Orientation and Sustainability of The Project

Main Findings

- *The selection of partners has been on the basis of their ability, and their willingness to actively lead the process of reaching the lowest tier of workers and enterprises at the lower end of global supply chains. The partners had ownership of the Project activities, which has significantly aided the potential for sustainability.*
- *The Project has used a multi-stakeholder approach for building policy advocacy agendas. The Project has formed National Working Groups with stakeholders from among the government, TUs and CSOs, both in India and Nepal. These have followed consultative processes that increase the ownership by the stakeholders of the agenda of Decent Work for HBWs and informal economy workers.*
- *The Project's capacity building activities have been very effective. Several TUs who had received training by the Project, have gone ahead and conducted trainings independently and thereby increased their membership, and put into practice tools like the wage logbook. They have also made low cost improvements*

in work place safety of their homes/ working areas. The enterprise associations and TUs have continued trainings beyond the financial support of the ILO project.

- *The sustainability of some of the structures / forums created by the Project is high. For instance, the National Inter-ministerial Working Group formed in Nepal is well entrenched in the official structures which enhances its sustainability beyond the Project period.*
- *The sustainability of training programmes is enhanced by the strategy of partners to garner support from the local government in providing physical and financial resources for the trainings, as evidenced in Nepal.*
- *Some critical interventions need further follow-up to be completed and sustained, for example investments needed for work place safety, or finding technical solutions for use of harmful materials e.g. mercury. These issues have been highlighted by the Project, but more time and technical support is needed to address them adequately.*
- *Although there are several indications of sustainability of the activities and use of capacities and tools developed till the mid-term, it is too early to evaluate sustainability of the Project. This aspect is best re-assessed during the end-term evaluation.*

The three questions relating to the impact orientation and sustainability are answered in a different sequence from the TOR. The question, Q18, on integrating sustainability consideration in the design and implementation of the Project is answered first, followed by Question 19, and finally an assessment of sustainability as per Question 17.

4.6.1. Sustainability in the Design and Implementation of Project Activities

19. To what extent are sustainability considerations taken into account in the design and implementation of project activities?

Sustainability of interventions depends upon the selection and involvement of the stakeholder in the process of introducing the interventions, ownership, completion of pilots and access to resources. Sustainability is also assessed by the extent to which an intervention is adapted and mainstreamed into the partner organization. The Project has taken into account sustainability consideration in the design and implementation of activities, primarily through a strategic multi-stakeholder and consultative approach to partnerships and capacity building. The following strategies appear prominent:

- **Selection of appropriate partners and agendas:** The SGSC project has engaged with a wide range of partners, which has augmented its outreach. The Project team has selected partners who were willing to address needs of HBWs, and were open to new learnings. In addition to ILO's tripartite constituents, of notable importance has been the ability of the team to identify the right partners who can make a significant impact. The partner base of SGSCP is strong and varied, and able to provide high quality inputs to stakeholders and beneficiaries. All the tripartite partners have participated in all the training programmes, the Tamil Nadu and Uttar Pradesh governments have actively led the state level consultation process, and the Enterprise Association, Tiruppur Exporters' Association (TEA), whose strength lies in business promotion and advocacy for Small and Medium Enterprises (SMEs) in the garment sector, was willing to extend support to the lowest level of workers and enterprises in the global supply chains. They were also keen on handholding informal enterprises through the formalization process. Further, the Project was able to respond to the preferences of the tripartite partners, for instance, the Nepal government requested and appreciated the ILO Project's collaboration for arriving at clear definitions, to enable charting pathways of moving from informality to formality in work and businesses. Responding to the needs of the partners was a good basis for creating the Project partnerships.

- **Using a multi-stakeholder approach for building policy advocacy agendas:** The Project has formed National Working Groups with stakeholders from among the government. It has also formed technical working groups along with TUs, employer organizations and CSOs. The working group has discussed several conceptual issues, and the needs of HBWs in its meetings including Home based Workers Policy. This was discussed in the national working groups meetings. Post these discussions, an initial policy draft prepared by HNSA will be redrafted by the working group members. The consultative processes followed have fostered ownership by the stakeholders of the agenda of Decent Work for HBWs and informal economy workers. (Please see [Good Practice 1](#) and [Good Practice 2](#))

4.6.2. Capacity Building for Sustainability of Project Achievements

17. To what extent will national partners have strengthened their capacity to ensure sustainability of achievement beyond the Project duration?

