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Cluster Evaluation of ILO's support to fostering transition to formality of informal workers and business through integrated approaches (2023-2025)

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MGN/23/01/RBS; VNM/23/01/RBS

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List of Acronyms and abbreviations

CO	Country Office
CPO	Country Programme Objectives
Digital PINAS	United Nations Joint Programme on Inclusive, Competitive, and Responsible Digital Philippines
DWCP	Decent Work Country Programme
DWT	Decent Work Team
EU	European Union
EWPN	Empowered Women, Prosperous Nepal
FGD	Focus Group Discussion
FYB	Formalise Your Business
IL	Intervention Logic
ILMIS	Integrated Labour Management Information System
ILO	International Labour Organisation
ITC	International Trade Centre
LFS	Labour Force Survey
LGU	Local Government Unit
MACWIE	Magna Carta of Workers in the Informal Economy
MSME	Micro, Small and Medium Enterprises
OECD/DAC	Organisation for Economic Co-operation and Development / Development Assistance Committee
P&B	Programme & Budget
PARDEV	Department of Partnerships and Field Support
PROGRAM	Strategic Programming and Management Department
RBSA	Regular Budget Supplementary Account
ROAP	Regional Office for Asia and the Pacific
SDG	Sustainable Development Goals
SPF	Social Protection Floor
SSS	Social Security System
UN	United Nations
UNDP	United Nations Development Programme
UNEG	United Nations Evaluation Group
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund

Executive Summary

Background of the project and its objectives

Informality remains a significant challenge across Southeast and East Asia, hindering economic development and social protection efforts. It affects a large proportion of workers in Vietnam, Cambodia, Nepal, Mongolia, and the Philippines, each with unique characteristics and challenges, although the countries have various trends in common. Women in all countries are more vulnerable in the informal sector.

In 2023, the ILO awarded **Regular Budget Supplementary Account (RBSA)** funding to five interventions in Asia Pacific, with the common objective to **facilitate the Transition to Formality in the region**. The selected countries included Cambodia, Mongolia, Nepal, the Philippines and Viet Nam. The funding was aimed as contribution to the key 2022-23 Programme & Budget lines related to the topic, namely:

- *Output 4.3.* Increased capacity of Member States to develop policies, legislation and other measures that are specifically aimed at facilitating the transition of enterprises to formality
- *Output 7.4.* Increased capacity of Member States to provide adequate labour protection to workers in diverse forms of work arrangements, including on digital labour platforms, and in informal employment
- *Output 8.1.* Increased capacity of Member States to develop new or reformed sustainable national social protection strategies, policies or legal frameworks to extend coverage and enhance benefit adequacy.
- *Output 8.3.* Increased capacity of Member States to integrate social protection in comprehensive policy responses to support and protect workers and employers during their life and work transitions.

Purpose, objectives, and scope of the evaluation

The main **purpose** of the cluster evaluation is to serve organizational learning. The review also serves to provide accountability to the donors and ILO constituents. The evaluation findings and insights will serve organisational learning purposes e.g. to develop cross-learning, including success stories to innovate and feed into regional learning on formalisation and social protection. The evaluation **scope** covers the RBSA 2022-23 round I formalization RBSA funded interventions.

Countries and Interventions (CPOs link)	Budget Allocation (USD)	Start date	(Official) end date	No-cost extension
Cambodia (KHM204 & 226)	\$400,000	March 2023	February 2025	
Mongolia (MNG176 & 128)	\$400,000	April 2023	March 2025	May 2025
Nepal (NPL127 & 101)	\$399,980	March 2023	February 2025	July 2025
Philippines (PHL104 & 133)	\$400,000	March 2023	February 2025	Dec 2025
Vietnam (VNM 127)	\$400,000	March 2023	May 2024	Aug 2024
Total	\$1,999,980			

The primary **users** of the evaluation findings are ILO constituents, RBSA funding partners, ILO Country Offices, ILO Regional Office for Asia and the Pacific (ROAP), ILO DWTs and HQ (technical departments, Evaluation Office, PARDEV and PROGRAM). Secondary users of the evaluation findings are other interest partners, academic, other ILO units and regions, and the wider public.

Evaluation criteria and questions

The evaluation covered the six OECD/DAC criteria of relevance, coherence, effectiveness, efficiency, impact and sustainability. The full matrix is presented in Annex 3 of the evaluation report.

The evaluation report furthermore integrated ILO's cross-cutting concerns, focusing particularly on gender equality and integration of women's needs in the interventions.

Evaluation methodology

As this concerns a cluster evaluation, the evaluation focused holistically on all five countries and interventions, to draw conclusions on the functioning of the RBSA portfolio as a whole and draw lessons learned and good practices from across the region.

The evaluation relied on secondary data analysed through desk research, and primary data collected through interviews and focus group discussions.

Desk research was carried out in two broad stages:

- *Initial desk research*: during the inception stage and before the start of the interviews. This helped to tailor the interview questionnaires, to maximise the relevance of the questions. It also informed the design of the intervention logic and the evaluation framework overall.
- *Additional desk research*: during the data collection stage, additional desk research was conducted based on the information gathered. This provided an opportunity to contextualise the data collected through interviews, as well as triangulate the data found.

Online and in-person **interviews and FGDs** with ILO staff and stakeholders were conducted at country and regional level.

- Interviews with 22 ILO staff across the regional and national offices
- Interviews with 27 stakeholders across the five countries
- Interviews and FGDs with 36 beneficiaries across Nepal, Mongolia and the Philippines.

Lastly, the findings of the evaluation were validated with ILO staff and stakeholders during a validation workshop held online on 9 October 2025.

All data was triangulated and compared across the countries to provide conclusions and recommendations across the portfolio. Contribution **analysis** served to understand whether and how the different intervention activities led to measured outcomes and aims to connect as much as possible the results to the ILO interventions (attribution), while also exploring whether results could have been achieved through other factors that interacted with or complemented the ILO interventions.

The Final Evaluation Report provides the findings, conclusions and recommendations stemming from the evaluation and analysis of all collected data.

Key findings

Relevance

The RBSA interventions were relevant for **national and stakeholder priorities** regarding formalization as it filled important gaps in formalization policies and collaboration frameworks. Particularly, the integrated approach ensured that the topic was addressed from different dimensions and perspectives, which was lacking in existing policy frameworks and online systems. There were almost no criticisms voiced by stakeholders on the relevance of the interventions.

The RBSA activities largely addressed **beneficiary needs**, particularly regarding basic awareness of registration and social security. Adaptations of FYB to national contexts enhanced relevance. However, no uniform solution was available to ensure participation of female beneficiaries with childcare duties, and the e-platforms are not yet fully user-friendly in line with the digital literacy of beneficiaries.

The RBSA-funded interventions aligned strongly with **SDG1** and several components of **SDG8**, particularly through its focus on expansion of social security coverage (including for women) and through its focus on protecting workers' rights by bringing them under the coverage of the Labour Law (through formalization). They also supported countries' progress towards the objectives of the **Global Accelerator**, particularly in terms of offering integrated solutions, and by supporting evidence-based policymaking.

Coherence

Coherence in applying the **integrated approach** was ensured largely through the establishment of working groups, which ensured that the main relevant stakeholders were involved and could provide input from their mandate and perspective. The integrated approach to formalization, as promoted and implemented by the RBSA-funded projects, followed the instructions and provisions of **Recommendation 204** across various areas. However, more focus on incentives for employers was needed.

The RBSA intervention outcomes were designed and presented in their direct connection to the **P&B outcomes and outputs**. Due to the multidimensional nature of informality, the interventions contribute to a broader range of outcomes of the P&B than listed in the proposals.

The current RBSA-funded interventions were built on previous **projects by ILO** targeting specific aspects of informality and therefore enabled continuity of the efforts. In most countries, the projects reinforced, or were reinforced, by parallel ILO projects. Several RBSA-funded interventions also benefited from collaboration with **UNDP** to strengthen outreach and thematic expertise or created synergies with other ILO-UN joint projects as elaborated above. No stakeholder reported that the RBSA interventions duplicated or unnecessarily overlapped the work of other actors.

Effectiveness

The RBSA interventions contributed to strengthening **national policy and digital systems** for formalization, based on increased stakeholder collaboration (working groups) and evidence-based recommendations generated through diagnostic studies. Some challenges regarding the turnover of staff participating in the working groups were mentioned by stakeholders.

Some of the RBSA interventions made efforts to trickle national-level results to the **local or sectoral level**, or vice versa. Achievements at sectoral level mainly included diagnostic studies, while local-level activities mostly targeted beneficiaries. Nepal and the Philippines conducted both policy and advocacy work at local level.

The interventions address a core barrier to formalization among **beneficiaries**, namely awareness of the need to register, its benefits, and the importance of social insurance. Barriers related to complex registration procedures remain an obstacle for registration.

Stakeholders by and large reported that there were no elements of the interventions that they were unsatisfied with or that did not work as expected.

Efficiency

The **budgets** were aligned with the planned activities, demonstrating that the interventions were realistically planned. Many examples of cost-sharing with other ILO projects were found. Costs for staff were perceived as too little, which required sharing of staff among projects. Stakeholders were highly satisfied with ILO's **management**, communication and transparency. However, ILO staff reported multiple challenges regarding human resources, in terms of recruitment and turnover, for both staff and consultants. The interventions subsequently received no-cost extensions. Input for various ILO specialists was highly appreciated, despite the occasional delays.

Impact

Initial monitoring results and stakeholder perceptions show that the activities addressing informal workers and business owners created some **impact on registration, social security payment, and business expansion**. High tax rates and lengthy procedures continue to hinder formalization. Domestic responsibilities also affect the impact of the interventions for women.

Further impact towards the P&B objectives is partially guaranteed by the **allocation of (some) budget** to the implementation of the adopted policies. Stakeholders are willing to continue working and expanding the results, aligned with their mandates, but may be hindered by funding gaps.

Sustainability

The interventions took several measures to ensure sustainability of the results, particularly through **reliance on existing platforms** and close **links with ongoing work** and priorities of stakeholders. The sustainability of working groups depends on political will and commitment.

Conclusions

The integrated approach ensured that the topic was addressed from different dimensions and perspectives, which was lacking in existing policy frameworks and online systems. The interventions also targeted a key barrier for people to register their businesses and pay social insurance, namely the lack of awareness. At all levels, interventions were largely successful in building on prior efforts, strengthening other on-going work of ILO.

The interventions largely achieved their objectives focusing on top-down policy change and bottom-up awareness-raising and training for informal workers and business owners. The success of the interventions can be attributed in part to the strong role of stakeholders in co-designing the activities, which was perceived as benefit of the RBSA model. This also ensured sustainability and impact as the results of the RBSA interventions fed well into broader policy reforms but also fit into the existing capacities of the stakeholders.

The five interventions managed to implement their activities within the scope of the budget, mostly through efficient cost-sharing with other projects. This approach also enhanced mutual reinforcement between projects. However, it was also clear that, without such cost-sharing

and sharing of staff, the interventions would have faced significant challenges with human resources availability.

Lessons learned

- The introduction of new working groups is useful to ensure that a topic receives dedicated and focused attention of all stakeholders but has a higher risk of discontinuing if ILO as driving force closes the intervention. The continuity of such working groups is then completely dependent on (changing) political will and resources.
- Barriers still exist for women with childcare duties to participate in FYB trainings, often due to the lack of resources of trainers to hire caregivers or provide other forms of support. There is a need for more tools and recommendations for trainers on how to address this issue.
- Complex registration procedures and high taxes will continue to hinder formalization, despite the efforts of training and other support on awareness-raising.

Good practices

- The invitation of national and local guest speakers from relevant authorities (tax, social insurance) ensured that FYB beneficiaries could receive detailed and practical information on how to register, and that all questions on these specific topics could be answered directly by the authority itself. It also enhances the alignment of the training with the local context and needs.
- Co-designing or closely consulting key stakeholders enhances relevance, effectiveness and sustainability, by ensuring that the intervention fits into the existing policy work, fits into the capacities of stakeholders, and subsequently has a better chance of being funded through allocation of government budget.
- Close collaboration between projects enhances efficiency and reinforcement between activities, thereby enhancing potential impact. Integration of activities has led results from one intervention to feed into the design of the other, or allowed different interventions to provide one piece of the larger puzzle.

Recommendations

- **Recommendation 1:** Work with stakeholders to address the key barriers of formalization as linked to complex registration procedures and high taxes for MSMEs.
- **Recommendation 2:** Explore good practices regarding incentives for employers to enhance formalization of informal workers.
- **Recommendation 3:** Strengthen solutions for women to benefit equally from formalization interventions
- **Recommendation 4:** Take additional measures to enhance the sustainability of the working groups beyond the interventions.

1. Description of the Project

1.1. Informality in the region

Informality remains a significant challenge across Southeast and East Asia, hindering economic development and social protection efforts. It affects a large proportion of workers in Vietnam, Cambodia, Nepal, Mongolia, and the Philippines, each with unique characteristics and challenges, although the countries have various trends in common. While informality persists among the vast majority of workers, there are declines in the shares of informal workers, mostly due to the decline of (self-)employment in the agriculture sector. At the same time, women in all countries are more vulnerable in the informal sector.

Although informality has decreased in recent years, informal employment accounted for 68.5% of total employment in **Viet Nam** in 2021. Men were more likely to engage in informal work, with an informal employment rate of 71.6% compared to 65% for women. Women face disproportionate vulnerabilities as they are often concentrated in own-account work or contributing family work, and other positions that lack income security or social protection.¹ Generally, informality is mostly concentrated among the less educated, in rural areas, and in sectors such as agriculture and services.²

Cambodia has a high prevalence of informality, with 88% of workers in informal employment according to the 2019 LFS. While a vast majority of wage-earners are employed informally (70%) , self-employed persons work even more often in the informal sector (96% of own account workers).³ In 2023, ILO reported that 88% of workers are in informal employment (of which 87.6% are women) and 93% of workers work in informal economic units. Women in the informal economy are often particularly vulnerable not just to poor working conditions, but also to discrimination.⁴ In general, informality has been on the decline in Cambodia, especially as more workers shifted from informal work in agriculture to formal work in services and industry.⁵

Nepal's labour force is characterized by pervasive informality, with 84.6% employed in the informal economy, predominately working women and youth, and particularly in rural areas (according to the 2018 Labour Force Survey).⁶ Agriculture, construction, and manufacturing are the main economies where informality prevails. For example, 90.5% of women are in informal employment, with high informality in agriculture (97%).⁷

Nearly 46% of **Mongolia's** workforce is informal, with high informality in retail, service, and livestock herding sectors.⁸ The 2021 Informal Employment Survey noted that more men than women were engaged in informal work overall, although more women than men are informally self-employed.⁹ 82.1% of enterprises are MSME's with up to nine employees. Most workers are therefore working in informal setting, without an employment contract and/or social insurance coverage. While the informal economy plays an important role in providing

¹ ILSSA (2024) Research report: Informal employment in Viet Nam through a gender lens

² ILO (2021) Informal employment in Viet Nam: Trends and determinants.

³ ILO (2024) ILO Brief: Workers in the Cambodian informal economy: Insights into labour statistics from the 2019 LFS

⁴ <https://www.ilo.org/projects-and-partnerships/projects/promoting-transition-formalization-through-integrated-approaches-cambodia>

⁵ ILO & UNDP (2023) Understanding the paths to formalization in Cambodia: an integrated vision.

⁶ Labour Force Survey. National Statistical Office, Government of Nepal. 2018

⁷ Terms of Reference for the current evaluation.

⁸ Terms of Reference for the current evaluation.

⁹ ILO (2021) The state of informal employment in Mongolia: Survey report

livelihoods and incomes to households and workers, it comes at a high cost to the workers, whatever is their employment status, enterprises and the economy as a whole.¹⁰

There is limited data available online on the scope of informality in the **Philippines**, although a 2018 survey estimated that 38% of the working population in the Philippines were in informal economy.¹¹ Even less data is available on the situation of women. However, informality is a common phenomenon among domestic workers (predominantly women) and forced labour in the informal economy has been reported as primarily affecting women as well.¹² The 2017-2022 Philippines Development Plan highlights that only 41% of the active population is covered by social security due to affordability concerns among informal sector workers.¹³ The 2023-2028 Philippine Social Protection Plan states that informal workers are among the most vulnerable sectors in the labour market, as they are not covered by labour laws, pensions, insurance and other benefits, leaving them highly vulnerable to shocks.¹⁴

1.2. Design of the interventions

The **ILO's Regular Budget Supplementary Account (RBSA)** comprises voluntary contributions by donors, which are largely unearmarked and can be spent based on the ILO's discretion. The purpose of RBSA-funded interventions is to support the achievement of Country Programme Objectives through various approaches such as the launch innovative initiatives; support to rapidly address emerging needs; expand the scope and/or scale of existing programmes; mainstream cross-cutting issues in labour policies and programmes; leverage greater funding from other sources; and increase sustainability of ILO assistance through partnerships with UN agencies.

In 2023, the ILO awarded RBSA funding to five interventions in Asia Pacific, with the common objective to **facilitate the Transition to Formality in the region**. The funding was aimed as contribution to the key 2022-23 Programme & Budget lines related to the topic, namely:

- *Output 4.3.* Increased capacity of Member States to develop policies, legislation and other measures that are specifically aimed at facilitating the transition of enterprises to formality
- *Output 7.4.* Increased capacity of Member States to provide adequate labour protection to workers in diverse forms of work arrangements, including on digital labour platforms, and in informal employment
- *Output 8.1.* Increased capacity of Member States to develop new or reformed sustainable national social protection strategies, policies or legal frameworks to extend coverage and enhance benefit adequacy.
- *Output 8.3.* Increased capacity of Member States to integrate social protection in comprehensive policy responses to support and protect workers and employers during their life and work transitions.

While each intervention has its own activities and outcomes, they contribute to the same overall objectives and P&B outputs. A comparative analysis of the five RBSA proposals indicates the following commonalities among the interventions:

- **Promoting the Transition to Formality:** All interventions share the core objective of facilitating the transition of informal workers and businesses to the formal economy.

¹⁰ ILO RBSA Proposal - Fostering the transition to formality of informal workers and informal businesses in Mongolia through the implementation of an integrated approach to promote policy coherence, utilisation of technologies to access information and business development services

¹¹ PSA. 2018 Informal Sector Survey

¹² Danish Trade Union Development Agency: The Philippines Labour Market Profile 2023/2024

¹³ Updated Philippine Development Plan 2017-2022.

¹⁴ DSWD. Social Protection Plan 2023-2028.

- **Policy and Legal Framework Reform:** All interventions include activities aimed at supporting the countries in developing and revising policies, legislation, and regulations to facilitate formalization.
- **Capacity Building:** Most activities involve building the capacity of different stakeholder groups to implement formalization strategies.
- **Integrated Approaches:** The intervention proposals emphasize integrated approaches that combine policy coherence, social protection, and economic development.
- **Digital Solutions:** Most interventions focus on leveraging digital technologies, for example to simplify registration, improve access to information, and enhance business development.
- **Sector-Specific Strategies:** Most interventions list sector-specific strategies as important outcome of the activities.
- **Gender Equality and Inclusion:** Addressing the specific challenges faced by women and other vulnerable groups in the informal economy is mentioned in all interventions.
- **Alignment with National Priorities:** The ILO interventions are designed to align with and support the achievement of the respective countries' national priorities and development agendas.
- **Tripartite Dialogue:** Per ILO's mandate and structure, all interventions include tripartite consultations and social dialogue.

The following table presents a brief description of each intervention.