As stated in the previous section, the partners had ownership of the Project activities, which has significantly aided the potential for sustainability. Several unions who participated in the capacity building activities, they went ahead to conduct trainings independently and increasing their membership. The examples of this include:

- **Adaptation of PRA methodologies to increase union membership:** The Project team followed a participatory methodology for development of tools and methods. For instance, TUs used PRA mapping methods (which were adapted by the Project from the WIF programme) have been customized for identification and organizing of HBWs. These tools were then adapted with support by TUs not only for mapping but also for increasing membership of HBWs in their union (e.g. GEFONT, Nepal). In Nepal, JILAF worked with NTUC to develop combined tools for correct identification and collectivizing of informal workers in Kathmandu. After the tool finalization, trade union leaders have been oriented on how to use the tool/s so that they can implement it on the ground. Similarly, wage setting, and OSH Training of Trainers workshops were conducted using practical methods that the trainers could apply in practical situations, enabling learning and potential dissemination by the TUs. The unions in India and Nepal have added more than 3,700 members during the Project period.
- **Use of practical tools introduced on wages and OSH conditions:** The wage-calculation training was supplemented with a wage logbook where own-account and HBWs are to log in their work and wage records. The Wage Specialist reported that government, employers and workers' organizations have started to replicate this methodology, and many have started maintaining the wage records. A WhatsApp and Viber group has been made by the OSH training participants in Nepal and India, to keep one another informed about the changes they are making in their working environments. With regard to OSH conditions, some of the Project stakeholders have mainstreamed the learnings from the Project, e.g. FHAN is developing a code of conduct for health and safety. FWEAN are continuing trainings initiated under the Way Out of Informality. HomeNet Asia is also reported to be replicating trainings without requesting further support from the ILO.
- **Developing capacities for linkages with government's schemes:** The Project has built the capacities of unions not only to increase membership among HBWs, but also linking these HBW members to official social protection schemes such as health insurance (e.g. AITUC, Tamil Nadu). In Nepal, the NTUC, with the support of JILAF helped to develop and share a compendium of government schemes as a measure to bridge the gap between workers and government services.

Although the technical capacity of partners has been increased, the financial capacity of partners varies. While the enterprise associations have funds from membership fees and donor projects, the TUs have comparatively low financial capabilities to sustain trainings and other activities beyond the Project duration.

The above discussion shows that the Project partners have significant ownership of the Project's objectives.

4.6.3 Sustainability of Project Achievements

The issue of sustainability of the Project's achievements is examined with respect to the tools developed by the Project, the structures set up by the Project and formalisation of enterprises.

Armed with the tools and methodologies needed, the partners are well-equipped to address issues of HBWs. However, it is too early to assess whether the use of these tools will be sustained, e.g. the continued use of the wage book by workers/HB enterprises.

In Nepal, the National Working Group, includes the Joint Secretary and the Under Secretary of the Department of Labour. So, even if there is a change in the portfolios, there is at least one member from the government who acts as a link. The Joint Secretary has assured that the results of the informal diagnostics study will be taken on board by the Nepal government. The Working Group on the Informal Diagnostics study will continue to be a sub-group of the national working group on DWCP. As the process has been one where the Government of Nepal has taken lead and ownership for taking the diagnostics study forward, and the process is mainstreamed in the Nepal government's activities, making the findings relevant to the government, hence use of the study results is ensured, making this intervention highly sustainable. (Please see [Good Practice 3](#))

Enterprise associations have committed to the Project's agenda and aim to continue the work started under the SGSC Project. For instance, FWEAN has not only lobbied with the government to reduce registration costs for women's businesses, but is also working with international donors to offer collateral free loans to women's enterprises, which would be a move towards greater formality.

Another strategy displayed by the partners is the collaboration they have ensured with the local government for ensuring sustainability of the interventions. For instance, the TUs in Nepal have involved the local government bodies in capacity building programmes, which offers evidence of mainstreaming.

In India, the involvement of the state government officials in preparing action plans / road maps instils a high sense of ownership of the Project objectives.

Some critical project interventions do need further follow-up to be sustained. For instance, the OSH workshops exposed the issues of workplace safety, handling of machinery, safe storage of chemicals and other harmful materials, etc. While many of these issues can be addressed with no or low-cost investments, larger issues such as use of mercury in the metal statues industry are beyond the scope of MSMEs. Although the Minamata Convention on Mercury (which is applicable to OSH in the metal sector) has not come into force yet, because although Nepal signed it in 2003, it has still not ratified the Convention. The Government has completed the assessment needed prior to ratification. When it comes into force, it will help in protecting the workers in the metal industry who are continuously exposed to mercury, the solutions are not evident or operational yet. FHAN has been working in this domain with another agency, which is providing funding support to look at how mercury can be trapped and not released in the environment.

Although there are several indications of sustainability of the activities and use of capacities and tools developed till the mid-term, it is too early to evaluate sustainability of the Project. This aspect is best re-assessed during the end-term evaluation.

4.7. Summary of Findings on Key ILO Priorities

Main findings

- *The SGSC Project has mainstreamed gender concerns in all its activities.*
- *It has focused on two sectors, garments and metal work, and in both these, has contributed to making women's work visible and recognized as productive work.*
- *The Project's partnerships with TUs has enabled women to enroll as union members, however, the fee for union membership poses a barrier when a man from the family is already a union member.*
- *The Project has enabled women's enrolment in unions, and their access to government's social protection schemes.*
- *The Project has increased the capacity of a women enterprise association to support women's businesses to get registered.*
- *The Project has facilitated integration of gender concerns in the conduct of the National Diagnostics of Informality study.*
- *Although the Project has been able to enhance organization and access to social protection, the capacities of the government to provide social protection are currently weak both in Nepal and India.*
- *Further, access to labour rights is rendered difficult by the lack of an identifiable "employer" and by lack of buoyant markets.*
- *Tripartite issues: The Project objectives and processes were well aligned with tripartite constituent's objectives, needs and preferences.*
- *The Project has conducted extensive consultations with all constituents and built capacities of all tripartite partners to recognize, reach and address needs of HBWs in global supply chains.*
- *The Project has succeeded in bringing together 'tripartite plus' partners, by using social dialogue to form a joint forum with participation of tripartite partners as well as Civil Society organizations.*
- *The Project focuses on a highly invisible and vulnerable group of workers, and in attending to their needs, develops several lessons and good practices for promoting Decent Work for workers and enterprises at the lowest end of global supply chains.*

The evaluation findings on three key ILO priorities are summarised here: assessment of work on gender issues, on tripartite issues, and on worker capacity assessment.

4.7.1 Gender Issues Assessment

The SGSC project has a strong focus on gender, concentrating on two sectors, garments, and metal work. Home-based work in the garment sector is highly feminized, with women working from their homes, or in the homes of women in their neighborhood. In the metal crafts, both women and men are engaged as part of family enterprises.

The first contribution of the Project to gender equality has been to make women's work visible. The trainings included field visits for the participants, to enable them to see the presence of women in the labour force. Participatory exercises conducted by the Project in two municipalities of Nepal, revealed that 25% of the 35,000 workers engaged in metal statue production were women. It was observed that women's part-time or full-time work is not visible, and as women schedule their household work in between paid work, their labour is largely not perceived as productive. Similarly, women are engaged in several supporting activities, such as preparation and finishing, setting up and cleaning of work spaces, etc. which is not seen as productive work for which time

and wages must be allocated. The Project has highlighted the gender biases inherent in these perceptions, exposed its economic value and has contributed to both visibility and valuing of women's work.

The women and their families too tend to overlook the productive work done by the women. In the time and motion studies conducted in the Project's training programmes, women's work has been recognized clearly by women themselves, leading to an awareness that they are workers and not just housewives. By enabling discussions on living conditions (PRAs), wage setting, and working conditions (especially OSH), the women became aware of the illnesses resulting from exposure to mercury, working in closed spaces, etc. The Project has enabled an awareness of the methods by which better working conditions can be obtained with low cost investments.