Table 1. Country interventions

Country	Intervention
Cambodia (KHM/23/01/RBS): 400.000 USD Mar 2023-Feb 2025 P&B outputs 4.3; 7.4; and 8.1	The project "<i>Promoting the transition to formalization through integrated approaches in Cambodia</i>" focuses on facilitating the transition of informal enterprises and workers to formal economic structures while expanding social protection systems. It complements Cambodia's COVID-19 Economic Recovery Plan. Key areas include establishing an Inter-Ministerial Working Group on Formalization, supporting sectoral approaches, and developing e-government tools. The project contributes to the following DWCP objectives: - KHM204: Decent and productive employment increased through sustainable enterprise and entrepreneurship development. - KHM226: Social protection (system, benefits, and access) expanded, particularly among workers in the informal economy, and to men, women, youth, and vulnerable groups in Cambodia
Mongolia (MNG/23/01/RBS) 400.000 USD Apr 2023-Mar 2025 P&B outputs 4.3; 7.4; and 8.1	"<i>Fostering the transition to formality of informal workers and businesses in Mongolia</i>" aims to promote formalization through integrated policy, capacity building, and digital solutions. Key areas include sector-specific strategies for retail, services, and herding, strengthening digital platforms, and building capacity among stakeholders. The project contributes to the following DWCP objectives: - MNG176: Formal employment is promoted for inclusive and diversified economic growth - MNG128: Social protection policies improved to extend coverage and enhance benefit adequacy for all, particularly herders and informal workers
Nepal (NPL/23/01/RBS): 399.980 USD Mar 2023-Jul 2025 P&B outputs 4.3; 7.4; and 8.1	"<i>Enabling Sectoral Pathways towards Formality for Vulnerable Workers and Enterprises in Nepal's Informal Economy.</i>" This focuses on developing evidence-based and gender-sensitive strategies for agriculture, construction, and transportation sectors. Key areas include conducting diagnostics of informality, developing integrated strategies, and enhancing the capacity of tripartite stakeholders using digital tools. The project contributes to the following DWCP objectives:

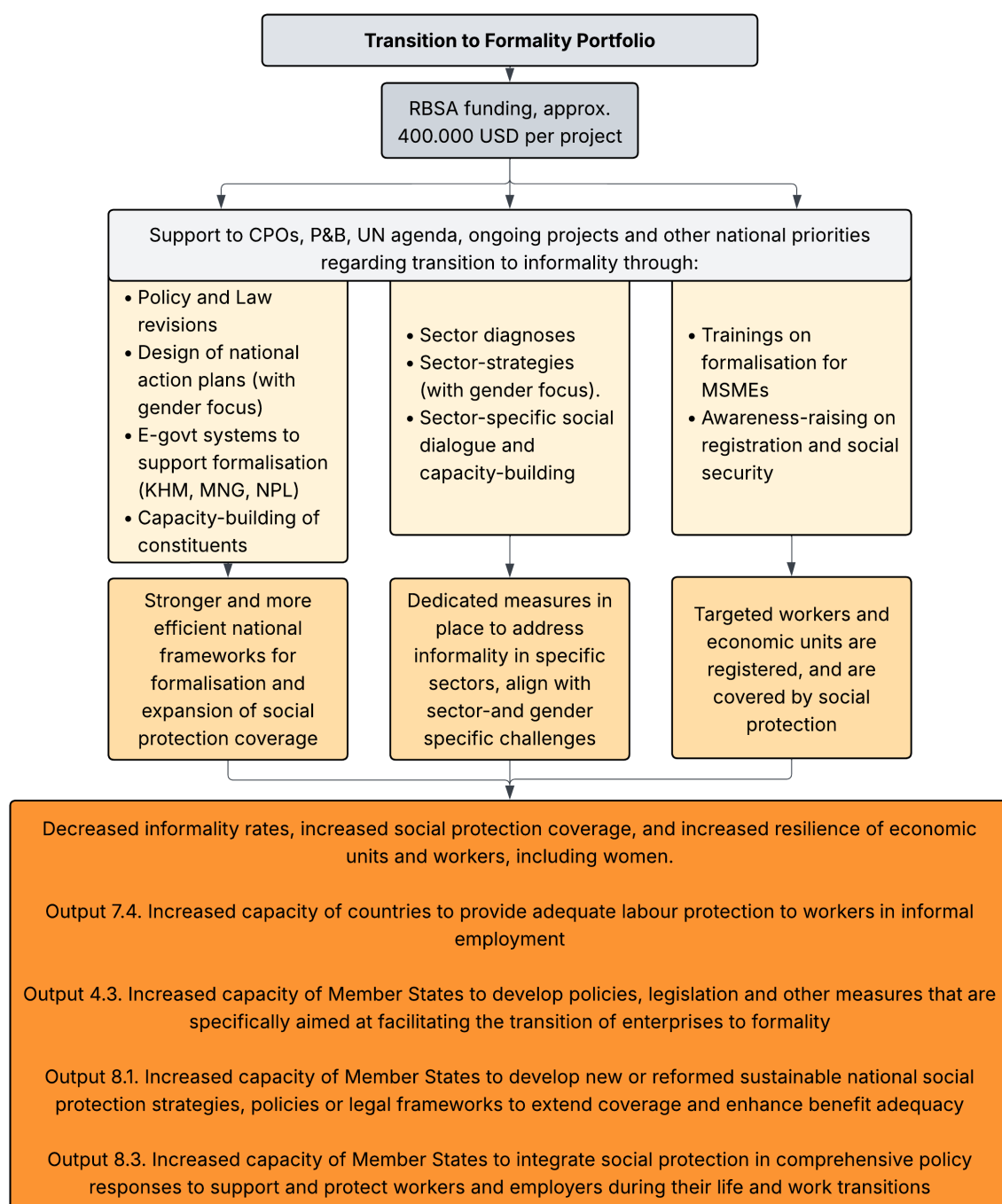
	- NPL127: Government and stakeholders have strengthened capacity to improve entrepreneurial potential and skills in the informal economy while facilitating the transition to formality. - NPL101: Social protection institutions have implemented the Contribution-based Social Security Act (2017) and Regulations (2018)
Philippines (PHL/23/01/RBS): 400.000 USD Mar 2023-Sept 2025 P&B outputs 4.3; 7.4; and 8.1	<i>"Rise from Multiple Crises through the Integrated Formalization of Informal Economy with Social Protection and Decent Work."</i> The goal is to strengthen the integration of enterprise formalization with social protection, particularly in the aftermath of multiple crises. Key areas involve combining formalization with access to social protection, developing sectoral approaches in retail, gig work, and domestic work, and leveraging digital solutions. The project contributes to the following DWCP objectives: - PHL104: Enhanced enabling environment to promote the development and creation of green, sustainable and resilient enterprises in the entire value/supply chain, and particularly for MSMEs. - PHL133: Strengthened policy and legal framework for social protection, including reforms towards establishing a national social protection floor
Vietnam (VNM/23/01/RBS): 400.000USD Mar 2023-Aug 2024 P&B outputs 4.3; 7.4; 8.2 and 8.3	<i>"Addressing informality in Viet Nam through policy coordination and sectoral action, Strengthening Formalization Efforts with Focus on MSMEs and Digital Integration."</i> This project aims to address informality through policy coordination, sectoral action, and digital integration, with a focus on MSMEs. Key areas include digital solutions for formalization, sector-specific interventions in retail, trade, and food services, capacity building, and gender equality and inclusion. The project contributes to the following DWCP objectives: - VNM127: More women and men working in the informal economy engage in decent work through increased formalization - VNM901 National institutions and systems are enhanced for the promotion, development, and implementation of the integrated policy for social justice through decent work

As mentioned in the beginning of this section, but important to underscore explicitly, is that the RBSA interventions should not be treated as completely standalone interventions, but rather as efforts supporting other ILO interventions and support in the countries. Therefore, their objectives and outcomes are connected to the Country Programme Objectives and the interventions are expected to interact closely with other programmes.

As presented above, there are many commonalities between the five interventions, based on which a broad **intervention logic** (IL) was prepared. The IL covers the main expected outcomes of all interventions and is therefore broad enough to capture the main elements of all interventions. This IL was used for the theory-based, effectiveness evaluation, which measures to what extent the foreseen outcomes of the RBSA portfolio were achieved (regardless of the specific activities).

The image below presents the overarching IL for the portfolio.

Table 2. Intervention Logic



2. Purpose, scope and clients of the evaluation

The main **purpose** of the cluster evaluation is to serve organizational learning. The review also serves to provide accountability to the donors and ILO constituents. The evaluation findings and insights will serve organisational learning purposes e.g. to develop cross-learning, including success stories to innovate and feed into regional learning on formalisation and social protection.

The specific objectives of the cluster evaluation are to provide answers to the following key questions.

- The extent to which the interventions play a catalytic role in leveraging financing (domestic and international financing and investment); the extent of partnership with UN agencies and development partners that lead to integrated and coherence of policies.
- What were the major achievements and challenges in implementing formalization and social protection strategies?
- What common trends and patterns emerged across the five countries? How were the different tools (particularly ILO tools) used in different contexts, and how useful were they to push formalization efforts (e.g. we have several uses of the sectoral diagnostics tools, but with very different levels of relevance to further work)
- The extent of partnership with UN agencies and development partners that lead to integrated and coherence of policies;
- How did digital technologies and e-formality contribute to achieving intervention goals?
- To what extent the RBSA interventions have contributed to the Global Accelerator (integrated and evidence-based national strategies and policies; integrated financing combining domestic resources and international financial support; enhanced multilateral cooperation).
- What lessons and good practices can be scaled or adapted to other contexts?
- Identify common themes, challenges, and opportunities across the interventions.
- Provide actionable recommendations for improving formalization and social protection interventions.

The evaluation **scope** covers the RBSA 2022-23 Round I formalization RBSA funded interventions. It could encompass other interventions funded by bilateral donors or other sources of fund that contributed to the same CPOs/outputs (mentioned above) in each country, as the goal of RBSA funded intervention is to support the achievement of Country Programme Objectives.

Table 3. Scope, timeline and budget of each intervention

Countries and Interventions (CPOs link)	Budget Allocation (USD)	Start date	(Official) end date	No-cost extension
Cambodia (KHM204 & 226)	\$400,000	March 2023	February 2025	
Mongolia (MNG176 & 128)	\$400,000	April 2023	March 2025	May 2025
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Vietnam (VNM 127)	\$400,000	March 2023	May 2024	Aug 2024
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The primary **users** of the evaluation findings are ILO constituents, RBSA funding partners, ILO Country Offices, ILO Regional Office for Asia and the Pacific (ROAP), ILO DWTs and HQ (technical departments, Evaluation Office, PARDEV and PROGRAM). Secondary users of the evaluation findings are other interest partners, academic, other ILO units and regions, and the wider public.

3. Evaluation criteria and questions

The evaluation questions mark the scope of the evaluation. Below are the main questions for the evaluation. The full matrix is presented in Annex 3.

Relevance

1. How well do the interventions align with the national priorities and strategies of each country concerning formalization and social protection particularly in promoting gender equality and social inclusion?
2. To what extent do the interventions address the unique challenges faced by women, youth, and marginalized groups in the informal economy?
3. Are the interventions' objectives aligned with global priorities such as the Sustainable Development Goals (SDGs), particularly SDG 8 (Decent Work) and SDG 1 (No Poverty)?

Coherence

4. Are the intervention objectives consistent with the ILO's strategic priorities on formalization, social protection, and advancing equality for marginalized groups?
5. Did the interventions maintain internal coherence to ensure an integrated approach to formalisation?
6. To what extent did the interventions leverage partnerships with other ILO projects and other organizations in the countries to enhance results?

Effectiveness

7. To what extent did the interventions achieve their intended results under the three outcome streams, particularly in terms of gender equality and social inclusion?
8. What barriers or challenges hindered the implementation of intervention activities, especially for women and marginalized groups and how were they addressed to ensure equitable outcomes?
9. To what extent were the strategies or approaches used effective in contributing to the Global Accelerators through formalization and social protection, particularly for women, youth, and marginalized groups in the informal economy?

Efficiency

10. How effectively have the interventions utilized their financial and human resources to achieve the intended outputs?
11. Did the interventions leverage synergies with other ILO interventions for cost-effectiveness?
12. To what extent has digital technology (e-formality solutions) contributed to achieving intervention outcomes efficiently?

Impact

13. To what extent have the interventions created signs of impact towards increased formalisation and social protection coverage?
14. What unintended positive or negative consequences have emerged from the interventions?

Sustainability

15. Are the outcomes of the interventions likely to be sustained after intervention completion?
16. What factors contribute to or hinder sustainability?

The ToR also includes various questions focused on learning. These questions were answered through the data collection efforts under the six criteria above and addressed

through the recommendations rather than through a separate section in the report. Namely, the whole report is focused on learning.

The specific areas of interest for learning include:

- What common trends or patterns emerge across the five interventions in terms of successes, challenges, and lessons learned? How do the interventions' approaches to formalization compare, and what can be learned from these variations? What lessons can be learned about the role of digital solutions in formalization and social protection (e.g., e-formality, online registration platforms)?
- Are there notable differences in intervention effectiveness or impact based on regional or cultural contexts?
- What recommendations can be made to scale successful interventions across other regions or sectors?
- How can future interventions better integrate formalization and social protection to achieve holistic outcomes?
- What emerging trends (e.g., gig economy, digital labour platforms) should be addressed in future programming?

4. Methodology and limitations

The evaluation relied on a mixed-methods approach, with extensive consultation of stakeholders across the five countries.

4.1. Desk Research

The first step of data collection is desk research, which includes a review of all available documentation on the interventions. The desk research was carried out in two broad stages:

- **Initial desk research:** during the inception stage and before the start of the interviews. This helped to tailor the interview questionnaires, to maximise the relevance of the questions. It also informed the design of the intervention logic and the evaluation framework overall.
- **Additional desk research:** during the data collection stage, additional desk research was conducted based on the information gathered. This provided an opportunity to contextualise the data collected through interviews, as well as triangulate the data found.

The evaluator has requested the Client to submit all project data produced.

4.2. Interviews

To complement desk research, both online and in-person interviews with ILO staff and stakeholders were conducted at country and regional level. The interview programme was implemented in two stages:

- **Inception meetings** were conducted online, with ILO staff during the Inception Stage to better understand the specific context for the review and the ILO's expectations regarding the review.
- **In-depth interviews** for data collection will be conducted during the data collection stage and will focus on specific evaluation questions.

In-person interviews were conducted by the Team Leader (in Nepal and Mongolia) and by a national consultant (Philippines). Online interviews were conducted with stakeholders in Cambodia and Viet Nam. In line with UNEG standards, stakeholders were informed of the anonymity of the interviews and ILO staff was not present in the meetings.

Table 4. Country-level interviews with stakeholders

Cambodia	Mongolia	Nepal	Philippines	Viet Nam
• General Secretariat of National Social Protection Council, Ministry of Economy and Finance • United Nations Development Programme • Cambodia-Australia Partnership for Resilient Economic Development • Coordinating Committee on the Development of	• Mongolian Employers Federation • Confederation of Mongolian Trade Unions • Mongolian National Chamber of Commerce and Industry • Khaan Bank • Ministry of Labour and Social Protection • General Authority for Social Insurance	• Ministry of Labour, Employment and Social Security • Department of Labour and Occupational Safety • Social Security Fund • Workers' Organisations • Federation of Nepalese Chambers of Commerce & Industry • FNCCI women's helpdesk	• Alliance of Workers in the Informal Sector • Department of Labor and Employment - Bureau of Workers with Special Concerns • Municipal and Agriculture and Fisheries Office Siargao • PAIG IBIG Mutual Development Fund • PhilHealth Pasig • PhilHealth Siargao	• Freelance labour and social protection expert

the Informal Economy, Ministry of Industry, Science, Technology and Innovation		• Dangadhi Municipality • Sudurpashchim Provincial Ministry of Social Development	• Quezon Public Employment Service • Quezon Small Business and Cooperatives Development Office	
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Online and in-person interviews were also carried out with 22 ILO project staff and technical specialists. The full list is included in Annex 6.

The interview questionnaires are added in Annex 7.

4.3. Focus Group Discussions

Focus Group Discussions are of particular use to consult trainers and training beneficiaries who were involved in the Formalise Your Business training or other trainings on formalisation. The FGDs served to understand what barriers they faced to formalise and if/how the intervention helped to overcome them.

FGDs were organised in Nepal, Mongolia, and the Philippines, where the evaluators met with the beneficiaries in person. In line with UNEG standards, beneficiaries were informed of the anonymity of the interviews and ILO staff was not present in the meetings. The evaluators also ensured a gender balance among respondents, resulting in 27 of the 36 consulted beneficiaries being female. Interpreters supported the FGDs, enabling beneficiaries to express themselves in their native language.

Mongolia	Nepal	Philippines
• One FGD with female FYB training beneficiaries • One FGD with male FYB training beneficiaries • Two FGDs/group interviews with FYB trainers	• One FGD with FYB trainers • Three interviews with FYB beneficiaries	• Two FGDs with beneficiaries of registration support

The questionnaire for the FGDs is added in Annex 7.

4.4. Stakeholder workshop

Upon completion of the data collection activities, and analysis of the gathered data, an online workshop with key stakeholders was organised on 9 October 2025. The purpose of the workshop was partially to validate the findings, and partially to facilitate exchange of lessons learned and good practices among the participating countries.

In preparation for the workshop, the draft report was shared with key stakeholders for their feedback. Their input was used to finalise the report, to the extent that feedback aligned with independently obtained data, per the UNEG evaluation standards.

4.5. Analysis and reporting

All data was coded using data collection and coding template in Word. The template was prepared according to the evaluation framework and questions presented in Annex 3. This allowed the evaluators to review all data for one question and therefore facilitates analysis and triangulation.

Qualitative data was collected from desk research, interviews, and FGDs. Interviews were summarised in writing and anonymised. **Quantitative information** was collected through desk research (programme statistical data). **All data collected was triangulated**, meaning that data from different sources was analysed together and used to answer each evaluation question. This enhanced the validity and reliability of the findings as the findings from one data source were tested and validated using data from other sources.

As this concerns a **cluster evaluation**, the data was analysed holistically across countries and interventions, to draw conclusions on the functioning of the interventions as a whole. Country and intervention-level examples are provided, as well as factors influencing non-achievement of results in certain countries. Contribution analysis served to understand whether and how the different intervention activities led to measured outcomes and aims to connect as much as possible the results to the ILO interventions (attribution), while also exploring whether results could have been achieved through other factors that interacted with or complemented the ILO interventions.

In line with UNEG standards, analysis differentiated between the experiences of male and female respondents and measured whether findings applied equally to men and women, in terms of results, but also in terms of relevance, efficiency, etc.

In the **Final Evaluation Report**, the evaluators provide an analysis of the (triangulated) findings by evaluation criteria, and subsequently provide conclusions and recommendations more holistically across the intervention countries and evaluation criteria. Generally, each subsection of the report's findings section is structured as follows:

- One or two sentences introducing what the evaluation question describes (e.g. defining relevance to the needs of stakeholders).
- One or two sentences providing the main conclusion statement towards the evaluation criteria and questions.
- One paragraph providing evidence (interviews, desk research findings, etc.) that supports the main conclusion
- One paragraph providing nuances, discrepancies, exceptions regarding the main conclusion, if any.

4.6. Limitations

This evaluation methodology was designed to maximise the methodological and analytical quality of the assignment. However, the evaluation faced some limitations to be taken into consideration.

- This evaluation comprises a cluster of interventions that are reviewed holistically, rather than on a country-by-country basis. As the evaluation provides findings and conclusions across the portfolio, it might miss out on country-specific nuances that could only be identified through a country-level evaluation. The evaluators still aimed to provide country-level insights and comparisons where possible, as well as exceptions to trends, where applicable.
- For the same reason, the evaluation uses one overarching intervention logic that aims to encompass the work of all five interventions. While this facilitates the cluster-level evaluation, it might hinder the evaluation from exploring the nuances of each activity and how each activity fits into the country-level Theory of Change. The evaluators will, as much as possible, discuss specific activities and lessons learned/good practices that must be included in the report to inform organisational learning.
- As each country implements slightly different activities, it is not useful to conduct a survey, as the interventions are not fully comparable and therefore neither are the survey results. This means that there was limited quantitative data to inform the

evaluation. The evaluators aimed to -somewhat- quantify the interview and FGD results by referring to trends (the majority of..., only a few respondents...).

4.7. Ethical standards

This evaluation was guided by the main international ethical considerations applicable to evaluations (e.g., the evaluation will comply with the United Nations Evaluation Group (UNEG) [Norms and Standards for Evaluation](#), UNEG [Guidelines for Integrating Human Rights and Gender Equality in Evaluations](#), [UNEG Code of Conduct for Evaluation in the UN system](#) UNEG [Ethical Guidelines for Evaluation](#)). These considerations will be integrated into the design, data collection, and reporting.

Considering the specificities of this evaluation, the main ethical approaches included the guarantee of anonymity of interviews and FGDs and the protection of personal data of respondents. All approaches to data collection and storage were aligned with the EU's General Data Protection Regulation, given that both evaluators are based in the European Union.

5. Evaluation Findings

5.1 Relevance

According to the OECD/DAC evaluation criteria, “relevance” indicates the extent to which an intervention addresses the needs of beneficiaries and stakeholders, as well as country priorities. The following chapter presents to what extent the projects addressed these needs in their design and was flexible to adapt to changing needs and contexts.

5.1.1. How well do the interventions align with the national priorities and strategies of each country concerning formalization and social protection particularly in promoting gender equality and social inclusion?

This section presents the extent to which the RBSA-funded interventions functioned to support existing and ongoing efforts of the government on formalization and social protection, thereby ensuring that the results are integrated in government planning and prioritization.