By enabling unions to reach and enroll women members, the Project has helped to organize women, enabling voice, influence and agency. However, as men in the family tend to enroll first in the unions, enrolment of women as independent members is seen both as unnecessary and as expensive. These experiences bring to the fore the barriers that need to be addressed for organizing women HBWs.

As the unions have created access to official schemes (e.g. through membership of the Tamil Nadu Unorganized Workers' Welfare Board), the women's access to social protection has increased. However, the boards are not currently well-resourced. Further, gaining access to rights, by facilitating wage negotiations, is rendered difficult by the lack of an identifiable "employer" and by lack of buoyant markets.

The Project has worked with enterprise associations, and particularly increased the capacity of a women enterprise association (FWEAN, Nepal), to support women's businesses to get registered. The Project has partnered with the Government of Nepal to commission a National Diagnostics on Informality, in which gender has been integrated.

This offers evidence of how gender issues are well integrated and mainstreamed in the SGSC Project, and highlights factors which continue to pose challenges to empowerment of women HBWs.

4.7.2. Tripartite Issues Assessment

The SGSC project works with a target group that faces difficulties in even being recognized as workers, requiring efforts to convince each tripartite partner to participate in a project to meet the needs of this group of workers. The Project selected tripartite partners that would be willing to participate, recognized their strengths and weaknesses, and utilized this knowledge to make successful partnerships with all partners. The Project made special efforts to align with the needs of the unions, e.g. by accepting partner preferences for locations.

The Project has created the scope and built the capacities of unions to reach new groups of people working in the informal sector, especially women. Similarly, it has built the capacities of enterprise organizations to reach SMEs at the lowest end of global supply chains, e.g. TEA in the garment sector.

The Project has created the capacities of the government to understand the equivalence between piece rate wages, minimum wages and living wages. It has also worked with the government to understand the informal sector better enabling policy deliberations on issues of moving from informality to formality, and access of informal sector workers to social protection.

The project brought together TUs, MBOs and CSOs in joint forums, which led to synergies between different types of organizations. For instance, the Project has formed Inter-Ministerial National Working Groups with representatives of the government and helped them create a roadmap of working towards this category of workers. Along with that, the Project has also created a technical working groups in both the countries with TUs

and employer organizations to ensure creation of joint roadmaps and working together for the cause of HBWs from the beginning.

In summary, the Project has used a time-bound approach to successfully build capacities of the tripartite partners, and in bringing them together, along with CSOs, to address the needs of HBWs in global supply chains.

4.7.3. Worker Capacity Assessment

Being among the economically and socially marginalized groups, the target group of the SGSCP project lacks literacy, awareness, and access to official services. As stated in the sections above, HBW is not recognized as productive work even by women themselves and their families, let alone the contractors who assign them work. HBW is to a well understood category of work, as workers move from own-account work to job-work, sometimes taking orders for supplies, and sometimes completing job-work for others. Given the modalities with which work is assigned, the employer-employee relationship is difficult to prove.

International brand companies find it difficult to monitor the last rung of the supply chain, and not necessarily proactive to engaging HBWs. HBWs are typically not unionized, hence lack voice and the capacity to influence policies and regulations to secure their labour rights.

Policies tend to be blind to the needs of these workers and even when awarded, labour officials find it difficult to ensure compliance to labour laws. Therefore, decent work deficits can be very high, in terms of effective wages, working conditions, lack of access to social protection, etc. Further, Convention 177 on Decent Work has not been ratified by any of the Project countries.

The Project focuses on this group of workers, and in attending to their needs, develops several lessons and good practices for promoting Decent Work for workers and enterprises at the lowest end of global supply chains.

5. Conclusions

The evaluator has conducted an extensive review of the Project and the published documents. Over the three visits to Delhi and Tiruppur in India, and to Kathmandu in Nepal, meetings have been held with 62 stakeholders in person or by phone/Skype, and these findings have been triangulated through interviews with different stakeholders. The reliability of the conclusions is judged to be high despite the few limitations mentioned earlier.