The RBSA interventions were relevant for national and stakeholder priorities regarding formalization as it filled important gaps in formalization policies and collaboration frameworks. Particularly, the integrated approach ensured that the topic was addressed from different dimensions and perspectives, which was lacking in existing policy frameworks and online systems.

All interviewed constituents and other government stakeholders confirmed that they were consulted by ILO for the design of the activities and in several cases the stakeholder reached out to ILO for support themselves. Therefore, stakeholders largely agreed that the interventions aligned with their priorities.¹⁵ In fact, when asked about areas for improvement by ILO, several stakeholders said that the intervention design has been so closely coordinated that any weaknesses in it would be attributable to themselves as well.¹⁶

“We have worked together from the beginning, the designing process of the project. Which means it's a result of joint effort, joint cooperation. So if there is something unsatisfactory, it's on all of us.”¹⁷

“We discussed everything closely from the beginning, so our needs were fully reflected.”¹⁸

“We developed [the labour information system] with government support, but then we were not able to use it fully. We are not able to integrate everything in the system, such as dispute resolution, the labour complaints, the minimum wages and related things. These were not included in the system, which is why we requested to ILO for the development support.”¹⁹

“We requested the ILO to receive support regarding formalization training for the informal sector. So following that, the ILO provided us with the formalize your business programme.”²⁰

Although various stakeholders reported that informality is a large issue in each of the countries, **limited (integrated) government-level efforts have been implemented** or launched before the RBSA intervention. As one stakeholder noted, “we wanted to push the government to address informality, but we did not know how [to approach this issue]”.²¹ A government representative similarly noted a lack of knowledge and capacity of the government

¹⁵ Interviews with stakeholders

¹⁶ Interviews with stakeholders

¹⁷ Interview with a stakeholder from Mongolia

¹⁸ Interview with a stakeholder from Mongolia

¹⁹ Interview with a stakeholder from Nepal

²⁰ Interview with a stakeholder from Mongolia

²¹ Interview with a stakeholder

to address informality.²² Lastly, several stakeholders in one country flagged that “the Government strategy on formalization ended in 2015 and ever since then, there was no national programme.”²³

“Cambodia has adopted the National Informal Economy Development Strategy 2023 to 2028. That’s why, when the country office designed this RBSA, they wanted to use this RBSA to support this national strategy implementation.”²⁴

In this regard, ILO staff reported that **countries lacked comprehensive, holistic approaches to informality** and different ministries and agencies focused on issues related to informality within their own mandate. As a result, activities addressing informality were uncoordinated and databases, e.g. on business registration and social security, were not connected.²⁵ Stakeholders also flagged that, as a result, different government systems at different levels are not integrated. “We cannot rely on the data because the sub-national and national level are not well connected. Especially the micro enterprises who register in the local level cannot be shared through the digital system to the national level”.²⁶ This disconnect between systems and between national and local levels was mentioned by several stakeholders across the intervention countries.

For these reasons, the RBSA-funded interventions mostly did not support existing formalisation strategies (due to the lack thereof) but rather **supported (government) interest and priorities** by facilitating the development of working groups and national strategies/action plans, as well as updating existing online platforms to facilitate the interconnection of different databases.²⁷

The RBSA did align with strategies on specific topics, for example social protection strategies, or with the priorities of individual stakeholders within their mandate.

“Our advocacy for policies like the Magna Carta of Workers in the Informal Economy (MACWIE) was reinforced by the intervention’s roadmaps, which prioritize transitioning workers to the formal economy.”²⁸

“We have the Social Protection Policy Framework 2024 to 2030. It covers both social assistance and Social Securities. Social protection is one of the priorities of the government. Regarding the expansion of Social Security coverage, through the support from ILO we produced and launched the operational plan to implement the Policy Framework.”²⁹

“The formalization of informal sector is indeed one of our ministry policies and priorities.”³⁰

Interviews with different stakeholder groups and ILO staff reflected the broad nature of the topic “transition to formality”. Namely, different stakeholder groups reflected on **different priorities** that the interventions addressed, such as the need to enroll in social security, but also priorities related to expansion of trade union and employer organisations’ members, ease of business registration, taxation, protection of vulnerable persons, integrated databases, ensuring businesses’ access to finance and export opportunities, etc.

²² Interview with a stakeholder

²³ Interviews with stakeholders

²⁴ Interview with ILO staff

²⁵ Interviews with stakeholder and ILO, and RBSA intervention proposals

²⁶ Interview with a stakeholder

²⁷ RBSA intervention proposals

²⁸ Interview with a stakeholder from the Philippines

²⁹ Interview with a stakeholder from Cambodia

³⁰ Interview with a stakeholder from Mongolia

*"The project's aim to target small entrepreneurs and farmers, resonates with our mission to promote inclusive financial services. By simplifying registration and promoting our benefits, the intervention strengthens our outreach."*³¹

*"Our main priority activity is focused on the informal economy and to expand our membership in this field."*³²

*"The formalization of the informal sector doesn't only mean the registration, it also means we have to protect the employees in the informal sector, and we have to ensure the social protection of the employers and all these other issues falls under our ministry."*³³

*"Youth and (informal) nano-enterprise owners face challenges due to reliance on cash-based economies, limiting access to formal financial systems."*³⁴

The interventions therefore closely aligned with **ILO Recommendation 204** in this regard, which promotes a holistic, integrated approach to informality with the engagement of, and coordination among, multiple actors and sectors. Particularly, the efforts of the RBSA interventions supported the integration of various online platforms of the government, thereby connecting different departments, but also connecting municipal – provincial – national levels.

In some cases, alignment with priorities differed even within the government system, where staff of employment and social protection departments perceived a lack of support or interest from other departments and of the government (and its budget) as a whole.³⁵

*"ILO actually supported us in establishing 'labour' as an issue in the [regional] government. So our secretary and our ministers have now felt that it exists, because before others used to laugh at us when we talked about labour issues. The ministers now talk about labor issues respectfully. So this kind of awakening has happened."*³⁶

Because the interventions were in several cases requested by the stakeholder, built on previous work by ILO (elaborated in section 5.2.3.) or were generally developed in consultation with stakeholders, **there were almost no criticisms voiced by stakeholders on the relevance of the interventions.**

Prior diagnostic assessments and stakeholder consultations supported the **identification of sectors** targeted by the interventions.³⁷ E.g. in the Philippines, a stakeholder explained that *"the intervention aligns with our priority to expand social health insurance for informal workers, particularly in sectors like agriculture and the platform economy, as outlined in the Philippine Development Plan (PDP) 2023-2028 and Social Protection Floor (SPF) adoption."*³⁸ In Nepal, the selected sectors also comprised those with a traditionally large number of informal workers (agriculture, construction, transport).³⁹ The sectors in Viet Nam were selected based on previous projects in those sectors, allowing the RBSA intervention to build on those prior efforts.⁴⁰

Only one stakeholder noted that interventions should be more selective with sectors, for example piloting the work in one sector only, eliminating informality, and then moving on to the next sector. However, another stakeholder noted in contradiction that it would not be

³¹ Interview with a stakeholder from the Philippines

³² Interview with a stakeholder from Nepal

³³ Interview with a stakeholder from Mongolia

³⁴ Interview with a stakeholder from the Philippines

³⁵ Interviews with stakeholders

³⁶ Interview with a stakeholder from Nepal

³⁷ Interviews with ILO staff and with stakeholders

³⁸ Interview with a stakeholder

³⁹ Interviews with ILO staff and stakeholders.

⁴⁰ Interview with ILO staff

ethical to only support workers in one sector, and the project should instead provide all-encompassing approaches across the sectors.⁴¹

Stakeholders did not often refer to specific **strategies or priorities on gender and other marginalized groups** in the context of formalization. Two examples from the Philippines are presented below.

“The intervention aligns with our priority focus for the inclusion of women, youth, and vulnerable workers in agriculture and platform economy sectors.”⁴²

“We prioritise inclusion through service caravans targeting informal sector communities, including Persons with Disabilities and elderly workers unable to access city hall, indicating a focus on marginalized groups. The partnership with ILO for this project is helping in their own way to achieve those.”⁴³

5.1.2. To what extent do the interventions address the unique challenges faced by women, youth, and marginalized groups in the informal economy?

This section presents the main challenges faced by female, youth, and other marginalized persons in the informal economy and the extent to which the RBSA interventions addressed the specific barriers hindering them from formalizing their business or employment.

The **barriers to formalization**, as expressed by ILO stakeholders and informal workers themselves, are numerous, though with little variation across the five countries. In all five countries, the lack of awareness about registration and social protection is consistently highlighted. Furthermore, among those who are aware of social security, their understanding is often limited to pensions, which for young people is a long-term perspective and perceived as not (yet) relevant.⁴⁴

Secondly, stakeholders noted that the procedures for registration and related processes are difficult and lengthy (*“you have to visit five different offices to get the registration”*). Some stakeholders and beneficiaries alike noted the absence of their financial capacity to pay for the taxes and social security contributions, noting -across countries- that the tax payment tranche for small businesses is too high. This links, in some cases, to a lack of trust in the government and how the government is using taxpayer money.⁴⁵

Stakeholders in the Philippines particularly emphasized formalization **barriers for women**, due to time constraints and household responsibilities limiting them from registering.⁴⁶ An FGD with beneficiaries showed the same finding:

“Previously, I hesitated to formalize due to the complex paperwork and costs, which were challenging as a female entrepreneur balancing my store with household responsibilities.”⁴⁷

“As a female business owner, I face challenges like time constraints from managing both my store and family duties, which make ongoing compliance with formalization requirements demanding.”⁴⁸

Some stakeholders in Nepal noticed the same barrier.⁴⁹ Female beneficiaries in Mongolia reported that cultural norms sometimes hindered them from doing business with men (*“they*

⁴¹ Interviews with two stakeholders

⁴² Interview with a stakeholder from the Philippines

⁴³ Interview with a stakeholder from the Philippines

⁴⁴ Interviews with stakeholders and FGDs/interviews with beneficiaries

⁴⁵ Interviews with stakeholders and FGDs/interviews with beneficiaries

⁴⁶ Interviews with stakeholders and FGDs with beneficiaries

⁴⁷ FGD with beneficiaries

⁴⁸ FGD with beneficiaries

⁴⁹ FGD with FYB trainers

do not respect me and only talk to my husband").⁵⁰ However, Nepali and Mongolian female beneficiaries and stakeholders less often reported gender-specific barriers (besides the "general" overrepresentation of women in the informal sector) compared to beneficiaries and stakeholders in the Philippines.

Mongolian stakeholders also pointed to **youth** as overrepresented in the informal sector, and being hard to reach. Stakeholders and trainers point to lack of awareness among youth regarding registration procedures, but one stakeholder also perceived a significant disinterest among youth regarding social security, because, as above, it is too "long-term", but also as it is perceived as tax.⁵¹ A Nepali stakeholder noted that the tedious registration procedure hinders youth from registering, as they become "frustrated".⁵²

Evaluation consultations with beneficiaries showed that the activities largely addressed their needs, particularly regarding basic awareness of registration and social security. Adaptations of FYB to national contexts enhanced relevance. No uniform solution was available to ensure participation of female beneficiaries with childcare duties.

The **extensive focus of the RBSA interventions on outreach, training and awareness-raising** has been of vital importance to promote formalization. As lack of awareness was identified as one of the main barriers to formalization, all consulted beneficiaries reacted positively to questions on the relevance of the FYB training and other support provided. The training content was suitable for people with different levels of understanding, as some did not know about tax and social security at all, while some had some basic knowledge but needed more guidance on steps and procedures.⁵³

"They told us that you have to register and formalize because it will give you many benefits. That was the great part. We didn't know that before."

"I didn't know about taxes."

"After that training, we knew the [steps for registration] before we didn't know anything."⁵⁴

FYB trainers and employer organisations noted that they had sufficient freedom to adjust the content of the official ILO FYB training to the national needs, culture and context. Beneficiaries in Mongolia particularly praised **the guest speakers** from local government offices (e.g. social insurance, health insurance) in the trainings who could give detailed, up-to-date and practical information.⁵⁵ Beneficiaries in Nepal rather highlighted the relevance of **financial record keeping** and demonstrated their records during the interviews.⁵⁶

Besides the general support, stakeholders noted that the RBSA intervention had specific activities and focus on **female informal workers and business owners**. This is most clearly reflected in the overrepresentation of women in the FYB trainings. Trainers noted that the FYB training materials reflected sufficiently on gender-specific topics and areas of interest, although they did not provide examples. Support for beneficiaries in the Philippines was also deemed gender-sensitive:

⁵⁰ FGD with female beneficiaries

⁵¹ Interviews with stakeholders, FGD with trainers.

⁵² Interview with a stakeholder

⁵³ FGDs and interviews with FYB beneficiaries

⁵⁴ FGDs and interviews with FYB beneficiaries

⁵⁵ FGDs and interviews with FYB beneficiaries

⁵⁶ Interviews with FYB beneficiaries

*"The campaign's focus on women entrepreneurs, coupled with Department of Trade and Industry's marketing support, made me feel supported and confident to formalize my business, knowing it would help me secure loans and reach more tourists visiting Siargao"*⁵⁷

Aligning the training with the **childcare needs of women** proved in some cases difficult, and solutions depended on the age of the child (i.e. to sit in during the training) and the availability of family to look after the children. A good practice of trainers in Mongolia was to ensure that sufficient pens, crayons, papers and other materials were available, as well as space, so that the training participant could bring the child along.⁵⁸ Another good practice reported by Mongolian trainers was to schedule the training sessions to allow the mother to breastfeed in between the sessions.⁵⁹

However, trainers also reported barriers in this regard. The budget, for example, would not allow the trainer to hire someone to look after participants' children, which affected some women's ability to participate in the training. Trainers indicated that they were not always able to find solutions.⁶⁰

Lastly, the RBSA-funded interventions were relevant for informal workers and business owners, including women, youth and marginalized groups, through the more **national-level activities** as well. Particularly, efforts of the interventions to create digital registration and social security systems were praised as relevant to reduce the administrative barrier.

*"For nano enterprises from the informal sector, digital registration reduces administrative burdens, enables data tracking, and integrates with social security systems, as seen in e-portal efforts."*⁶¹

However, both trainers and stakeholders noted that the effective use of the online platforms depends highly on the digital literacy of the populations, and some stakeholders warned that making such platforms user-friendly (in terms of digital literacy) is a remaining challenge.⁶²

5.1.3. Are the interventions' objectives aligned with global priorities such as the Sustainable Development Goals (SDGs), particularly SDG 8 (Decent Work) and SDG 1 (No Poverty), as well as the Global Accelerator on Jobs and Social Protection for Just Transitions?

Informality and transition to formalization touch upon several of the **Sustainable Development Goals**. SDG1: "End poverty in all its forms every". Target 1.3. explicitly mentions "Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable". Other targets also indirectly touch on social protection as they mention increased resilience of vulnerable people (target 1.5) and the development of sound gender-sensitive development policies (target 1.b).

SDG 8 focuses on "promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all". Its targets aim to improve the quality of work more broadly, but also address other aspects linked to formalisation, such as access to finance (e.g. target 8.3), and the inclusion of women and youth in decent work (target 8.5.).

The RBSA-funded interventions aligned strongly with SDG1 and several components of SDG8, particularly through its focus on expansion of social security coverage

⁵⁷ FGD with beneficiaries

⁵⁸ FGDs with trainers and with beneficiaries.

⁵⁹ FGD with trainers

⁶⁰ FGDs and interviews with trainers

⁶¹ Interview with a stakeholder from the Philippines

⁶² Interview with a stakeholder

(including for women) and through its focus on protecting workers' rights by bringing them under the coverage of the Labour Law (through formalization).

The RBSA interventions have a strong connection to Target 1.3. of SDG 1 as all five interventions have a clear social protection component, which aims at enhancing national capacities as well as on grassroots awareness, through awareness-raising campaigns and trainings for informal businesses.⁶³

The interventions specifically focus on gender-sensitive approaches to formality, meaning that social protection is approached through this lens as well. Particularly, stakeholders noted that awareness-raising includes reference to maternity coverage.

*"Previously, we had general videos about social protection. Under the project, we developed videos covering a specific benefit, such as maternity coverage. Our social media analytics show that 500.000 people saw the videos."*⁶⁴

*"The intervention has significantly boosted the visibility of informal workers, empowering us to strengthen our advocacy for policies like maternity cash transfers."*⁶⁵

The importance of the RBSA-funded interventions for SDG8 relates largely to ensuring that workers enjoy the rights and protection provided by the labour code (and therefore require formal employment). One stakeholder noted that *"we have prioritized the formalization with effective implementation of the Labor Act and the social security coverage, because informal workers are far away from the implementation of the rights in their workplaces."*⁶⁶

The RBSA intervention in Mongolia included a specific activity focused on employment contracts. Standard employment contract templates (10 types) were developed and officially approved by ministerial decree. These included not only standard contracts but also new types that reflected today's changing work environment, such as contracts for remote work, part-time work, domestic workers, and apprentices. This was a significant step in recognizing and protecting workers in non-standard forms of employment.⁶⁷

Additionally, the efforts of the projects to support business registration (FYB training and consultations) also contributed to target 8.3. to *"promote development-oriented policies that [...] encourage the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services"*.

The **Global Accelerator on Jobs and Social Protection for Just Transitions** (part of the UN Common Agenda launched in 2021, coordinated by ILO) operates through three complementary and mutually supportive pillars: a) Integrated and evidence-based national strategies and policies; b) Integrated financing combining domestic resources and international financial support; and, c) enhanced multilateral cooperation. At the initial stage, the Global Accelerator focuses on a select number of "pathfinder countries" which include Cambodia as "Pathfinder Country implementing a Roadmap"; Nepal and Philippines as "Pathfinder Countries with a Roadmap under development"; and Viet Nam positioned itself as "striving to become a pathfinder country".⁶⁸

The RBSA-funded interventions supported countries' progress towards the objectives of the Global Accelerator, particularly in terms of offering integrated solutions, and by supporting evidence-based policymaking.

⁶³ RBSA Intervention Proposals and Reports

⁶⁴ Interview with a stakeholder from Mongolia

⁶⁵ Interview with a stakeholder from the Philippines

⁶⁶ Interview with a stakeholder

⁶⁷ Mongolia End-Of-Intervention report.

⁶⁸ As defined in the government resolution 42 in November 2023.

Transition to formality is closely linked to employment and social protection, as informal workers and business owners are generally excluded from social protection and protection of labour rights. In particular, one ILO staff noted that *“the Global accelerator pushes towards integrated policy making, and the Recommendation Tool for states clearly indicates that integrated solutions have the best chance of achieving results.”* The integrated approach to formalization, as promoted by the RBSA interventions, therefore aligns with the methodological approach envisaged by the Global Accelerator.⁶⁹

The RBSA interventions focus particularly on the first pillar, namely, to strengthen national strategies. Some examples were found across the interventions of ILO-led research that influenced subsequent strategies or approaches to social protection.

One stakeholder explained that a study carried out by ILO, under the RBSA intervention, demonstrated that lack of social security contribution payments is not as much linked to financial capacity, but rather to awareness. As a result, the organisation has planned additional awareness-raising activities for the upcoming year. This is also integrated in the budget of the organisation.⁷⁰

One stakeholder reported that ILO carried out a diagnostic study on informality, particularly in agriculture, construction, and transport, which subsequently informed the National Strategy for Formalisation.⁷¹

ILO staff across the intervention countries also highlighted that the RBSA intervention provided a useful tool to contribute to countries’ progress regarding the Global Accelerator.

“When we drafted the Roadmap, we included formalization as one of the key issues that needed to be addressed.”⁷²

“Everything we do on formality nowadays is supporting the roadmap”.⁷³

“Yes, it aligned with the Global Accelerator through its focus on integrated formalization and social protection. The project’s e-formality study and Grab’s contribution system provide scalable models, stimulating progress toward Global Accelerator goals.”⁷⁴

5.2. Coherence

Following the OECD/DAC criteria, this section looks at the interventions’ internal coherence, in terms of the consistency of their approach and alignment with ILO’s strategic priorities. The assessment of external coherence examines the synergies and overlaps of the interventions with those of other organisations.

5.2.1. Did the interventions maintain internal coherence to ensure an integrated approach to formalisation?

ILO Recommendation 204 on *Transition from the Informal to the Formal Economy Recommendation* (2015) explicitly encourages Member States to design coherent and integrated policies on formalization (article 7) and provides a long list of elements that should be included in such an integrated policy framework (article 9). Additionally, the Recommendation states that “When formulating and implementing an integrated policy

⁶⁹ Interview with ILO staff

⁷⁰ Interview with a stakeholder from Nepal

⁷¹ Interview with a stakeholder from Nepal

⁷² Interview with ILO staff from Cambodia

⁷³ Interview with ILO staff from Cambodia

⁷⁴ Interview with ILO staff from the Philippines

framework, Members should ensure coordination across different levels of government and cooperation between the relevant bodies and authorities”.⁷⁵

ILO staff added furthermore that informality is a highly complex issue with issues that are interconnected across different policy areas and legal frameworks: *“If you want to increase Social Security coverage, you will bump into legal coverage of Social Security schemes, and then you will bump into the formalization of enterprises; and then you're going to bump into regulations, you're going to bump into taxes, you're going to bump into capacity, you're going to bump into financial literacy.”*⁷⁶ The purpose of the integrated approach, as explained by various ILO staff, is to “connect the dots” and ensure that all relevant stakeholders are able to collaborate on addressing informality from their mandates and areas of expertise, as well as from their geographical scope (local, provincial, and national).⁷⁷

Coherence of the interventions in applying the integrated approach was ensured largely through the establishment of working groups, which ensured that the main relevant stakeholders were involved and could provide input from their mandate and perspective.

The **RBSA funding proposals** explicitly refer to the integrated approach, most commonly in reference to integrated strategies / action plans and to inter-ministerial or tripartite working groups, and some also explicitly reference the Global Accelerator and Recommendation 204.

The ILO will support the General Secretariat of the Committee on Economic and Financial Policy towards the creation and the work of the Inter-Ministerial Working Group on Formalization, including the development of strategic documents and monitoring tools to promote an increased integrated approach to formalization.⁷⁸

The RBSA-funded initiative will support the development of a tripartite integrated formalization strategy with sectoral interventions, which will guide the cross-cutting work of constituents to accelerate formalization processes in the country.⁷⁹

The assessment of the RBSA proposals indicates that the design of the interventions was largely coherent and logical, specifically by ensuring that all authorities and stakeholders involved in one or more aspects of formalization were able to contribute to formalization strategies and action plans.

In practice, interviewed stakeholders across the intervention countries mostly confirmed that their priorities were reflected in the final strategies and expressed that the project broke certain siloes between organisations due to the working groups. The internal coherence of the interventions was also guaranteed by the consistent involvement of various stakeholders across different dimensions of the interventions (e.g. employer organisations being part of both policy discussions and local-level implementation of FYB; provincial-level officials being trained under FYB and contributing to provincial strategies).

*“Informally, we were already engaged, but formally, this [working group] is the opportunity for us to come together and we discuss a lot of various issues, not only formalizing, that has also helped us to negotiate in the forum.”*⁸⁰

⁷⁵ ILO Recommendation 204 “Transition from the Informal to the Formal Economy Recommendation”, 2015

⁷⁶ Interview with ILO staff

⁷⁷ Interviews with ILO staff

⁷⁸ RBSA proposal “Promoting the transition to formalization through integrated approaches in Cambodia”.

⁷⁹ RBSA proposal “Enabling Sectoral Pathways towards Formality for Vulnerable Workers, and Enterprises in Nepal’s Informal Economy”

⁸⁰ Interview with a stakeholder from Nepal

"Before, we also collaborated with others, but one-on-one. The Working Group [of the RBSA intervention] brought all players in one room, for one goal, with one angle."⁸¹

"Enhanced coordination with institutions, facilitated by the Working Group meetings, has strengthened our ability to integrate formalization with social protection."⁸²

As presented earlier, another important component of integration was technical support to databases and online platforms, which enabled authorities to better link information across topics. An example of the importance of such connections is the ability to see if a business owner who is registered (and is in the business database) is also insured (in the social security database). In the past, this would require the social security authority to contact the authority in charge of registration.⁸³ A good practice in Nepal was the invitation to trade unions and employers to test the integrated system and provide feedback, which ensured that all constituents were aware of the system updates.⁸⁴

A few challenges occurred in terms of coherence in the integrated approach. Geographical levels (national, provincial, local) are in most countries quite disconnected in terms of policy and data system coherence. In Nepal, the development of a provincial strategy on labour and employment was conducted in accordance with the national laws but was not coordinated with national or municipal labour and employment strategies, and provincial staff were not aware of the national strategy developed under the RBSA intervention.⁸⁵

5.2.2. Are the intervention objectives consistent with the ILO's strategic priorities on formalization, social protection, and advancing equality for marginalized groups?

The core ILO framework on transition to formality is **Recommendation 204** (mentioned above), which states that interventions should promote the design of coherent and integrated strategies on transition to formality; promote coordination; support job creation and employment policies; protect the fundamental principles and rights at work for informal economy workers and promote access to social protection; take measures to ensure compliance; and promote the right to organisation for informal workers.

The integrated approach to formalization, as promoted and implemented by the RBSA-funded projects, followed the instructions and provisions of Recommendation 204 across various areas. More focus on incentives for employers was needed.

As presented above, the interventions aimed to contribute to, as well as align with, Recommendation 204 through the establishment of coordination mechanisms for multiple stakeholders and through the design of comprehensive, integrated strategies. One ILO staff member indicated that the design of the intervention followed *"the national diagnostics of informality based on ILO recommendation 204. The tripartite partners discussed the findings and recommendations and identified the need for a National Action Plan"*.⁸⁶

The topic of social protection coverage was strongly represented across all five interventions, with specific outcomes dedicated to expanding social security coverage and promoting awareness of social security benefits. For example, in Viet Nam, the RBSA-intervention supported the revisions of various policies related to social insurance, based on the results of gender-responsive analyses of informality and social protection.⁸⁷

⁸¹ Interview with a stakeholder from Nepal

⁸² Interview with a stakeholder from the Philippines

⁸³ Interviews with ILO and stakeholders

⁸⁴ Interviews with stakeholders

⁸⁵ Interview with a stakeholder

⁸⁶ Interview with ILO staff

⁸⁷ Viet Nam RBSA proposal and end-of-intervention report.

Several other activities were implemented across the countries, which align with the provisions in Recommendation 204 as well, e.g. related to broader employment policies or reducing compliance costs through simplified registration.

In Nepal, the RBSA-intervention supported the development of the provincial-level Labour and Employment Policy, with the inclusion of formalisation. Technical inputs provided to the draft National Employment Policy, on request from Ministry, with a specific focus on the aspect of formalisation within the broader employment policy.⁸⁸

In Mongolia, the RBSA intervention funded the implementation of a study on “The Cost of Red Tape”, i.e. on the barriers for doing business. The research formed the basis for a position paper with recommendations to the government on simplifying the business registration procedures.⁸⁹

Many stakeholders noted the need to design incentives for employers to register employees and pay their social security contributions.⁹⁰ However, this element was less addressed by the RBSA interventions. One stakeholder noted that, for the future, they need more resources to also ensure compliance with social insurance and registration requirements.⁹¹ ILO staff noted this particular challenge regarding “informal workers in the formal sector”, requiring additional monitoring mechanism.⁹²

The concepts of informality and transition to formality are integrated in the **ILO’s Programme & Budget 2022-23** across various thematic areas, which aligns with the notion that informality should be addressed through an integrated approach. The main emphasis of the RBSA interventions, as reported in the RBSA proposals, is on P&B outputs 4.3; 7.4; 8.1; 8.3.

The RBSA intervention outcomes were designed and presented in their direct connection to the P&B outcomes and outputs. Due to the multidimensional nature of informality, the interventions contribute to a broader range of outcomes of the P&B than listed in the proposals.

The five RBSA intervention teams ensured alignment of the interventions with the P&B by explicitly connecting intervention outcomes to P&B outcomes. This allows all ILO staff and stakeholders to analyse the contribution of each activity to the P&B (and to the Country Programme Outcomes). The following table presents the contribution and alignment of the RBSA interventions with the identified P&B outcomes and outputs.

Table 5. Alignment with the ILO P&B 2022-23

P&B 2022-23 text	RBSA activities and objectives
Output 4.3: <i>Increased capacity of Member States to develop policies, legislation and other measures that are specifically aimed at facilitating the transition of enterprises to formality</i>	All RBSA interventions focused on facilitating the ability of constituents and other relevant authorities to design integrated strategies and actions plans for formalisation, mainly through dedicated working groups. Several interviewees also reported their increased knowledge on the topic and the complexity of informality.
Output 7.4: <i>Increased capacity of Member States to provide adequate labour protection to workers in diverse forms of work arrangements, including on digital labour platforms, and in informal employment</i>	This objective was approached in line with target 7.4.2. “Number of Member States with a validated diagnosis of the informal economy and/or policies, regulations or compliance mechanisms to support the transition to formality of informal workers in formal enterprises or in households. All five interventions included dedicated analyses on the informal economy, either in relation to

⁸⁸ Nepal NPL/23/01/RBS project no. 109028 – Progress Update. 29 July 2025, and interview with a stakeholder

⁸⁹ Interviews with a stakeholder and with ILO staff.

⁹⁰ Interviews with stakeholders

⁹¹ Interview with a stakeholder

⁹² Interview with ILO

	a specific sector, or related to a specific topic (e.g. social security coverage, contribution capacity)/.
Output 8.1: <i>Increased capacity of Member States to develop new or reformed sustainable national social protection strategies, policies or legal frameworks to extend coverage and enhance benefit adequacy</i>	Interventions focused on strengthening social protection frameworks at national level, and on developing new strategies on formalisation. Additionally, many activities took place which focused on awareness-raising and training on social protection benefits and procedures among businesses. The expansion or improvement of digital solutions for social security registration also supported this output.
Output 8.3 (only in Viet Nam): <i>Increased capacity of Member States to integrate social protection in comprehensive policy responses to support and protect workers and employers during their life and work transitions</i>	The RBSA intervention in Viet Nam focused on strengthening the framework for formalisation and extension of social protection (outcome 2). This included the aim to support revisions in the Cooperative Law, to facilitate business registration, extend social insurance of members and workers addressing issues and challenges faced by women informal workers/members in cooperatives and encourage the adoption of gender-responsive measures that better target and serve women. While this output was only mentioned in the RBSA proposal of Viet Nam, elements of the output were also touched upon in other interventions. For example, promoting maternity benefits (mentioned in the Output 8.3 description) was also part of interventions in Mongolia and the Philippines.

As mentioned above, informality is also mentioned as part of other P&B outputs due to its multidimensional nature. Namely, the “*share of informal workers*” is used as indicator to measure progress towards P&B Outcome 6 on gender equality, and towards Outcome 3 on full, productive, and freely chosen employment. The explicit focus of the five interventions on gender-sensitive strategies and awareness-raising among, and training for, women therefore contribute to Outcome 6 as well. The focus of some interventions on developing employment strategies (also per ILO Recommendation 204) contributes to Output 3.1 and the broader achievement of Outcome 3.⁹³

5.2.3. To what extent did the interventions leverage partnerships with other ILO projects?

Interviewed ILO staff indicated that the purpose of RBSA-funding is to either provide seed funding to test new approaches, or to strengthen other efforts with additional activities towards the objectives of ongoing work. This section presents both whether and how the RBSA interventions built on the efforts of previous projects and how they leveraged and supported other ongoing projects related to formalization, social protection and related topics.

The current RBSA-funded interventions were built on previous projects by ILO targeting specific aspects of informality and therefore enabled continuity of the efforts. In most countries, the projects reinforced, or were reinforced, by parallel ILO projects.

While the RBSA-funded interventions are relatively new and unique in applying the holistic approach to informality, the majority of the interventions were built on **previous work by ILO on addressing informality**. Common examples relate to studies carried out under previous assignments, and the implementation of the study recommendations under the current RBSA interventions.

“Previous collaborative research with UNDP quantified the size of the informal economy and built an economic case for formalization, influencing the government's agenda and leading to the creation of the National Strategy for Informal Economic Development in 2023.”⁹⁴

⁹³ ILO Programme and budget for the biennium 2022–23.

https://www.ilo.org/sites/default/files/wcmsp5/groups/public/%40ed_mas/%40program/documents/genericdocument/wcms_831162.pdf

⁹⁴ Interview with ILO staff from Cambodia

“Under the previous RBSA project, one of the recommendations we made related to the new labour law that was approved back in 2021, which actually applies to all workers regardless of the fact whether they will have a written contract or oral contract. Under the current RBSA project, we have developed ten templates of employment contracts that can be used for the informal workers such as, for example, assistant herders, domestic workers, child caregivers, etc.”⁹⁵

Although all countries worked on aspects of the informal economy before, the current RBSA intervention was unique compared to the previous interventions as it allowed ILO staff to focus on informality from a holistic perspective.

“We have a number of interventions, and in all our projects we try to do some kind of formalization. This is always part of it. But this [RBSA-funded intervention] was specifically designed for that purpose, based on our previous experiences and based on previous interventions that we did.”⁹⁶

“Since 2011 we have been supporting the government to recognise informality. From 2017, we had a project on how to have the skills informal worker recognized and assessed to get a certification. Then, during COVID, we sent our work to the National Assembly and to the government. And it's the first time they put the term informal employment in their law on statistics.”⁹⁷

“We used to have an EU-funded project on expanding social security coverage to herders, through an e-platform for social security. We also had a prior RBSA intervention to support the National Statistics Office to report informal economy statistics. Exclusively focusing on formalization in a comprehensive manner is the opportunity we had now [with the RBSA intervention]”⁹⁸

In some cases, the RBSA interventions took place **in parallel to other relevant projects**. Project Managing staff noted that synergies between different projects were explored by staff themselves, during their weekly or regular staff meetings.⁹⁹ In this regard, a good practice regarding linkages and coherence was found to be the use of the same ILO staff members for both projects (if the workload can be managed), or at least the presence of senior staff who can oversee the portfolio and advise on synergies.

In Nepal, the RBSA intervention took part alongside the project “Empowered Women, Prosperous Nepal (EWPN)”, funded by the European Union and implemented by ILO, UN WOMEN, the United Nations Population Fund (UNFPA), and United Nations Children’s Fund (UNICEF). Many stakeholders of the RBSA intervention are also involved in EWPN and indicated that the RBSA intervention and EWPN are working “*side by side*” (examples are provided in Efficiency). Furthermore, the EWPN project is expected to take some of the RBSA results forward. For example, the findings of the diagnostic study on agriculture of RBSA will be taken forward by EWPN as that project is still ongoing and focuses on agriculture, where formalisation is an important component. EWPN will also support continued work on the National Strategy on Formalisation.¹⁰⁰

In Cambodia, an EU-funded project focused on extending social protection and supporting the Ministry of Economy in drafting a formalization strategy. Since the EU-funded project did not have funding or space to continue supporting the strategy, the RBSA intervention built on the EU-funded outputs to support the strategy and focus on the economic sectors and micro-enterprises which were not covered by the EU project. The RBSA intervention was more tailored to improving the institutional and operational systems of the National Social Security Fund, and.¹⁰¹

In the Philippines, the RBSA-intervention explored complementarity with the United Nations Joint Programme on Inclusive, Competitive, and Responsible Digital Philippines (Digital PINAS),

⁹⁵ Interview with ILO staff from Mongolia

⁹⁶ Interview with ILO staff from the Philippines

⁹⁷ Interview with ILO staff from Viet Nam

⁹⁸ Interview with ILO staff from Mongolia

⁹⁹ Interviews with ILO staff

¹⁰⁰ Interviews with ILO staff and stakeholders

¹⁰¹ Interviews with ILO staff

implemented by ILO, UNDP and the International Trade Centre (ITC). A stakeholder noted that *“the RBSA intervention is focused on the informality aspect, while PINAS focused on getting the e-portal ready.”*¹⁰² Both interventions took place in the same Local Government Unit (LGU), and some ILO staff were involved in both interventions.¹⁰³

Some stakeholders also noted alignment between different ILO interventions: *“We collaborate with ILO on projects like the Social Protection Floor implementation and child labour initiatives in Quezon City, which converge with this [RBSA] intervention.”*¹⁰⁴ Especially the child labour project supported the current RBSA intervention as it allowed the intervention to build on existing municipal-level collaboration, *“making the intervention feel like a natural extension.”*¹⁰⁵ The intervention in Viet Nam also managed to interact with other ILO projects in specific sectors.¹⁰⁶

Only a few examples were found of the different RBSA-funded interventions supporting or reinforcing each other. A good example in this regard was the **study visit of Nepali stakeholders to Cambodia**. This resulted in a Memorandum of Understanding between the employer organisations of both countries.

5.2.4. To what extent did the interventions leverage partnerships with other organisations in the countries to enhance results?

Alignment between interventions of UN agencies can enhance impact, efficiency and avoid duplication or contradictory efforts. Particularly, it provides the opportunity for different agencies to contribute to a complex issue (like informality) from different angles.

Several RBSA-funded interventions benefited from collaboration with UNDP to strengthen outreach and thematic expertise or created synergies with other ILO-UN joint projects as elaborated above. No stakeholder reported that the RBSA interventions duplicated or unnecessarily overlapped the work of other actors.

Across the five countries, synergies with the work of **UNDP** were mentioned most often, either through direct collaboration or through collaboration of the RBSA intervention with other joint ILO-UNDP projects. In Cambodia, the coordination with UNDP was important for the achievement of the RBSA intervention’s objectives.

*“We have some joint events with UNDP when we work with the Ministry of Economy and Finance. Namely, UNDP worked closely with MoEF on their economy and financing analysis, and we provided input on how to include social protection in financial strategies. So that's why we have these kinds of joint events and also joint reports together with UNDP. We also supported the national strategy together with UNDP.”*¹⁰⁷ ILO staff explained further that *“the partnership with UNDP was established to gain access to the Ministry of Economy and Finance, as ILO's traditional relationship was limited to the Ministry of Labour. This collaboration enabled broader engagement for formalization efforts.”*¹⁰⁸

Cambodia’s RBSA funding proposal also reflects explicitly on existing collaboration between ILO and UNDP on formalisation in Cambodia.¹⁰⁹ Interviewed stakeholders mentioned explicitly the technical report on integrated formalization strategy for Cambodia as jointly prepared by ILO and UNDP.¹¹⁰

¹⁰² Interview with a stakeholder

¹⁰³ Interview with ILO staff.

¹⁰⁴ Interview with a stakeholder.

¹⁰⁵ Interview with ILO staff

¹⁰⁶ Interview with ILO staff

¹⁰⁷ Interview with ILO staff from Cambodia

¹⁰⁸ Interview with ILO staff from Cambodia

¹⁰⁹ RBSA proposal Cambodia

¹¹⁰ Interviews with stakeholders

“ILO and UNDP jointly produced a technical report called integrated formalization strategy for Cambodia, and it was published in 2023. It inspired the government to adjust it and develop it as the National Strategy for informal economic development 2023 to 2028”.¹¹¹

In the Philippines, stakeholders also reflected on complementarity between the RBSA intervention and the work of UNDP and UNICEF, although they did not mention joint activities or direct collaborations, but rather complementary parallel efforts.

“We work with UNDP and UNICEF on social protection policy advocacy and knowledge sharing. These efforts complement the ILO intervention by focusing on policy frameworks, while ILO emphasizes practical registration.”¹¹²

“We partner with UNDP on the Green Economy Program, which promotes sustainable agricultural and fisheries practices, and complementing the ILO’s intervention by integrating environmentally sustainable livelihoods with formalization and social protection.”¹¹³

Some Nepali stakeholders mentioned that they also worked with UNDP on a “Business and Human Rights” project, but they did not experience any overlaps or duplications.¹¹⁴ The previous section already reflected on the collaboration of ILO Philippines’ RBSA intervention with the joint ILO-UNDP-ITC project, and ILO Nepal’s collaboration with the ILO-UNFPA-UNICEF-UN WOMEN project.

In none of the interviews did stakeholders report a lack of coordination of ILO with other UN agencies or report duplications, contradictions, or overlaps.

5.3. Effectiveness

This section measures the extent to which the interventions have achieved their expected outcomes in line with the Intervention Logic presented in section 1.2. It also assesses more broadly whether interventions effectively applied an integrated approach to formality.

5.3.1. To what extent did the interventions achieve their intended results under the three outcome streams, particularly in terms of gender equality and social inclusion?

5.3.1.1. National-level outcomes

All five interventions had dedicated expected outcomes at national level, focused predominantly on the development or improvement of policies and strategies on formalization; the establishment of multi-partner working groups; and the expansion of online platforms for registration, social security, and overall integration.

The RBSA interventions contributed to strengthening national policy and digital systems for formalization, based on increased stakeholder collaboration (working groups) and evidence-based recommendations generated through diagnostic studies.

In each country, the RBSA intervention successfully established a **national working group** (also called taskforce, committee or Technical Working Group) to facilitate coordination of the project activities as well as facilitate broader policy work involving key authorities and stakeholders. Across the five countries, stakeholders were largely positive about the results of the working groups, as it provided a unique opportunity for integrated, multidimensional cooperation on formalization.