The Project has utilized well the technical specialists and is well integrated with other ILO projects in India and Nepal through its seamless engagement and good cooperation with the Programme team of ILO. It has excellent support from the senior management in both countries, as also from the HQ in Geneva.

The design of the SGSC project is comprehensive, with interventions at three levels, knowledge and policy development, institutional capacity development, and community-based initiatives. The flexibility accorded to the Project team in the operationalization of the logframe has enabled simultaneous work on multiple objectives. However, there remains a need for rationalization of the expectations from the Project, requiring a revision of some of the indicators in the logframe. The activities under community-based work need to evaluate the institutional forms for sustainable collectives to be promoted by the Project.

The Project design is highly ambitious over a 3-year time frame, of which a significant time was invested in building the necessary relationships and initiating the work. The Project time frame has been extended, which provides scope to initiate all the key activities envisaged. However, a logical completion of the activities will need a full 3-year period from the time the Project took speed, mid 2018.

The ownership of the initiatives has been high due to the aligning of interventions with partners' needs, participatory methodologies used in trainings and mapping exercises, consultative dialogues and the multi-

stakeholder processes deployed in discussing policy issues. The Project has contributed to strengthened ILO relations with TUs, governments, enterprise organizations and CBOs, and in building their capacities to bridge Decent Work deficits for workers at the lower end of supply chains. The sustainability of achievements appears high, yet could be further evaluated during the End Term Evaluation (ETE) of the Project.

The Project highlights several lessons and good practices, which call for preparing an analytical document for knowledge sharing. Finally, the SGSC Project comprises Phase 2 of the Way Out of Informality Project, and has demonstrated the value of in-depth work, exposing several areas of work that merit the formulation of Phase 3 of the Project, that will focus on workers and enterprises at the lowest level of global supply chains.

6. Lessons Learned and Emerging Good Practices

The SGSC project has so far offered several lessons learned and good practices, which are detailed in Annexures 12 and 13. Briefly, these are as follows:

6.1. Lessons Learned

6.1.1. Lesson Learned 1: Barriers to Operationalize Labour Laws for HBWs.

In Nepal, the labour law recognizes even part-time workers as eligible for social protection. However, implementation of these law is still being put into place, and is constrained by definitions of formality and informality, the lack of a strategy to implement labour laws in the informal sector and to raise the resources needed. The lesson therefore, is that even when national labour laws are conducive to HBWs, several other challenges remain before HBWs' needs can be addressed.

6.1.2. Lesson Learned 2: Decent Work for HBWs Requires Long Term Intervention Projects

Home based women workers face multiple Decent Work deficits. These arise from working in the informal economy, and gender biases inherent in home-based work. Project interventions need to span three domains of change: facilitation of organization to strengthen voice, influence and agency; designing and implementing policies that promote Decent Work for HBWs and workers and enterprises in the informal economy, and facilitating their access to assets and services for improving living and working conditions. Addressing these multiple challenges calls for long-term pilots to find credible pathways.

6.1.3. Lesson Learned 3: MSMEs in Global Supply Chains Need Credit-Friendly Policies

The growth of small and micro enterprises in global supply chains is critically dependent on the availability of formal credit, which has been restricted due to documentation-based evaluation of creditworthiness of enterprises. As most MSMEs are weak in documentation, the result is slower growth of MSMEs, which affects availability of work for HBWs. Therefore, MSMEs in global supply chains need credit-friendly policies.

6.1.4 Lesson Learned 4: The Identification of Employers is Critical to Implementation of Labour Laws

The implementation of labour laws, such as ensuring availability of minimum wage to HBWs, is rendered difficult due to the contracting and job-work system which obfuscates the employer-employee relationships inherent in home-based work.

6.1.5. Lesson Learned 5: Engagement with international brand for the HBW agenda remains challenging

International brand companies commit to maintenance of high labour standards across their full supply chains. As home-based work is largely invisible, labour standards are difficult to monitor. Many international brand

companies are therefore averse to including HBWs in their supply chains. This strategy poses a constraint to finding an entry point for engaging them in Projects such as the SGSC project.