¹¹¹ Interview with a stakeholder

¹¹² Interview with a stakeholder from the Philippines

¹¹³ Interview with a stakeholder from the Philippines

¹¹⁴ Interviews with stakeholders

“Enhanced coordination with institutions like Philippines Social Security System and PhilHealth, facilitated by the working group meetings, has strengthened our ability to integrate formalization with social protection.”¹¹⁵

“The importance of that working group is that we played the leading role to ensure the coherence between the input of the involved players. And in addition to that, it was important to discuss the best practices that ILO has implemented other countries.”¹¹⁶

“The government has many issues to discuss, and we cannot cover everything through the tripartite meetings. We needed a separate meeting. But if the ILO had not initiated this [working group] it would never have happened.”¹¹⁷

The working groups also already created tangible results in some of the countries, besides coordination of efforts. Many examples are linked to the development of national strategies or action plans with input or support from the working group.

“We didn’t have any formal kind of working group before that. Formalization is one of the major concerns from our side, so that is what we wanted to include in the strategy that we prepared during the committee meetings. We have suggested a few things to the government through the committee.”¹¹⁸

“During the Working Group meetings, we developed a Memorandum of Understanding between the employer organisation, trade union, chamber of commerce and industry, general authority on social insurance to jointly disseminate information and raise awareness on social insurance benefits.”¹¹⁹

“Thanks to the working group, as a result of constant discussion and the meetings, we have now reached consensus between the important stakeholders in the informal sector to integrate and ensure the coherence between different e-platforms. And we agreed on the responsibilities.”¹²⁰

In Viet Nam, in particular, the stakeholders participating in the National Advisory Taskforce jointly agreed on a Theory of Change in supporting the transition to formal economy. This Theory of Change that was launched in September 2023 helped “connect all the dots” among different dimensions: legal reform, capacity building, expansion of universal multi-tier social security mechanisms and other social protection, strengthening the trade unions, etc.¹²¹

Some challenges regarding the turnover of staff participating in the working groups were mentioned by stakeholders.

National strategies, policies, and action plans were developed across three countries¹²² with a focus on the integrated approach to formalization. The following box presents some of the concrete policy-level results of the RBSA interventions.

Mongolia: The tripartite working group on formalisation endorsed the RBSA-supported Integrated Action Plan to formalize business units and informal economy. A strategy to simplify the formalisation process of business units and workers using digital solutions was also developed.¹²³

¹¹⁵ Interview with a stakeholder from the Philippines

¹¹⁶ Interview with a stakeholder from Mongolia

¹¹⁷ Interview with a stakeholder from Nepal

¹¹⁸ Interview with a stakeholder from Nepal

¹¹⁹ Interview with a stakeholder from Mongolia

¹²⁰ Interview with a stakeholder from Mongolia

¹²¹ Viet Nam. End-of-intervention Report.

¹²² The government in Cambodia adopted a formalization strategy in the first months of the RBSA intervention. Therefore, the national-level activities in Cambodia focused on supporting its implementation.

¹²³ Mongolia_Annex 1 Progress Monitoring_July 3. Confirmed by stakeholder interviews

Nepal: The National strategy on formalization outline developed and approved by the tripartite committee on formalization. The drafting of the national strategy will be completed with support from the EWPN programme. Technical inputs were provided to the draft National Employment Policy.¹²⁴

Viet Nam: The RBSA funded intervention completed the policy advocacy for two Decrees: one in Household Business and one on the business registration of pre-cooperative, Cooperatives, and Cooperative Unions, in which the latter was approved by the Prime Minister in July 2024.¹²⁵

In many cases, the policy documents were a result of diagnostic studies done by ILO under the current or previous RBSA interventions.

“The study achieved positive results in terms of helping the government to conduct a revision of legislation.”¹²⁶

“ILO conducted a diagnostic study on the informal sector and with the recommendation of that diagnostic survey study, based on this, we have developed the strategy plan.”¹²⁷

When asked about the contribution of ILO, stakeholders were satisfied with the input and contributions provided by ILO to the development or revision of the documents, while sometimes noting that the results were a joint effort of ILO and stakeholders.¹²⁸

Lastly, important activities carried out at national level included the focus on **digitalization of services** and better connecting different online platforms and databases to facilitate coordination between authorities at national level and with local level authorities. The following digital upgrades and developments took place in Mongolia, Nepal and Cambodia.

“Before the integrated system, a woman who wants maternity benefits would first have to submit a paper to the local authority with her information. The local authority then had to enter this in the system and transfer it to the national social insurance. Now, with the new system, she just needs to submit her bank account number online and she is done. All her other records and information are already on the e-government platform. ILO also supported us to give training to local staff on the new system, and we plan to continue providing such training to our staff if the budget allows it and expand the simplified procedure to disability benefits.”¹²⁹

The Integrated Labour Management Information System (ILMIS) was updated to allow enterprises to submit labour audit reports digitally, and workers to report grievances. This way, the ILMIS will facilitate the reporting and compliance by enterprises through the online submission of labour audit forms. Other updates include integration of a full occupational accidents case management system, and API integration between Social Security Fund and Department of Labour and Occupational Safety, to allow for sharing of information on labour audits submitted by enterprises in the ILMIS.¹³⁰

The government launched a voluntary digital onboarding platform to digitally onboard micro-enterprises and informal workers. This will enable the government to better protect informal workers in case of crises, regulate business activities and extend benefits and services, including access to finance, healthcare, entrepreneurship, skills training and business development services.¹³¹ One stakeholder mentioned that *“informal workers would take a lot of time in order to register. Now we have a digital system and it's getting better.”¹³²*

¹²⁴ NPL/23/01/RBS project no. 109028 – Progress Update. 29 July 2025. Confirmed by stakeholder interviews.

¹²⁵ End-of-intervention report, confirmed by interview with ILO staff.

¹²⁶ Interview with a stakeholder

¹²⁷ Interview with a stakeholder from Nepal

¹²⁸ Interviews with stakeholders

¹²⁹ Interview with a stakeholder from Mongolia

¹³⁰ NPL/23/01/RBS project no. 109028 – Progress Update 29 May 2025, confirmed by stakeholder interviews.

¹³¹ KHM/23/01/RBS (109019) Promoting the transition to formalization through integrated approaches in Cambodia. Final Report – February 2025, confirmed by interviews with ILO staff and stakeholders.

¹³² Interview with a stakeholder from Cambodia

The Philippines developed an e-formality study to inform digital business registration. Other ILO projects in the Philippines (e.g. the ILO-UNDP-ITC project) are focusing in parallel on the development or improvement of digital platforms.¹³³

While digital systems provide significant benefits, some stakeholders mentioned that they are not always sufficiently user-friendly, particularly considering the limited financial literacy of informal workers and business owners.

5.3.1.2. Sector/local-level outcomes

In each country, the RBSA interventions used specific sectors or locations to test tools approaches to formalization, which could -if successful- be scaled up through follow-up projects or efforts.

Some of the RBSA interventions made efforts to trickle national-level results to the local or sectoral level, or vice versa. Achievements at sectoral level mainly included diagnostic studies, while local-level activities mostly targeted beneficiaries. Nepal and the Philippines conducted both policy and advocacy work at local level.

The RBSA intervention in Nepal had a particularly comprehensive approach to informality in agriculture, transport and construction **sectors**, through national and local-level activities.

- Three sectoral diagnostic studies were commissioned by ILO Nepal (agriculture, transport, construction) and are pending completion at the time of the current evaluation.
- The assessment of social security contributory capacity of MSMEs was conducted in the same three sectors, which feeds into the above diagnostic studies.
- The National Strategy on Formalisation, as mentioned above also included the three selected sectors in the strategy as priority areas to focus on for the strategy
- Awareness-raising campaigns and media campaigns specifically targeted these sectors: 5000 workers in agriculture, transport and construction sector were provided with information on social security schemes for informal and self-employed workers.¹³⁴

In each country, the RBSA intervention included the development of sectoral-level studies on informality. Sectoral studies were often followed by stakeholder workshops to discuss the recommendations and action points.

In Cambodia, a series of sectoral studies were conducted in 2023, focusing on garment workers and their needs regarding formalisation. A diagnostic study on informality in the construction sector was completed in 2024, as well as two diagnostic studies in the agrifood sector and a diagnostic study on tourism.¹³⁵

A Rapid Assessment of the Value Chain Potentials of the Coconut Sector in Siargao (Philippines) was completed in October 2024.¹³⁶

A publication about the employers' perspectives on formalisation of household businesses and the informal sectors in the coffee value chain in Viet Nam, and report on "the informal employment in wood industry", both supported by social partners.¹³⁷

¹³³ Interviews with ILO staff

¹³⁴ NPL/23/01/RBS project no. 109028 – Progress Update 29 July 2025.

¹³⁵ KHM/23/01/RBS (109019) Promoting the transition to formalization through integrated approaches in Cambodia. Final Report – February 2025, confirmed by interviews with ILO staff

¹³⁶ PHL/23/01/RBS (109024) – Progress Monitoring. 30 June 2025.

¹³⁷ End-of-intervention Report Viet Nam.

The aforementioned employment contract templates developed by the Mongolian RBSA intervention targeted specific sectors, such as herders, domestic workers.¹³⁸ In the Philippines, the RBSA-funded intervention also supported one stop social protection and business registration services for platform economy workers and agriculture workers¹³⁹:

- 300 platform workers benefited from registration and information sessions in Legazpi.
- 284 agriculture workers benefitted from registration and information sessions in Siargao.

The interventions in Nepal and the Philippines also had multidimensional activities at local level, focusing both on local policy frameworks and on beneficiaries simultaneously.

In Nepal, the RBSA-funded intervention supported the drafting of Labour and Employment Policy in Sudurpashchim province and provided inputs to municipal-level employment strategies in the province in line with the above draft Labour and employment policy of Sudurpashchim province. Two regional dialogues on formalisation were held in Sudurpashchim, with 54 participants, as well as an intra-ministerial dialogue and a tripartite meeting. 41 beneficiaries in Sudurpashchim were trained through the Formalise Your Business model. Various outreach and awareness-raising materials were developed and distributed in the province, as well as position papers.¹⁴⁰

In the Philippines, the RBSA intervention targeted Quezon and Siargao Local Government Units (LGUs). In each LGU, the intervention supported the development of an Action Plan for and integration approach for formalisation and the development of a Guide for Social Protection. Mobile registration units (caravans) were used to raise awareness and facilitate registration of informal businesses. The intervention also organised “one-stop-shop” events for social protection registration. All these activities were designed through active dialogue among stakeholders at the LGU level.¹⁴¹

The other interventions also included regional/local level support. In Mongolia, the ILO supported the training of regional trade unions on how to support organisation, reach herders and engage new members. Mongolia also supported the improvement of the platform for social security (as mentioned above) which included training for regional social security staff.¹⁴² A pilot on registration of female business owners took place in Vietnamese highlands and a pilot of representation of informal woodworkers was piloted in Southern Provinces of Viet Nam.¹⁴³

5.3.1.3. Individual-level outcomes

Interventions at individual-level included the Formalise Your Business trainings in Nepal and Mongolia, support to registration in Philippines and Viet Nam, and broader awareness-raising efforts across the countries.

The interventions address a core barrier to formalization, namely awareness of the need to register, its benefits, and the importance of social insurance. Barriers related to complex registration procedures remain.

As mentioned in relevance, the lack of awareness of registration and social protection formed a key reason for informality among many beneficiaries. The Focus Group Discussions with **FYB beneficiaries** demonstrated clear success of the training in generating knowledge and skills on these topics, and on the broader business environment.

¹³⁸ MNG/23/01/RBS (109033) Fostering the transition to formality of informal workers and informal businesses in Mongolia. Progress report 31 May 2025.

¹³⁹ PHL/23/01/RBS (109024) – Progress Monitoring. 30 June 2025.

¹⁴⁰ NPL/23/01/RBS project no. 109028 – Progress Update, confirmed by interviews with stakeholders and ILO staff.

¹⁴¹ PHL/23/01/RBS (109024) – Progress Monitoring. 30 June 2025.

¹⁴² Interviews with ILO staff and stakeholders

¹⁴³ RBSA Proposal - Addressing informality in Viet Nam through policy coordination and sectoral action; and end-of-project report.

*"Now, after the training, I have learned so many things. I've experienced so many things. It helps me a lot. I am very happy about it. I also tell this to other people. I would like to invite them to the trainings. I tell them the benefits of the training, because these are the people who also didn't know about registration".*¹⁴⁴

*"A tax officer came and gave they gave us information. I already paid taxes, but I didn't know the details, so I've learned more details about the tax and social insurance".*¹⁴⁵

*"We divided into four groups, and we had a big paper, and we wrote official business, non-official business, pros and cons, and we write comments for each. Each group also explained their comments, and they give scores on the wall, and we shared ideas."*¹⁴⁶

Beneficiaries indicated furthermore that it was not too difficult to take time off for the training (and one beneficiary mentioned that the trainer told them in advance how to plan for their absence in the business). This ensured their ability to actively participate.

The FYB trainers were also highly satisfied with the content and duration of the Train the Trainers workshop and their subsequent experience conducting the training showed them that they were sufficiently prepared. Mongolian trainers found the involvement of guest speakers most useful, since they could provide more detailed information on specific procedures related to a specific topic (e.g. tax or social security contributions).¹⁴⁷

FYB beneficiaries were asked if there were any topics they did not find interesting or relevant, or whether any topics were missing. While beneficiaries did not indicate any issues in this regard, later on some mentioned that access to finance (loans) remains a struggle and they are not sure where to search for funding opportunities.¹⁴⁸ Similarly, FYB trainers did not think that any topics or methods were missing from the Train the Trainers sessions and had no criticism on any of the content.¹⁴⁹

In the **Philippines**, beneficiaries received registration and social security enrolment support through the mobile registration drives and awareness-raising events.

*"We received support through our participation in the 2024 Philippine Social Group Conference, which facilitated formalization through exposure and networking that encouraged us to avail of the business registration and social protection."*¹⁵⁰

*"The support was sufficient for raising our awareness and encouraging us to remain formal to access benefits."*¹⁵¹

*"The ILO, in partnership with Department of Trade and Industry (DTI), guided me through registering my store, ensuring compliance with DTI and, which mandates social protection enrolment like Social Security System (SSS) and PhilHealth."*¹⁵²

Beneficiaries in the Philippines also had no complaints about the support. However, in all three countries, some external barriers were noted for taking the next steps on registration, which are elaborated below.

¹⁴⁴ Consultation with beneficiaries

¹⁴⁵ Consultation with beneficiaries

¹⁴⁶ Consultation with beneficiaries

¹⁴⁷ FGDs and interviews with trainers.

¹⁴⁸ Consultations with beneficiaries

¹⁴⁹ FGDs and interviews with trainers.

¹⁵⁰ Consultation with beneficiaries

¹⁵¹ Consultation with beneficiaries

¹⁵² Consultation with beneficiaries

5.3.2. What barriers or challenges hindered the implementation of intervention activities, especially for women and marginalized groups and how were they addressed to ensure equitable outcomes?

Stakeholders by and large reported that there were no elements of the interventions that they were unsatisfied with or that did not work as expected. As mentioned in relevance, this linked to the co-design of interventions, ensuring that stakeholders received exactly the support they expected. Any challenges observed by the stakeholders related to external factors, mentioned below.

ILO staff, however, explained in several cases that they faced challenges in implementing the intervention activities. **A key challenge related to the limited staff budget and challenges with recruitment**, which subsequently caused delays. This dimension is elaborated in the efficiency section.

A few other challenges were mentioned by ILO staff, that linked to specific national contexts:

- One interviewee noted that there is limited data available in their country, and there is no aggregate source of information on registration of companies. This made it difficult to measure the intervention's progress.¹⁵³ A stakeholder confirmed that there is a lack of data to understand the barriers to formalisation for certain groups.¹⁵⁴
- One interviewee mentioned the low government capacity in their country to support the implementation of formalisation strategies, which therefore required significant technical support from ILO staff.¹⁵⁵ This is confirmed by other ILO interviews who mentioned that the topic is still quite new for the government.¹⁵⁶
- In one country, ILO staff and stakeholders pointed out that changes in the government (*"the government has been changed and restructured a couple of times"*) and staff rotations affected the functioning of the working group and progress with policy documents.¹⁵⁷

A few challenges occurred in the implementation of the FYB sessions, particularly in terms of **women's** ability to participate. In Nepal and Mongolia, trainers and female beneficiaries could not always find solutions for childcare responsibilities during the training hours. As a result, some women could not participate in the training, and some women missed sessions due to childcare responsibilities.¹⁵⁸

5.4. Efficiency

According to the OECD/DAC, the efficiency criterion considers the extent to which available resources delivered expected activities, outputs, and outcomes in an economical and timely manner across the interventions. This section analyses how efficiently the interventions were implemented in terms of financial and human resources.

5.4.1. Financial efficiency

This section presents the use of the available RBSA budget to achieve the planned outcomes and whether the planned outcomes were realistic considering the budget. It also reflects on the ability of ILO staff to create savings or expand opportunities through cost-sharing or efficient use of digital tools.

¹⁵³ Interview with ILO staff

¹⁵⁴ Interview with a stakeholder

¹⁵⁵ Interview with ILO staff

¹⁵⁶ Interviews with ILO staff.

¹⁵⁷ Interviews with ILO staff and stakeholders

¹⁵⁸ Interviews and FGDs with trainers, consultations with beneficiaries

The budgets were aligned with the planned activities, demonstrating that the interventions were realistically planned. Many examples of cost-sharing with other ILO projects were found. Costs for staff were perceived as too little, which required sharing of staff among projects.

ILO staff generally perceive the **RBSA funds as a useful tool to gather funding for interventions not on the priority list of donors**. Many ILO staff noted that donors are not very interested in funding projects on informality, meaning that the RBSA funds provide an important opportunity to still address the topic. Furthermore, the ILO staff appreciate the **flexibility** of the funding mechanism, allowing them to prioritise activities based on stakeholder needs and ILO expertise: *“RBSA give us flexibility to address what is really needed. In some cases, with the donor funding, there is a little bit of gap between what donor priorities are and what the priorities of tripartite concerns are.”*¹⁵⁹

While the 400,000USD budget limit was perceived as limited to make real impact (also by stakeholders), ILO staff generally perceived that the **planned activities aligned with the available budget**, and the interventions were therefore ambitious enough considering the budget limitations¹⁶⁰: *“The 400k budget was sufficient to achieve key deliverables.”*¹⁶¹ *“It is quite a fit with what we planned. If we get more, we can do more.”*¹⁶²

The most commonly mentioned approaches to ensure financial efficiency were the synergies created with other ongoing projects (as elaborated in section 5.2.3.), particularly in terms of **cost-sharing**. Examples of cost-sharing in three countries are presented in the box below. However, some ILO emphasized that the cost-sharing was conducted out of necessity to get sufficient staff to implement the RBSA intervention activities, rather than as solution for savings. Other staff also confirmed that the budget was enough, but only because they could share staff from other projects. This is elaborated in section 5.4.2.

*“The RBSA project had official cost sharing with two projects: In one municipality we shared the local staff cost and the office cost, but the other project finished. Now the RBSA shares the CO-based admin finance assistant cost with the Learn UN programme.”*¹⁶³

*“The RBSA project was closely integrated with the other ILO project, and the other project funded the women’s entrepreneurship helpdesk used by the RBSA intervention, as well as co-funded awareness-raising campaigns and support to the elaboration of the labour management information system.”*¹⁶⁴

*“Without the other project, our interventions would not have been possible. They co-funded many activities of the RBSA interventions”*¹⁶⁵. *“If we did not have a project like the EU project then we could not have implemented that RBSA intervention, because we could not get enough staff under the RBSA budget.”*¹⁶⁶

Some ILO staff also mentioned partnerships with government actors and stakeholders that resulted in cost-sharing (e.g. meals and venues for meetings).¹⁶⁷

5.4.2. Human resource capacity and efficiency

¹⁵⁹ Interviews with ILO staff

¹⁶⁰ Interviews with ILO staff

¹⁶¹ Interview with ILO staff.

¹⁶² Interview with ILO staff.

¹⁶³ Interview with ILO staff from the Philippines

¹⁶⁴ Interview with ILO staff from Nepal

¹⁶⁵ Interview with ILO staff from Nepal

¹⁶⁶ Interview with ILO staff from Cambodia

¹⁶⁷ Interviews with ILO staff

This section reflects on the human resources available to the RBSA project, in terms of project staff, consultants, and ILO specialists.

Stakeholders were highly satisfied with ILO's communication and transparency. ILO staff reported multiple challenges regarding human resources, in terms of recruitment and turnover, for both staff and consultants. Input for various ILO specialists was highly appreciated, despite the occasional delays.

Stakeholders were highly satisfied with the ILO counterparts available to them for the RBSA implementation. All interviewed stakeholders were asked to reflect on their communication with ILO and the transparency of ILO regarding progress and activities, and all stakeholders were satisfied in this regard.

As mentioned above, the ability of the RBSA interventions to identify staff cost-sharing opportunities was perceived as crucial to ensure that staff could indeed be allocated to the RBSA implementation. While this enhanced efficiency in terms of budget, it demonstrated that **human resources were tight and not always sufficient**. Common issues mentioned by one or more ILO staff included:

- Recruitment of staff: In some projects, delays or challenges were caused by staffing issues. *"The most important is that you cannot have a person who can work on this issue continuously, because there's a limited staffing cost there."*¹⁶⁸ A stakeholder also noted that they perceived a lack of staff resources of ILO for the intervention.¹⁶⁹ Lastly, some staff noted staff rotation as a challenge.¹⁷⁰
- Recruitment of consultants: Several interviewees confirmed that *"one of the trickiest things we struggle was to actually find local consultants that understand the topic and that can support us for the work."*¹⁷¹ Similarly, another ILO staff member noted delays caused by issues recruiting consultants for the diagnostic studies.¹⁷²

The multidimensional nature of the integrated approach to formalization also meant that **each intervention touched upon several technical areas** and used various ILO tools, overseen by different ILO specialists.

Interviews with RBSA staff confirmed that the interventions actively engaged different specialists. Interviewed ILO project staff expressed significant satisfaction and appreciation for the support from the various technical specialists.¹⁷³

*"I think overall the technical support was high quality. Given that formalization is quite broad, there were many specialists that i worked with and we had a collaborative approach."*¹⁷⁴

*"I really appreciate them; they support me a lot"*¹⁷⁵

The only challenge expressed by some project staff was to obtain feedback from all specialists in a timely manner: *"We have many different technical specialists supporting the RBSA project. Sometimes it's a little bit difficult for us to get comments on the work that we do."*¹⁷⁶ Another staff member noted that *"I think finalizing reports then gets very long, because there is a process that it goes around to different people, and it takes quite a long time."*¹⁷⁷ These

¹⁶⁸ Interview with ILO staff

¹⁶⁹ Interview with a stakeholder

¹⁷⁰ Interview with ILO staff.

¹⁷¹ Interview with ILO staff, confirmed by other ILO interviews.

¹⁷² Interview with ILO staff

¹⁷³ Interviews with ILO staff

¹⁷⁴ Interview with ILO staff from Nepal

¹⁷⁵ Interview with ILO staff from Viet Nam

¹⁷⁶ Interview with ILO staff

¹⁷⁷ Interview with ILO staff

statements do not mean, however, that the input was not wanted or beneficial. It is just challenge related to working with many specialists.

5.4.3. Timeliness of the interventions

In the RBSA proposals, four interventions indicated a timeline of 24 months, spanning March 2023 – February 2025¹⁷⁸ or April 2023 – March 2025¹⁷⁹. The Viet Nam intervention was planned to last 15 months, covering March 2023 to May 2024.

The various challenges mentioned above created delays in four of the five countries. The interventions subsequently received no-cost extensions.

Despite reporting delays in the recruitment of staff and therefore the kick-off of the intervention, the RBSA intervention in Cambodia closed as planned in February 2025, with no extension. The other four interventions received the following extensions:

- Mongolia: From March 2025 to May 2025
- Nepal: From February 2025 to July 2025
- Philippines: February 2025 to September 2025
- Viet Nam: From May 2024 to August 2024

Several reasons were provided for the delays. Internally, delays in recruiting staff, contractors and consultants for activities were most commonly reported to affect the timelines.¹⁸⁰ One staff member also noted that, when external challenges occur, it takes time to get adjustments approved within ILO's internal procedures.¹⁸¹

One stakeholder noted that *“due to the reshuffle within the government, there was some delays. Probably the meeting of working group was delayed a bit. I cannot really say that [delay] happened because of the ILO.”*¹⁸²

Many stakeholders noted that the timeline of the RBSA interventions, spanning two years, is not sufficient to address the topic of formalisation in a comprehensive manner and to create impact.¹⁸³

5.5. Impact

Following the intervention logic presented in section 1.2., expected impact should be found among beneficiaries in terms of their increased formalisation, linking to increased social protection coverage, protection of labour rights, trade membership, etc.

Secondly, impact is expected towards the ILO P&B, related to increased capacity of Member States to design and implement policies to facilitate the transition to formality, and more specifically on social protection and labour rights protection.

5.5.1. To what extent have the interventions created signs of impact towards increased formalisation and social protection coverage?

Through the increased knowledge and awareness among beneficiaries on the procedures and benefits of formalisation, beneficiaries are expected to take steps towards formalizing their business or to register their employees.

¹⁷⁸ Cambodia, Nepal, Philippines

¹⁷⁹ Mongolia

¹⁸⁰ Interviews with ILO staff, review of progress reports.

¹⁸¹ Interview with ILO staff.

¹⁸² Interview with a stakeholder

¹⁸³ Interviews with stakeholders

Initial monitoring results and stakeholder perceptions show that the activities addressing informal workers and business owners created some impact on registration, social security payment, and business expansion. High tax rates and lengthy procedures continue to hinder formalization. Domestic responsibilities also affect the impact of the interventions for women.

Monitoring data from the FYB trainings in Nepal and Mongolia showed that the FYB training has led to some progress in formalisation among beneficiaries. The FYB monitoring report from **Nepal** demonstrated that, of the 358 FYB beneficiaries, 33% had begun to take formalization steps¹⁸⁴:

- 17% began tax registration
- 9% applied for business licenses
- 8% initiated social security enrollment
- 5% began processes to access business loans

Similar monitoring data was not available for Mongolia. The FGDs with beneficiaries in both countries demonstrated that, even if businesses were not yet formally registered, the businesses of beneficiaries did benefit from the training.

"I expanded my business. It was smaller before, and I also went to registration. As you can see. It was not difficult, because everything I learned in the training I could use for the registration".¹⁸⁵

"I started to pay the social insurance privately."¹⁸⁶

Some interviewed stakeholders explicitly mentioned that they perceived impact on beneficiaries, for example *"decreased misinformation, increased registration and participation in social security, and also increased taxation."*¹⁸⁷

Besides formalization, the FYB training also brought other benefits. In Nepal, for example, monitoring reports found that¹⁸⁸:

- 78 participants (~22%) reported measurable improvement in how they maintain business records
- 53 participants (~15%) improved how they manage inventory, customer service, or staff. Examples include structured daily bookkeeping, basic HR practices, and pricing strategies
- 19% of observed entrepreneurs saw increased monthly income

Similarly, the registration support provided by the intervention in the **Philippines** was helpful for businesses to register and improve their business. The four Social Protection Awareness and Registration campaigns launched reached a total of 1772 informal workers with more than a thousand being registered in social protection or development systems afterwards.¹⁸⁹

"Formalizing my products store and accessing social protection has significantly boosted my business's success. The Php100,000 capitalization allowed me to increase inventory, sourcing more coconuts from local farmers, while the marketing and packaging support helped my products stand out, attracting tourists and doubling my sales in the markets".¹⁹⁰

¹⁸⁴ Technical backstopping report. Formalize your business rollout. February-June 2025

¹⁸⁵ Consultation with beneficiaries

¹⁸⁶ Consultation with beneficiaries

¹⁸⁷ Interview with a stakeholder

¹⁸⁸ Technical backstopping report. Formalize your business rollout. February-June 2025

¹⁸⁹ ILO Philippines Social Protection Summary.

¹⁹⁰ Consultation with beneficiaries

*“Registration, triggered by Quezon City’s nano-enterprise ordinance, was beneficial, providing access to subsidies, advice, and capitalization, particularly for nano-enterprises. An increase in registrations was noted especially those other members of our group went to register after noticing economic benefits.”*¹⁹¹

A key **barrier affecting impact** relates to the procedures necessary for registration. While the training and awareness-raising activities enhanced knowledge of the procedures and the benefits, the perceived “tedious process” still forms an obstacle for some beneficiaries to register.¹⁹²

A second barrier is financial. Several beneficiaries reported that the tax tranches are too high for them, considering their income. Beneficiaries in this regard more often reported that they registered for social security, than registered their business (and pay tax). A few beneficiaries also linked this to a lack of trust in the government and the proper use of tax money by the government.¹⁹³

ILO and stakeholders alike mentioned that there is still a reluctance among employers to register their employees.¹⁹⁴ Some stakeholders mentioned that there is a need to develop incentives for employers, since penalizing does not seem to work.¹⁹⁵

In the Philippines, a woman noted that she experiences “*time constraints from managing both my store and family duties, which make ongoing compliance with formalization requirements demanding.*”¹⁹⁶ This was confirmed in stakeholder interviews as broader issue for women.¹⁹⁷ A beneficiary in Mongolia similarly indicated that she struggles as she is a single mother and a business owner. She had not (yet) taken steps for registration.¹⁹⁸

5.5.2. Did the interventions enhance government and social partners’ capacity to facilitate transition to formality, as outlined in the four P&B outputs?

The P&B outputs 4.3, 7.4, 8.1, and 8.4 focus on government capacity, in terms of developing and implementing social protection strategies; developing and implementing strategies facilitating formalisation; and increased capacity to provide adequate labour protection.

Further impact towards the P&B objectives is partially guaranteed by the allocation of (some) budget to the implementation of the adopted policies. Stakeholders are willing to continue working and expanding the results, aligned with their mandates, but may be hindered by funding gaps.

The interventions have created the foundation for the five countries’ tripartite partners to further the improvement of the policy framework for formalisation (including social protection and labour protection). Namely, **various tripartite stakeholders were able to explain the next steps they planned to take** following the intervention closure, including the implementation of action plans.

A key enabler of impact was the indication by some government agencies that they allocated (some) budget to the implementation of (some) actions in the upcoming financial year. However, stakeholders did report they need additional technical and financial support to fully implement all planned activities.

¹⁹¹ Consultation with beneficiaries

¹⁹² Consultations with beneficiaries

¹⁹³ Consultations with beneficiaries

¹⁹⁴ Interviews with ILO staff and stakeholders

¹⁹⁵ Interviews with stakeholders

¹⁹⁶ Consultation with beneficiaries

¹⁹⁷ Interviews with stakeholders.

¹⁹⁸ Consultation with beneficiaries

*"This year, we approved this formalisation strategy outline. We have one activity of the strategy included in the budget for the upcoming year."*¹⁹⁹

*"We have a budget to achieve our target of enrolling one economic unit per municipality in the upcoming year."*²⁰⁰

*"There are indeed challenges to fund all the activities from the state budget. However, I would say there are some options for us to finance all these projects from the state budget. For instance, we have employment promotion fund. So, with this fund, we are planning to fund several activities, including developing and extending the e-platform."*²⁰¹

Secondly, stakeholders noted that they are **committed to furthering the policy work on formalisation and its implementation**. This commitment links both to the mandate and priorities of their organisation, their internal capacity, but also to the achievement of broader policy objectives of the government.

*"The points we have discussed during the working group, for instance the integration between the e-platform systems, and promotion of the formalization of the informal sectors, all these are reflected in the policy of our new prime minister."*²⁰²

*"Local commitment to Municipal Ordinance #066, which institutionalizes formalization and social protection, enables us to continue the awareness-raising and registration drives."*²⁰³

*"Willingness is implied through ongoing engagements and partnership with ILO, with meetings planned for the next year."*²⁰⁴

At the same time, the ability of the stakeholders to take the intervention results to the next level is closely linked to available funding. For example, the interviewees who mentioned that they could access some state funding to implement strategy activities also highlighted **that this funding is limited**. Therefore, not enough budget is available for the full implementation of the strategies and action plans, limiting future impact.

Some stakeholders also doubted the government's commitment to the issue of formalization or their ability to further policy work. For example: *"the government is very reluctant to make changes."*²⁰⁵ Two other stakeholders similarly reported as biggest risk for impact *"a lack of political will and buy in if there is a change of leadership"*; and *"risks include potential policy shifts due to political changes."*²⁰⁶

5.6. Sustainability

According to OECD/DAC criteria, sustainability analyses the extent to which a project's achievements can be maintained in the future.

This section describes whether stakeholders can maintain the results that are currently in place, or whether progress made by the interventions will fade after the closure of the interventions.

¹⁹⁹ Interview with a stakeholder from Nepal

²⁰⁰ Interview with a stakeholder from Nepal

²⁰¹ Interview with a stakeholder from Mongolia

²⁰² Interview with a stakeholder from Mongolia

²⁰³ Interview with a stakeholder from the Philippines

²⁰⁴ Interview with a stakeholder from the Philippines

²⁰⁵ Interview with a stakeholder from Nepal

²⁰⁶ Interviews with stakeholders

The interventions took several measures to ensure sustainability of the results, particularly through reliance on existing platforms and close links with ongoing work and priorities of stakeholders. The sustainability of working groups depends on political will and commitment.

A key strength of the ILO interventions was their **reliance on the existing e-systems** and capacity of the governments rather than building new systems. Namely, the government would already have the necessary technical capacity or support in place to sustain the platforms.²⁰⁷

"The software development was the main thing we needed. The maintenance and how to use it are the basic things. Because even from the small budget from the government, we are confident that we can operationalize this, and you have good contacts with the software provider and maintenance people who can continue doing that".²⁰⁸

A similar strength of the interventions relates to the **close linkage** of the intervention activities and objectives with the mandates of involved organisations and/or with national or local policies (as also highlighted above). Many stakeholders who felt able to maintain the results did so because the results are integrated into their mandated work or because the results fit into their ongoing work in relation to policy obligations.²⁰⁹

"We are fully committed to sustaining the intervention's results, as it aligns with our mission and with Municipal Ordinance #066, which mandates ongoing social protection efforts." ²¹⁰

"This is, by law, our mandate. We have to implement and provide universal health coverage."²¹¹

Interviewed tripartite stakeholders, and other relevant authorities, were also asked about the sustainability of the **working groups** and whether they perceive the working groups will stay in place. Mostly, interviewees replied positively:

"We perceive this working group as a permanent working group, so it will operate in the future too."²¹²

"Yes, everybody, like all organizations who are involved, are very committed."²¹³

However, some stakeholders are concerned about the future of the working group (considering all parties' commitment) if the ILO would no longer drive the process. *"In the absence of ILO in this committee, it will be very complex to work."*²¹⁴ Another stakeholder expressed that *"If ILO does not initiate or push things, then lot of things will collapse. So this special committee that was made for the formalization process, after the project will be closed, we don't know if it will continue or not."*²¹⁵ These findings link to the above-mentioned concerns regarding political commitment and the risk of change in policy priorities.

²⁰⁷ Interviews with ILO staff and stakeholders

²⁰⁸ Interview with a stakeholder

²⁰⁹ Interviews with stakeholders

²¹⁰ Interview with a stakeholder from the Philippines

²¹¹ Interview with a stakeholder from the Philippines

²¹² Interview with a stakeholder from Mongolia

²¹³ Interview with a stakeholder from Mongolia

²¹⁴ Interview with a stakeholder

²¹⁵ Interview with a stakeholder

6. Conclusions

Across the five countries, the RBSA-funded interventions played an important role in bringing informality to the political agenda. Particularly, **the integrated approach ensured that the topic was addressed from different dimensions and perspectives, which was lacking in existing policy frameworks and online systems**. The interventions were largely successful in building on prior efforts, strengthening other on-going work of ILO on informality and social protection, and leveraging the close engagement of stakeholders and the technical support of various ILO specialists.

Overall, the **interventions largely achieved their objectives focusing on top-down policy change and bottom-up awareness-raising and training** for informal workers and business owners. However, the interventions also faced various challenges as well as barriers for longer-term impact. At policy level, for example, doubt remains among many stakeholders whether formalization will remain a political priority after the closure of the interventions, and whether mechanisms such as the working groups will remain in place without ILO as driving force.

Secondly, the interventions addressed one key barrier for people to register their businesses and pay social insurance, namely the lack of awareness. While the beneficiaries were overwhelmingly positive about the support (e.g. FYB), **the complex registration procedures and lack of sufficient income to pay tax remained a barrier** hindering the majority of beneficiaries from registering. Impact on formalization can therefore only take place if changes in registration procedures, as well as tax tranches, are introduced as well. Additionally, **gender norms and household duties** hinder women from formalizing their business as well. While FYB trainers took steps to ensure that women could participate in the trainings, solutions for childcare duties could not always be found.

The success of the interventions can be attributed to the **strong role of stakeholders in co-designing the activities**, which was perceived as benefit of the RBSA model, as compared to donor-funded projects. Activities were designed and implemented in tandem with tripartite partners and other relevant stakeholders and therefore linked to political priorities and ongoing efforts of stakeholders themselves.

This also ensured sustainability and impact as **the results of the RBSA interventions fed well into broader policy reforms but also fit into the existing capacities of the stakeholders**. This is particularly the case in terms of the updated e-systems, where the ILO interventions focused on strengthening systems within the existing technical and software capacities of the stakeholders. It also led to allocation of government budget to the implementation of activities under the newly adopted strategies.

The five interventions managed to implement their activities within the scope of the budget, mostly through **efficient cost-sharing with other projects**. This approach also enhanced mutual reinforcement between projects. However, it was also clear that, without such cost-sharing and sharing of staff, the interventions would have faced significant challenges with human resources availability.

7. Lessons Learned and Good Practices

Lessons learned

- The introduction of new working groups is useful to ensure that a topic receives dedicated and focused attention of all stakeholders but has a higher risk of discontinuing if ILO as driving force closes the intervention. The continuity of such working groups is then completely dependent on (changing) political will and resources.
- Barriers still exist for women with childcare duties to participate in FYB trainings, often due to the lack of resources of trainers to hire caregivers or provide other forms of support. There is a need for more tools and recommendations for trainers on how to address this issue.
- Complex registration procedures and high taxes will continue to hinder formalization, despite the efforts of training and other support on awareness-raising.

Good practices

- The invitation of national and local guest speakers from relevant authorities (tax, social insurance) ensured that FYB beneficiaries could receive detailed and practical information on how to register, and that all questions on these specific topics could be answered directly by the authority itself. It also enhances the alignment of the training with the local context and needs.
- Co-designing or closely consulting key stakeholders enhances relevance, effectiveness and sustainability, by ensuring that the intervention fits into the existing policy work, fits into the capacities of stakeholders, and subsequently has a better chance of being funded through allocation of government budget.
- Close collaboration between projects enhances efficiency and reinforcement between activities, thereby enhancing potential impact. Integration of activities has led results from one intervention to feed into the design of the other, or allowed different interventions to provide one piece of the larger puzzle.

Additional details are provided in Annex 8.

8. Recommendations

Based on the findings and conclusions of the evaluation, the following recommendations are proposed for future interventions on transition to formality.

Recommendation 1: Work with stakeholders to address the key barriers of formalization as linked to complex registration procedures and high taxes for MSMEs.

The evaluation found two primary obstacles for formalization, namely the lack of awareness of registration and social insurance, and the complexity of procedures and high taxes. While the interventions were largely successful in raising awareness, many beneficiaries indicated that they did not formalise yet due to the complex procedures and taxes.

To make large-scale impact on the informal sector, more efforts are needed to address the procedural barriers for formalization, to ensure that newly-informed beneficiaries can take easy steps to register and do not lose the momentum after the training or awareness-raising activity.

Addressed to:	Timeline:	Priority-level:	Level of resources required:
ILO CO teams	Future projects, upcoming years	High	Medium

Recommendation 2: Explore good practices regarding incentives for employers to enhance formalization of informal workers.

Many stakeholders pointed to employer compliance as key barrier for the formalization of informal workers, especially as the methods for using informal work by employers are expanding (e.g. through outsourcing). Some stakeholders perceive that inspection and punishment are insufficient to motivate employers and recommend exploring incentives for employers to register employees.

Future initiatives should explore good practices of ILO and other organisations globally to identify measures to incentivize employers to formalise the work of their employees. Such activities should be implemented in close collaboration with social partners.

Addressed to:	Timeline:	Priority-level:	Level of resources required:
ILO CO teams with support from HQ / DWT specialists	Upcoming months	Medium	Low

Recommendation 3: Strengthen solutions for women to benefit equally from formalization interventions

The FGDs with female beneficiaries found that women face additional barriers in the formalization process, linked to gender norms and to disproportionate household duties. At the same time, women with childcare responsibilities face additional barriers to participate in the Formalise Your Business training, for which not all trainers were able to find solutions.