6.2. Emerging Good Practices

Several good practices have emerged from the Sustainable Global Supply Chains project, some of which also merit mainstreaming in a third phase of the Project to improve effectiveness and impact of the Project activities. The emerging good practices are:

6.2.1. Good Practice 1: Mainstreaming Interventions in Government Structures Enhances Sustainability

The Project has mainstreamed its interventions in government structures, which enhances sustainability. The Project facilitated the formation of a tripartite Inter-ministerial National Working Group in Nepal, chaired by the Joint Secretary Labour, MoLESS, Government of Nepal. A similar working group is being formed in UP, India which is to be chaired by the Labour Commissioner of the state. Involving the various levels of local, state and central governments has ensured sensitizing the government officials about the issues of the HBWs and has resulted in the government taking responsibilities of access to social protection and to labour rights of HBWs.

6.2.2. Good Practice 2: Formation of National Technical Working Groups for Preparing Action Plans

The Project has created Technical Working Groups in both the countries. consisting of TUs and member-based organizations and are formulated for creating a joint action roadmap. These groups create strategies on advocacy on national policy and legislative framework on home-workers and HBWs, addresses the challenges relating to their work and enable unionisation and identifying capacity building needs. For instance, the national working group in India is also looking at the statistical challenges, data gaps and challenges in the identification of HBWs in the global supply chain.

6.2.3. Good Practice 3: Enhancing Understanding of Formality and Informality Facilitates Policy Formulation

The SGSC Project responded to the request of the Nepal government to help clarify definitions of formal and informal jobs. This technical support is being provided as a part of the National Diagnostics of Informality Study. The Project has secured technical support from DWT specialists, and financial support from ILO Nepal office to ensure that the study is technically sound and of a scope and scale that proves reliable at the country level. These insights will potentially contribute to design of projects addressing issues of informal employment, particularly addressing issues of overcoming Decent Work deficits in global supply chains.

6.2.4. Good Practice 4: Raising Issues of Worker Status at the Global Level

The Project facilitated consultations with various stakeholders to clarify the various international definitions of informality and of home-based work. The Project organized consultations on 19th and 20th ICLS standards and new definitions regarding home workers and HBWs have been discussed based on the requests made by the TUs. The new ICLS Definition of homeworkers has termed them as 'independent contractors'. This definition carries the risk of depriving HBWs of their labour rights. The TUs of both Nepal and India opposed such a definition being incorporation in the ICLS standards. This issue has been communicated to ILO HQ and will contribute to the discussions about definitions of informality in the 21st ICLS globally, as well as implementation of the 19th and 20th ICLS in India.

6.2.5. Good Practice 5: Adaptation of ILO's Wage-Setting, OSH and PRA Training Methodologies for HBWs

The Project has developed and used multiple participatory tools for training and capacity building initiatives. These include PRA mapping methods (which were adapted by the Project from the WIF programme, and used for identification of HBWs. Similarly, participatory tools were developed for WISH and Occupational Safety and

Hazard OSH, and for wage calculations based on a time motion study, and a wage logbook was also developed. These tools were then adapted by TUs not only for mapping but also for increasing membership of HBWs in their unions.

6.2.6. Good Practice 6: Leveraging Technical and Financial Resources from ILO Offices and Social Partners

The Project leveraged financial and technical resources from its various partners like the technical specialists of ILO, the ILO COs the ILO HQ, other ILO project in the region and the TUs. It collaborated technically with the ILO specialists, enabling adaptation of wage calculation, and OSH tools for HBWs. It also facilitated inputs from ILO statistics expert to the National Diagnostics of Informality. The Project garnered funds from ILO offices, especially Nepal, to particular initiatives of the Project. Further, resources of the partners were leveraged too. The TUs, whose capacities were built by the Project's activities, went ahead and used their own resources to increase their membership base. Even unions that were not financially supported by the Project, took to the cause of prioritising home-based work and unionising the workers. The local government, e.g. the municipal governments in Nepal, not only provided their spaces for training programmes for stakeholders, but also contributed to the costs of conducting these.

6.2.7. Good Practice 7: Leveraging Technical Support of International Labour Unions

The Project leveraged the technical support provided by the Japan International Labour Foundation (JILAF) to NTUC in Nepal. JILAF has worked in collaboration with NTUC to restructure the collectives in accordance with the 3-tier structure recommended by the Nepal government. JILAF has also supported NTUC to develop tools to build capacities of the affiliate TUs, identify and collectivise informal workers and develop and share a compendium of government schemes to bridge the information gap between the government and the workers.