Some good practices were conducting training in the weekend (so that other family members could take care of the children) or allow mothers to take (older) children with them to the

training and provide drawing and other materials. These practices were, however, not systematically applied and also did not provide solutions for all women. The FYB training should be expanded to include both more tips and guidance for planning training around childcare duties, and should provide more budget so that childcare staff can be hired if needed.

Addressed to:	Timeline:	Priority-level:	Level of resources required:
ILO specialists working on the FYB methodology	Upcoming months	High	Low

Recommendation 4: Take additional measures to enhance the sustainability of the working groups beyond the interventions.

Several stakeholders perceive that the future of the formalization working group and efforts to promote formalization depends on the political will of the government, and expressed concern about the continuity of the working groups without ILO as driving force. This is an important issue as the working groups are an important tool to drive and monitor the implementation of new strategies and action plans.

As the RBSA interventions have ended or are nearly completed, ILO offices should explore how future interventions can integrate support for the working groups, or explore how the aims of the working group can be integrated into already institutionalized mechanisms for collaboration such as the tripartite meetings (where other stakeholders could be invited for the purpose of discussing formalization).

Addressed to:	Timeline:	Priority-level:	Level of resources required:
ILO CO teams	Upcoming months	High	Low

Annex 1. Brief country overviews

The following sections present brief summaries of desk research, interviews, and focus group discussions

Cambodia

Stakeholders informed that lack of coherent national policies and, subsequently, lack of inter-ministerial coordination hindered the country from addressing informality at the national level. At the same time, workers and self-employed people lack the knowledge of the social protection and registration systems, and misconceptions about social protection and taxes create reluctance to register.

The RBSA intervention (**Promoting the transition to formalization through integrated approaches in Cambodia**) aimed to address the large informal economy through three envisaged outcomes:

- **Outcome 1:** Revised policies and adoption of integrated measures to facilitate the transition to formality
- **Outcome 2:** Production of gender-responsive and inclusive sectoral approaches to formalization in selected sectors, endorsed by tripartite constituents, and launched to define policies and measures to further formalize enterprises and workers
- **Outcome 3:** Compliance and access to services and incentives to formalization are facilitated by digital technologies, communication, and social dialogue.

The RBSA project was explicitly designed to be complementary to ILO's **EU-funded social protection project** in Cambodia, building upon its initial results. Namely, the EU project focused on extending social protection and assisting the Ministry of Economy in drafting a formalization strategy. The RBSA intervention took this work forward by addressing gaps, focusing specifically on formalization for economic sectors and micro-enterprises, areas that were not covered by the EU project, thus ensuring no overlap in outputs.

The RBSA intervention also built on the strong, established partnership with **UNDP**, which commenced already in 2022. It involved conducting joint analysis and studies. Particularly, this cooperation led to the creation of a joint technical report called the "integrated formalization strategy for Cambodia," which subsequently inspired the government to develop and adopt the National Informal Economy Development Strategy. Furthermore, the ILO, UNDP and CAPRED worked closely with the Ministry of Industry, Science, Technology and Innovation (MISTI) to promote informal economy strategic development.

Based on the interviewed stakeholders, the **most important results of the RBSA intervention** in Cambodia centred on establishing a foundational national strategy, creating the necessary institutional mechanisms, and generating evidence to drive the formalization agenda. The key results highlighted by the stakeholders include:

1. National Policy and Strategy Development

The most frequently cited and substantial achievement was the project's direct contribution to the creation and adoption of a national policy framework. Particularly, the ILO-UNDP joint technical report "*integrated formalization strategy for Cambodia*" directly supported the development of the National Informal Economy Development Strategy (2023-2028). Developing the Monitoring and Evaluation (M&E) framework for the new national strategy was considered an important success.

2. Institutional and Coordination Mechanisms

Stakeholders emphasized the importance of the project in overcoming the challenge of weak inter-ministerial coordination. Therefore, the intervention established the Coordinating Committee on the Development of the Informal Economy (CCDIE) as the central coordinating mechanism, bringing multiple stakeholders together.

3. Evidence-Building and Operational Tools

Collaborative research with UNDP quantified the size of the informal economy and built an economic case for formalization, which successfully influenced the government's agenda. It supported the government in the classification of informal enterprises into groups (ready, potentially ready, and likely to remain informal) to provide tailored support and incentives. It also supported the development of an online system for small and medium-sized enterprises (SMEs) to complete their full formalization registration.

The intervention also faced **challenges** during its implementation, causing delays in the project implementation. Particularly, the team faced delays with onboarding staff at the start of the project and faced staff rotation resulting in renewed recruitment processes. One respondent also noted the absence of reliable, up-to-date data to identify the total number of informal workers, making it difficult to target or measure coverage by social security systems.

The **sustainability** of the intervention's results is facilitated by the policy foundations created by the intervention. The adoption of the Informal Economy Development Strategy and Action Plan and the establishment of the CCDIE as the central coordinating mechanism are considered strong factors for sustainability by stakeholders.

At the same time, stakeholders warned that the short project duration and limited resources make it difficult to guarantee long-term sustainability. Sustainability ultimately depends on continued financing and capacity.

Mongolia

The high number of people working informally in Mongolia can be attributed to several overlapping factors, which act as disincentives to formalization for businesses and workers. Firstly, at the worker level, the registration process is deemed complex and taxation is too high. At government level, the political priority of formalization is hindered by a lack of capacity to develop an integrated approach, involving all relevant stakeholders.

The RBSA intervention (**Fostering the transition to formality of informal workers and informal businesses in Mongolia through the implementation of an integrated approach to promote policy coherence, utilisation of technologies to access information and business development services**) aimed to address the above challenges through three envisaged outcomes:

- **Outcome 1:** Evidence-based, gender-responsive and inclusive sectoral approaches to formalization in selected sectors are produced, endorsed by the tripartite constituents, and launched to define policies and measures to further formalize enterprises and workers
- **Outcome 2:** Draft policies and adoption of integrated measures to facilitate the transition to formality by way of integrated action plans for formalization
- **Outcome 3:** Strengthened utilization of digital technologies to ease the transition to formality (use of e-formalization)

The RBSA intervention was built on the results of **two prior interventions**. Firstly, a previous RBSA intervention provided recommendations for the new labour law that was approved back in 2021, which actually applies to all workers regardless of the fact whether they will have a

written contract or oral contract. The current RBSA project created ten templates of employment contracts that can be used for informal workers. Secondly, an EU-funded project already focused on expanding social security coverage to herders, through an e-platform for social security, which formed the foundation for further work on the e-platform during the current RBSA intervention.

Based on the interviewed stakeholders, the **most important results of the RBSA intervention** in Mongolia centred on the establishment of the working group, the contribution to policy coherence (integrated approach), and the training and awareness-raising among beneficiaries. The key results highlighted by the stakeholders include:

1. Stakeholder coordination

The RBSA project led to the establishment of a formal working group in 2023. This group was the core mechanism for an integrated approach to formalization, bringing together key stakeholders who had previously worked in silos. The working group was comprehensive, including tripartite constituents (government, employers' organizations, and trade unions) as well as several other government organizations.

2. Integrated policy development

The project contributed to the promotion of "E-formalization" efforts by developing a strategy to connect and optimize existing digital government platforms. The intervention was also instrumental in developing the concept for the formalization process itself, as the government needed solutions and recommendations on how to implement its existing formalization priority.

3. Business registration and formalization

The main results of the RBSA project for beneficiaries include primarily their increased knowledge, awareness, and practical know-how necessary for the transition to formality. Beneficiaries expressed a direct interest in the training to learn how to formalize a business and register for social security. The "Cost of Red Tape" study formed important evidence on the complexity of current registration policies. The results are already shared with key national stakeholders.

Some **challenges** affected the implementation of the RBSA intervention in Mongolia. Particularly, the frequent turnover in the government agencies created delays in implementing the policy-level activities. Women's childcare responsibilities affected in some cases their participation in the FYB training.

Initial **impact** of FYB training is visible in the increase of beneficiaries being registered in social security systems. Trainers are looking actively for opportunities to continue providing the training to broader audiences. However, high taxes and complex procedures hinder broader impact on the FYB beneficiaries. Political commitment exists to **maintain** the intervention results and maintain the Working Group although funding is needed to further the strategies' implementation in upcoming years.

Nepal

Many people in Nepal work informally for a variety of reasons related to cost perception, administrative barriers, fear of taxation, and other socioeconomic factors. National-level stakeholders have limited on how to address informality in an integrated manner. While e-systems for registration exist, they are not integrated, meaning that data on businesses and workers are not efficiently shared between agencies.

The RBSA intervention (**Enabling Sectoral Pathways towards Formality for Vulnerable Workers, and Enterprises in Nepal's Informal Economy**) aimed to address the above challenges through three envisaged outcomes:

- **Outcome 1:** Evidence-based and Gender Sensitive National Strategy for Formalization is drafted through tripartite dialogue
- **Outcome 2:** Institutional mechanisms and procedures are enhanced to facilitate the transition and maintenance of economic units in the formal economy
- **Outcome 3:** Enhanced capacities and awareness of tripartite constituents and economic units to advance the national agenda on formalization

The RBSA intervention took part alongside the project “Empowered Women, Prosperous Nepal (**EWP**N)”, funded by the European Union and implemented by ILO, UN WOMEN, UNFPA and UNICEF. Many stakeholders of the RBSA intervention are also involved in EWP

N and indicated that the RBSA intervention and EWP

N are working “*side by side*”. For example, EWP

N also supported the establishment of the female entrepreneurship helpdesk and contributed to the formalization strategy.

Based on the interviewed stakeholders, the **most important results of the RBSA intervention** in Nepal span policy-level changes, institutional capacity building, and direct impact on business owners. The key results highlighted by the stakeholders include:

1. Policy and institutional achievements

The intervention is credited by stakeholders with providing crucial support to the government on policy and strategy development, particularly in terms of the design of the National Action Plan on Formalization; the development/updating of the Integrated Labour Management Information System (ILMIS). The intervention also contributed to provincial and municipal-level strategies on labour and employment, which integrated issues of informality.

An important factor influencing impact under this result is the allocation of government budget to some of the strategy activities. This means that, even without the ILO, at least some parts of the strategy will be taken forward.

2. Results for businesses and Beneficiaries

Several beneficiaries registered their previously informal businesses and expressed plans to register with the Social Security Fund. The FYB training filled significant knowledge and awareness gaps among beneficiaries. The FYB monitoring report from Nepal demonstrated that, of the 358 FYB beneficiaries, 33% had begun to take formalization steps:

- 17% began tax registration
- 9% applied for business licenses
- 8% initiated social security enrollment
- 5% began processes to access business loans

3. Evidence generation

In Nepal, the RBSA intervention resulted in various studies influencing policy development. These include national diagnostics of informality covering three sectors, but also an analysis of the financial capacity of employers to pay social security contributions.

One of the **challenges** faced by the intervention was delays and difficulties finding consultants for the planned research, which resulted in delays in the implementation overall.

A good practice supporting **sustainability** was the contribution of the intervention to existing digital platforms rather than developing secondary systems. Stakeholders reported that, since they already manage the system, they have all IT support and capacity available to maintain the platforms after their upgrade.

Lack of resources among government agencies may hinder long-term impact of the intervention, given that only limited resources are available for the implementation of the strategy. Some stakeholders also expressed concern that there may not be enough commitment to the Working Group to sustain it without ILO.

The Philippines

Many people in the Philippines work informally or face barriers to formalizing their work. A major barrier is the lack of awareness and understanding regarding the benefits of formalization, such as PhilHealth benefits. Informal workers also often lack understanding of the administrative processes of the agencies involved in formalization. Workers in remote areas face difficulty reaching local offices for registration due to transportation and time constraints.

The RBSA intervention (**Rise from multiple crises through the integrated formalization of informal economy with social protection and decent work in the Philippines**) aimed to address the above challenges through two envisaged outcomes:

- **Outcome 1:** A gender-responsive and inclusive integrated approach to formalization is produced, endorsed by the tripartite plus constituents, and launched to support the formalization of enterprises and workers in the selected sectors in the three local areas
- **Outcome 2:** Local businesses registered, and social security coverage increased

The RBSA intervention interacted (indirectly) with other UN agencies' **interventions** on social protection. Stakeholders noted that these efforts did not overlap but rather built on each other's results. The RBSA intervention also coordinated with other ILO projects in terms of cost-sharing. For example, in one municipality the local staff and office costs were shared with another project and currently the intervention shares the CO-based admin finance assistant cost with the Learn UN programme.

Based on the interviewed stakeholders, the **most important results of the RBSA intervention** in the Philippines surround topics of increased social protection access, strengthened governance and coordination, and tangible economic benefits for enterprises. The key results highlighted by the stakeholders include:

1. Increased social protection enrollment and financial security

There was a noted increase in PhilHealth and PAG-IBIG registrations/membership for informal workers, particularly in Quezon City and Siargao, through the registration caravans and outreach efforts. Informal workers and small business owners reported improved financial security and access to loans and savings through PAG-IBIG. The registration provided access to subsidies, advice, and capitalization, leading to an increase in registrations by other beneficiaries as well, who observed the economic advantages.

One micro-enterprise owner reported the support helped *double sales, increase inventory, and transformed their store into a stable, recognized business with market credibility and access to larger markets.*

2. Strengthened governance, coordination, and policy institutionalization:

The intervention fostered strengthened inter-agency coordination among key government agencies, including the Department of Labor and Employment (DOLE), Social Security System (SSS), PhilHealth, and Local Government Units (LGUs). The intervention also contributed to the institutionalization of formalization and social protection policies at the local level.

Challenges included delays in hiring the National Project Coordinator, procurement delays for stakeholder workshops and delays caused by the election period when restrictions affected registration caravan schedules that got delayed.

Most stakeholders see the alignment of the intervention with local priorities and mandates as a key factor supporting **sustainability**. Stakeholders also perceive commitment and momentum to take the results forward.

However, stakeholders worry that such commitment can be affected by changes in political leadership at the local level, which could result in budget cuts for the activities started under the intervention.

Viet Nam

Informality in Viet Nam was exacerbated by COVID-19, as many workers became informalized because of this shock. In fact, informal employment accounted for 68.5% of total employment in Viet Nam in 2021. Generally, informality is mostly concentrated among the less educated, in rural areas, and in sectors such as agriculture and services.

The RBSA intervention (**Addressing informality in Viet Nam through policy coordination and sectoral action**) aimed to address the above challenges through four envisaged outcomes:

- **Outcome 1:** Outcome 1: Improved measures applied by the tripartite constituents to adopt sectoral approaches for formalization.
- **Outcome 2:** Strengthened framework for formalization and extension of social protection.
- **Outcome 3:** VCCI/VCA and business associations participate more actively, in the context of the tripartite dialogue mechanism in the coffee value chain, in promoting the adoption of a new gender-focused sectoral initiative based on ILO sectoral standards and tools.
- **Outcome 4:** VGCL takes measures more actively to strengthen effective representation of informal workers in household businesses in the wood and forestry sector.

The RBSA-funded intervention was a continuation of **previous RBSA efforts**. A respondent noted that the intervention was the "third one in the same topic on formalisation", meaning that the current intervention is built on the results of more than 10 years of work on the topic.

The intervention also interacted with other ongoing efforts at the time, namely with ILO projects on social protection, on occupational health and safety, and skills programmes. Regular meetings between ILO project staff facilitated the identification of opportunities for mutual reinforcement within the project portfolio.

Based on the interviewed stakeholders, the **most important results of the RBSA intervention** in Viet Nam relate mostly to policy development, cooperation and advocacy. The key results highlighted by the stakeholders include:

1. Support for legal and policy reforms

Under the RBSA intervention, various policies and laws were updated to better reflect challenges related to informality.

- The project provided evidence and advocacy for the revision of the Cooperative Law, which was revised and adopted in May 2023.

- Significant contributions were made to the revision of the household business registration decree.
- Recommendations for formalization were successfully incorporated into revisions of the Employment Law and Social Insurance Law.
- The project worked with another ILO project to support the revision of the Occupational Safety and Health (OSH) law to cover informal workers

2. Coordination and advocacy

The intervention helped set up a National Advisory Taskforce for formalization, which brought together the ILO, the tripartite-plus stakeholders (government, VCCI, VCA, VGCL), the Central Communist Party, and research institutions. This continuous effort led to the term "formalization" being reflected and included in many recent laws, policies, and regulations, as presented above. A technical note and research on informal employment were sent to the National Assembly and government, helping to highlight the urgency of the issue.

In terms of **challenges**, the intervention faced stricter regulations of the government on international cooperation, which influenced its implementation. Some national partners of the intervention did not deliver results to the quality expected by ILO.

The project's most significant achievement — updating laws, policies, and regulations — is seen as a strong factor for **sustainability** by respondents. One interviewee expressed that the government and stakeholders are now at a point where they "can work without the help of the ILO".

The National Task Force was also affected by government restructuring, which may affect the sustainability of the Task Force. Some stakeholders expressed the need for continued ILO support to maintain the momentum.

Annex 2. Terms of Reference (ToR)

Terms of Reference (TOR) Cluster thematic Evaluation of ILO's support to fostering transition to formality of informal workers and business through integrated approaches 19 June 2025

Key facts

Title	ILO's support to fostering transition to formality of informal workers and business through integrated approaches
Project DC Code	KHM/23/01/RBS; NPL/23/01/RBS; PHL/23/01/RBS; MGN/23/01/RBS; VNM/23/01/RBS
Type of evaluation (e.g. independent, internal)	Independent
Timing of evaluation (e.g. midterm, final)	Final
Donor	Regular budget supplementary account (RBSA)
Administrative Unit in the ILO responsible for administrating the project	KHM/23/01/RBS - CO-Bangkok; NPL/23/01/RBS – CO-Kathmandu; PHL/23/01/RBS – CO-Manila; MGN/23/01/RBS – CO-Beijing; VNM/23/01/RBS- CO-Hanoi
Technical Unit(s) in the ILO responsible for backstopping the project	
P&B outcome (s) under evaluation	Output 4.3. Increased capacity of Member States to develop policies, legislation and other measures that are specifically aimed at facilitating the transition of enterprises to formality. Output 7.4. Increased capacity of Member States to provide adequate labour protection to workers in diverse forms of work arrangements, including on digital labour platforms, and in informal employment. Output 8.1. Increased capacity of Member States to develop new or reformed sustainable national social protection strategies, policies or legal frameworks to extend coverage and enhance benefit adequacy
SDG(s) under evaluation	1.3 KHM, MNG, PHL 8.3 KHM, VNM, MNG, NPL, PHL 8.5 KHM, MNG 17.14 KHM, MNG
Budget	US\$ 2 million
Project Duration	March 2023 – September 2025 (with no cost extension)

Introduction

The evaluation focuses on five RBSA-funded interventions aimed at enhancing formalization and social protection in Cambodia, Mongolia, Nepal, the Philippines, and Vietnam. These interventions collectively aim to strengthen policy coherence, capacity building, and integrated approaches to formalization while addressing social protection for informal workers. A cluster evaluation will assess trends, common issues, patterns, and lessons learned to inform future programming. The 2022-23 RBSA round is expected to contribute to the Global Accelerator²¹⁶.

This independent cluster evaluation will be an evaluation of a number of interventions funded from RBSA funds. It will be managed by the Regional Evaluation Officer, based at ILO Regional Office in

²¹⁶ In line with the UN Secretary-General's *Our Common Agenda*, which calls for “roadmaps to integrated informal workers into formal economies and to benefit from women's full participation in the workforce”, integrating informal workers into the formal economy is one of the six thematic entry points that will support integrated strategies under the Global Accelerator.

Bangkok and it will be conducted by an independent evaluation consultant(s). The evaluation will apply participatory approach and will engage all key stakeholders both internal ILO and external.

The evaluation will comply with evaluation norms, standards and follow ethical safeguards, as specified in the ILO's evaluation procedures

The RBSA funded interventions

1. **Cambodia (KHM204 & KHM226) - KHM/23/01/RBS:** *Promoting the transition to formalization through integrated approaches in Cambodia* This intervention focuses on facilitating the transition of informal enterprises and workers to formal economic structures while expanding social protection systems. This intervention promotes an integrated approach to formalization and complements Cambodia's COVID-19 Economic Recovery Plan in strengthening social protection and formalization as a strategy in the recovery landscape.

Cambodia has a high prevalence of informality, with 88% of workers in informal employment. The intervention aligns with the government's COVID-19 Economic Recovery Plan and aims to strengthen tripartite partnerships.