7. Recommendations

Recommendation 1: Consider changing indicators of the Project.

ILO and the donor may consider rationalizing the indicators of the Project so as to more closely map the Outputs, and to remove the overlaps identified through actual implementation of the project, namely in the indicators across different or same Objectives and Outputs. These are detailed in Annexure 8 on analysis of indicators and the suggested revisions.

(Action: Project Management, ILO CO/ DWT Office Delhi (Senior Management) and Donor; Priority: High; Resources required: No)

Recommendation 2: Evaluate the institutional form of collectives organized by the Project

The Project envisages the formation of women-only organizations such as SHGs and cooperatives. With a few exceptions, TUs lack the technical and financial capacity for building and sustaining financial collectives of women. Formation of institutions such as producer companies poses similar constraints. The Project would be well advised to limit its interventions to simple work-based collectives such as CFCs, or CWCs, which would be well within the capacities of TUs and MBOs to sustain beyond the project period.

(Action: Project Management, ILO CO/ DWT Office Delhi (Senior Management) and Donor; Priority: High; Resources required: No)

Recommendation 3: Consider producing an analytical document on the experiences of the SGSC Project.

The SGSC Project has brought up several good practices and lessons, and experiences of raising issues of HBWs at grassroots, policy and global levels. The learnings include those on collaborations and partnerships within ILO

and with tripartite and other social partners. These experiences merit documentation, so that they can be useful to ILO projects, and to other stakeholders addressing issues of HBWs and ways out of informality in the South Asian region and globally.

(Action: ILO Country Offices (Project Management) , Priority: High, Resources required: Yes)

Recommendation 4: Consider Extending the duration of the SGSC Project by six months

The SGSC Project has several activities under way, which will need time to complete, and be used effectively by the Project. These include the National Diagnostic of Informality, policy formulation, preparation of action plans by stakeholders, and breaking of entry barriers with international brand companies. The Project needs to complete, and conduct trials of tools being prepared by the Project, and explore pathways to address some critical problems highlighted during the OSH and wage workshops. Further, significant achievements in the community-based work planned under Objective 3 will call for design and implementation of multiple activities in collaboration with multiple stakeholders. These suggest the need for extending the duration of the Phase 2 of the Way Out of Informality Project, i.e. the SGSC Project by another six months, to July 2021, in order to reach a logical completion of the Project objectives.

(Action: ILO Country Offices (Project Management) and Donor, Priority: High, Resources required: To be assessed)

Recommendation 5: Consider designing a third phase of the Way Out of Informality Project, and find the funding for continuation of this initiative of Promoting Decent Work for women Home Based Workers and workers in the informal economy.

The current project has built capacities of the tripartite partners, CBOs, international brands, and enterprises at the lower tiers of global supply chains. These are significant achievements, yet they constitute only the first steps of initiatives that are needed to make a lasting impact on the living and working conditions of invisible workers in global supply chains, especially home-based workers. The Project's work in all three domains of change: policy, strengthening institutions and community-based work has exposed areas of long- term work, such as gaining entry with international brands, developing conceptual clarity and statistical systems, solutions to difficult OSH issues, and government capacities to draft, adopt and implement policies for HBW. Ratification of ILO Conventions, relevant for informal and HBW (C 177 and Recommendation 204), also require long term work. Therefore, the Project requires a third phase to advance the objectives to which the Way Out of Informality Phase 1 and 2 are committed.

(Action: ILO Country Offices and Donor, Priority: High, Resources required: Human/ Financial resources required for design and development of a comprehensive proposal)

Recommendation 6: Consider giving attention to sustainability criteria during the end-term evaluation.

Although significant achievements and challenges could be gleaned during the MTE, sustainability of key interventions and achievements will be better assessed during the End Term Evaluation (ETE). ILO and the donor may consider prioritizing this in the TOR of the ETE.

(Action: ILO Regional and Country Offices, Priority: Medium, Resources required: No)