- **Key Focus Areas:**
 - Establishing an Inter-Ministerial Working Group on Formalization.
 - Supporting sectoral approaches to formalization.
 - Developing e-government tools (e.g., CamDX platform) to integrate business registration and social protection systems.
- **Budget:** USD 400,000
- **Duration:** March 2023 – February 2025
- **Alignment with Cambodia's Decent Work Country Programme (DWCP) 1.1, 2.2, and 4.3** by supporting formalization as a tool for decent employment and enhancing social protection systems, especially for informal workers as follows:
 - **Outcome 1.1:** Policies to promote sustainable enterprise development and decent jobs.
 - **Outcome 2.2:** Strengthened social protection systems for enhanced coverage and adequacy.
 - **Outcome 4.3:** Increased capacity to develop policies and frameworks facilitating the transition to formality.

2. Mongolia (MNG176 & MNG128) – MNG/23/01/RBS: *Fostering the transition to formality of informal workers and businesses in Mongolia.* This intervention aims to promote formalization of informal workers and micro-enterprises through integrated policy, capacity building, and digital solutions.

Nearly 46% of Mongolia's workforce is informal, with high informality in retail, service, and livestock herding sectors. Many enterprises (82.1 percent) are micro-enterprises with a maximum of 9 employees where many informal MSMEs coexist with more formal sectors.

Key Focus Areas:

- Developing sector-specific strategies for formalization in retail, services, and herding.
- Strengthening the use of digital platforms (e.g., e-Mongolia, e-tax) for business registration and social protection access.
- Building capacity among tripartite stakeholders to drive formalization efforts.

Budget: USD 400,000

Duration: April 2023 – March 2025

Alignment with Mongolia's DWCP goals and outcomes (1.1, 3.1 and 4.3) of fostering formal employment and economic diversification emphasizes integrating social protection and formalization in priority sectors (e.g., retail, herding)

- Outcome 1.1: Social protection policies improved to extend coverage, particularly for herders and informal workers.
- Outcome 3.1: Promotion of formal employment for inclusive and diversified economic growth.
- Outcome 4.3: Development of policies and measures aimed at transitioning enterprises to formality.

3. Nepal (NPL127 & NPL101) – NPL/23/01/RBS: *Enabling Sectoral Pathways towards Formality for Vulnerable Workers and Enterprises in Nepal's Informal Economy.* The intervention focuses on developing evidence-based and gender-sensitive strategies to transition informal workers and enterprises in agriculture, construction, and transportation sectors into the formal economy.

In Nepal, 90.5% of women are in informal employment, with high informality in agriculture (97%). The intervention addresses these disparities through sectoral approaches and stakeholder engagement.

Key Focus Areas:

- Conducting diagnostics of informality in target sectors.
- Developing integrated formalization strategies with sectoral interventions.
- Enhancing the capacity of tripartite stakeholders and using digital tools for compliance and social security integration.

Budget: USD 399,980

Duration: March 2023 – February 2025 (No cost extension to 31 July 2025)

Alignment with Nepal's DWCP outcomes (1.1, 2.2, and 4.3) by targeting vulnerable workers in agriculture, construction, and transportation sectors, while integrating social protection into formalization strategies

- Outcome 1.1: Strengthened capacity to improve entrepreneurial potential and skills in the informal economy while facilitating formalization.
- Outcome 2.2: Implementation of the Contribution-Based Social Security Act to enhance social protection.
- Outcome 4.3: Development of gender-sensitive policies to transition enterprises and workers to formality.

4. Philippines (PHL104 & PHL133)- PHL/23/01/RBS: *Rise from Multiple Crises through the Integrated Formalization of Informal Economy with Social Protection and Decent Work.* This intervention aims to strengthen the integration of enterprise formalization with social protection, particularly in the aftermath of multiple crises such as typhoons, inflation, and pandemic recovery.

The Philippines has a significant informal economy, with key challenges in implementing policies for formalization and social protection at local levels.

Key Focus Areas:

- Combining enterprise formalization with access to social protection.
- Developing sectoral approaches in retail, gig work, and domestic work.
- Leveraging digital solutions (e.g., e-portals for registration and social protection access).

Budget: USD 400,000

Duration: March 2023 – February 2025 (extended to September 2025)

Alignment to DWCP outcomes (1.1, 3.1 and 4.3) the intervention supports local governments in implementing formalization policies, combining enterprise registration with access to social protection to address DWCP priorities

- Outcome 1.1: Productive and sustainable work opportunities are promoted, especially in informal and gig economy sectors.
- Outcome 3.1: Equitable social protection is strengthened, with reforms to establish a national social protection floor.
- Outcome 4.3: Policies supporting the transition from informal to formal employment are enhanced.

5. Vietnam (VNM 127) - VNM/23/01/RBS: Addressing informality in Viet Nam through policy coordination and sectoral action, Strengthening Formalization Efforts with Focus on MSMEs and Digital Integration

Vietnam's informal economy comprises a significant portion of its labor force, with MSMEs and informal workers forming the backbone of its economy. Persistent challenges include lack of compliance with labor laws, limited access to social protection, and high administrative burdens for formal registration.

Key focus area:

- 1. Digital Solutions for Formalization:**
 - Development of an integrated digital platform to streamline business registration and compliance.
 - Linking registration processes with social protection systems to enhance accessibility and efficiency for MSMEs.
- 2. Sector-Specific Interventions:**
 - Focus on sectors with high informality, such as retail, trade, and food services, to design tailored interventions.
 - Policy recommendations to simplify administrative procedures and reduce compliance costs.
- 3. Capacity Building:**
 - Training programs for government officials, employers, and workers on formalization benefits and processes.
 - Workshops to enhance the capacity of local tripartite stakeholders in implementing formalization strategies.
- 4. Gender Equality and Inclusion:**
 - Integrating gender-responsive approaches into all project components.
 - Addressing specific challenges faced by women entrepreneurs and informal workers.

Budget: \$400000

Duration: March 2023 – May 2024 (extended to Aug 2024)

The intervention aligns with Vietnam's Decent Work Country Programme (DWCP) and national priorities to reduce informality, particularly in sectors like trade, agriculture, and services.

Alignment with DWCP Outcomes:

- **Outcome 4.3:** Increased capacity to develop policies and frameworks for formalization.
- **Outcome 8.1:** Enhanced capacity to extend social protection coverage, particularly to informal workers.

Progress:

- Support the development of two Decrees. The Decree on Household Business and the Decree plus guiding Circular on Business Registration of Pre-cooperative, Cooperatives, Cooperative Unions have been developed. Both Decrees aim to ease business registration and thus facilitate enterprise formalisation.
- Capacity-building sessions for stakeholders, including women entrepreneurs. The project helped strengthen the institutional coordination mechanism of the tripartite constituents.
- Number of research products on formalisation of different sector enterprises produced,
- Capacity strengthening for General statistical Office to measure the magnitude, conditions of work and protection of digital platform employment in order to inform policy makers.

Purpose and Objectives of the Evaluation

The main purposes of the cluster evaluation serves organizational learning. The review also serves to provide accountability to the donors and ILO constituents. The evaluation findings and insights will serve organisational learning purposes e.g. to develop cross-learning, including success stories to innovate and feed into regional learning on formalisation and social protection.

Primary user of the evaluation findings is ILO constituents, RBSA funding partners, ILO Country Offices, ILO Regional Office for Asia and the Pacific (ROAP), ILO DWTs and HQ (technical departments, Evaluation Office, PARDEV and PROGRAM). Secondary user of the evaluation findings are other interest partners, academic, other ILO units and regions, and public

The specific objectives of the cluster evaluation are to provide answers to the following key questions.

- The extent to which the interventions play a catalytic role in leveraging financing (domestic and international financing and investment); the extent of partnership with UN agencies and development partners that lead to integrated and coherence of policies.
- What were the major achievements and challenges in implementing formalization and social protection strategies? What common trends and patterns emerged across the five countries? How the different tools (particularly ILO tools) used in the different contexts performed, and how were they useful to push formalization efforts (e.g. we have several uses of the sectoral diagnostics tools, but with very different levels of relevance to further work)
- The extent of partnership with UN agencies and development partners that lead to integrated and coherence of policies;
- How did digital technologies and e-formality contribute to achieving intervention goals?
- To what extent the RBSA interventions have contributed to the Global Accelerator (integrated and evidence-based national strategies and policies; integrated financing combining domestic resources and international financial support; enhanced multilateral cooperation).
- What lessons and good practices can be scaled or adapted to other contexts?
- Identify common themes, challenges, and opportunities across the interventions.
- Provide actionable recommendations for improving formalization and social protection interventions.

Scope of the evaluation

The evaluation scope covers the RBSA 2022-23 Round I formalization RBSA funded interventions. It could encompass other interventions funded by bilateral donors or other sources of fund that contributed to the same CPOs/outputs (mentioned above) in each country, as the goal of RBSA funded intervention is to support the achievement of DWCP outcomes (CPOs).

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

Summary of the evaluation scope

Countries and Interventions (CPOs link)	Budget Allocation (USD)	Start Date	End Date	No cost extension until	Note
Cambodia (KHM204 & 226)	\$400,000	March 2023	February 2025	-	Self evaluation will be conducted.
Mongolia (MNG176 & 128)	\$400,000	April 2023	March 2025	May 2025	
Nepal (NPL127 & 101)	\$399,980	March 2023	February 2025	June 2025	
Philippines (PHL104 & 133)	\$400,000	March 2023	February 2025	Sep 2025	
Vietnam (VNM 127)	\$400,000	March 2023	May 2024	Aug 2024	Final report is available
Total	\$1,999,980				

Evaluation criteria and Questions

The evaluation should address relevance to beneficiary needs, validity of the design, coherence, effectiveness, efficiency, potential for sustainability and impact as defined in the [ILO Policy Guidelines for results-based evaluation, Nov-2020](#). The evaluator may adapt the evaluation criteria and questions, but any fundamental changes should be agreed between the evaluation manager and the evaluator, and reflected in the inception report.

Evaluation criteria:

Relevance: Alignment with national priorities, stakeholder needs, and SDG goals.

1. How well do the interventions align with the national priorities and strategies of each country concerning formalization and social protection particularly in promoting gender equality and social inclusion?
2. To what extent do the interventions address the unique challenges faced by women, youth, and marginalized groups in the informal economy?
3. Are the interventions' objectives aligned with global priorities such as the Sustainable Development Goals (SDGs), particularly SDG 8 (Decent Work) and SDG 1 (No Poverty)?

Coherence

5. Are the intervention objectives consistent with the ILO's strategic priorities on formalization, social protection, and advancing equality for marginalized groups?
6. How the interventions managed the internal coherence of actions towards an integrated approach – key challenges (in implementation, but also internally on managing different specialists, technical departments and the efforts of coordination required for this)
7. To what extent the interventions leveraging partnerships with other ILO projects and other organizations in the countries to enhance its results and to promote gender-sensitive policies and interventions?

Effectiveness: Achievement of outputs and outcomes in formalization and social protection.

8. How have tripartite constituents (government, employers, workers) contributed to achieving the intervention objectives in ways that address gender equality and promote inclusion of marginalized groups?
9. How effectively have the interventions addressed gender equality and social inclusion in their design and implementation?
10. Identify the key achievements in each country and whether they have been achieved according to plan, if not, what have the challenges. How the different tools (particularly ILO tools) used in the different contexts performed, and how were they useful to push formalization efforts
11. What barriers or challenges hindered the implementation of intervention activities, especially for women and marginalized groups and how were they addressed to ensure equitable outcomes?
12. To what extent the strategies or approaches used have been effective in contributing to the Global Accelerators through formalization and social protection, particularly for women, youth, and marginalized groups in the informal economy?

Efficiency: Resource utilization and value for money across interventions

13. How effectively have the interventions utilized their financial and human resources to achieve the intended outputs?
14. Are there synergies or overlaps between the interventions that could be optimized for cost-effectiveness?
15. what extent has digital technology (e-formality solutions) contributed to achieving intervention outcomes efficiently?

Impact: Contributions to reducing informality and improving social protection coverage.

16. How have the interventions impacted the formalization of enterprises and workers, particularly in the informal economy?
17. What tangible changes have been observed in the social protection coverage of target groups?
18. To what extent have the interventions influenced changes in attitudes, practices, or policies that address gender disparities and discrimination in formalization and social protection efforts?
19. What unintended positive or negative consequences have emerged from the interventions?

Sustainability Likelihood of interventions' benefits being sustained post-completion.

18. Are the outcomes of the interventions likely to be sustained after intervention completion? What factors contribute to or hinder sustainability?

19. How effectively have the interventions built local capacity among governments, employers, and workers to sustain formalization and social protection efforts?
20. To what extent have the interventions influenced national policies or frameworks for formalization and social protection?

Comparative and Trend Analysis and Forward-Looking

21. What common trends or patterns emerge across the five interventions in terms of successes, challenges, and lessons learned? How do the interventions' approaches to formalization compare, and what can be learned from these variations? What lessons can be learned about the role of digital solutions in formalization and social protection (e.g., e-formality, online registration platforms)?
22. How have the interventions incorporated sector-specific approaches to formalization, and what were the outcomes?
24. Are there notable differences in intervention effectiveness or impact based on regional or cultural contexts?
27. What recommendations can be made to scale successful interventions across other regions or sectors?
28. How can future interventions better integrate formalization and social protection to achieve holistic outcomes?
29. What emerging trends (e.g., gig economy, digital labor platforms) should be addressed in future programming?

Methodology

The cluster evaluation covers several interventions and there is no one, single logical framework to draw upon. An analytical framework should be developed to help analyze this cluster evaluation. The evaluation should apply a mixed methods approach to addressing the criteria and questions that might include: document analysis, interviews, direct observation and surveys—or some combination thereof. The advantage of this approach is that it permits findings derived from one method to be verified using a different method. This ensures valid findings. The approach for cluster evaluations should consciously build analytical frameworks that would allow providing feedback at a higher (strategic level). For instance, how well did the ILO use its technical expertise and comparative advantage to position a certain theme as a national priority?

Stakeholder Consultations should be carried out throughout the evaluation process.

- Tripartite constituents (government, employers, workers).
- Others stakeholders and implementation partners eg. Governments and other UN agencies, private sectors
- Intervention beneficiaries (workers and enterprises).

Comparative Analysis: Identify similarities, differences, and overarching patterns.

Field Visits (as feasible): On-site observations to assess intervention implementation and outcomes. It is estimated that at least 2 countries will be visited on-site, while others will be covered via document review and remote data collection.

Main deliverables

1. **Deliverable 1: Inception report.** The inception report will include among other elements, a *brief key stakeholders' analysis* (importance of each stakeholder) and proposed list of key

stakeholders to be interviewed, the evaluation questions and data collection methodologies and techniques, the *analytical framework*, the evaluation tools (interview, guides, questionnaires, etc.), proposed countries to be visited (if and where possible) with clear justification of the selection, work plan and dates for deliverables based on the objectives of this evaluation. The inception report should have a specific sub-set of questions for the in-depth study. The finalization of selected country visits will be done in consultation with the Evaluation Manager, and proposed schedule of field visits (if these are possible) or remote interviews. The instrument needs to make provision for the triangulation of data where possible. The evaluator will prepare an inception report as per the ILO Checklist 3: Writing the inception report.

2. Deliverable 2: Stakeholders workshop/Debriefing on the findings to ILO. Evaluation findings that are based on facts, evidence, and data. This precludes relying exclusively upon anecdotes, hearsay and unverified opinions. Findings should be specific, concise and supported by triangulation of quantitative and qualitative information derived from various sources to ensure reliability, validity and generalizability.
3. Deliverable 3: Cluster Evaluation report (draft and final report) with evaluation summary. The Draft Evaluation Report should include action-oriented, practical and specific recommendations assigning or designating audiences/implementers/users. The Draft Evaluation Report should be prepared as per the ILO Checklist 4.2: Preparing the Evaluation Report which is annexed in this ToR. The Draft Evaluation Report will be improved by incorporating the Evaluation Manager's comments and inputs. The Final Evaluation Report shall be submitted with the evaluation summary using the template for executive summary annexed to this TOR. The evaluator will incorporate comments received from the ILO and other key stakeholders in the final report. The report should be finalised as per the ILO Checklist 4.2: Preparing the Evaluation Report, which is annexed in this TOR. The quality of the report and evaluation summary will be assessed against the ILO Checklists 4.2, 4.4 and 4.9 listed under the Annex of this ToR. The report shall draw aggregate findings and common issues by established evaluation criteria (relevance, coherence, effectiveness, efficiency, impact) based on the country assessments as per the TOR.

All outputs of the evaluation must be produced in English. All drafts and the final report including other supporting documents, analytical reports and raw data should be provided in electronic version compatible with WORD for windows. The cluster evaluation report should not be more than 35 pages excluding the case study on Afghanistan and other annexes. Ownership of the data from the evaluation rests jointly between the ILO and the Evaluator. The copyrights of the evaluation report rests exclusively with ILO. Key stakeholders can make appropriate use of the evaluation report in line with the original purpose and with appropriate acknowledgement.

Management Arrangements and Work Plan

Evaluation Management – Role and responsibilities

An ILO Regional Evaluation Officer– Ms. Pamornrat Pringsulaka of the ILO Regional Office for Asia and the Pacific, Bangkok, Thailand will manage the evaluation process and the quality assurance. The Evaluation Manager (EM) responsibilities include managing the respective contract with the evaluation consultant(s), consulting on methodological issues and facilitating access to primary and secondary data. The EM will be also responsible for the following tasks:

- Prepare the TOR and ensure consultation with all key stakeholders before TOR is finalized
- facilitate and recruit independent evaluator(s);
- ensure proper stakeholders involvement;

- approve the inception report;
- review and circulate draft and consolidate comments from key stakeholders
- review and submit the final report to ILO Evaluation Office for approval;
- disseminate final report.

The ILO Evaluation Office, at ILO HQ will approve the final report. The evaluation report will be considered final only when it is approved by ILO Evaluation Office.

Role and responsibility of Country Office team: The responsible staff of ILO Country Offices will handle all arrangements with the chosen evaluator and provide any logistical and other assistance as required. The RBSA funded intervention management team will be responsible for the following tasks:

- Provide RBSA funded interventions' background materials,
- Prepare a list of recommended interviewees,
- Obtain relevant approvals and consent from key stakeholders to undertake evaluations and interviews,
- Help in schedule meetings for field visits (if applicable) and coordinating in-country logistical arrangements,
- Be interviewed and provided inputs as requested by the evaluator during the evaluation process,
- Review and provide comments on the draft evaluation reports,
- Provide logistical and administrative support to the evaluator, including travel arrangements (if applicable) and all materials needed to provide all deliverables.

Evaluator(s)

The Evaluation Manager will recruit an independent evaluator(s) to conduct this evaluation. The evaluator(s) will be an external independent person or entity. The evaluation team leader will be responsible for all deliverables mentioned above.

Responsibilities of the evaluator

- Providing guidance and definition of roles and tasks in this evaluation throughout the evaluation phases and ensuring quality control and adherence to ethical guidelines,
- Defining the methodological approach and drafting the inception report (including all data collection tools), producing the preliminary findings presentation, draft reports and drafting and presenting a final report,
- Providing any technical and methodological advice necessary for this evaluation,
- Ensuring the quality of data (validity, reliability, consistency and accuracy) throughout the analytical and reporting phases. This includes consultation with all key stakeholders,
- Ensuring the evaluation is conducted per TORs and timeline, including following ILO and UNEG guidelines, methodology and formatting requirements and adheres to evaluation report quality standards: as referred to above,
- Liaising with the evaluation manager,
- Facilitating meetings with stakeholders (scheduling, debriefing and/or stakeholders' workshop),
- Be flexible on the evaluation timeline if it takes longer time and effort to complete the interviews/data collection through remote methods,
- Contributing to the report dissemination and communication (if any) by participating in webinars, and
- Supporting or providing inputs to evaluation communication products.

Desired competency and qualification of the evaluator

- At least 10 years experience in evaluations of the UN and multi-lateral agencies with experience as evaluation team leader;
- Contextual knowledge of the UN and ILO
- Experience in qualitative and quantitative evaluation methods and an understanding of issue related to validity and reliability;
- Knowledge in gender and non-discrimination, and understanding of ILO, tripartism, social dialogue will be advantage
- Adequate technical specialisation – demonstrate knowledge and expertise in social protection, informal economy and formalisation
- Fluency in spoken and written English
- Previous work experience in Asia and the Pacific Region will be an advantage

The estimated level of effort is approx. 40 working days. The duration of work will be from May to Aug 2025.

Indicative time frame and responsibilities

Tasks/ Responsibilities	Responsible person	Time frame (by end)	Level of effort
Preparation of the TOR –draft	Evaluation manager	Early Jan 2025	
Preparation of list of stakeholders with E-mail addresses and contact numbers	ILO CO Offices	By end Jan 2025	
Finalization of the TOR	Evaluation manager (EM)	End March 2025	
Call for EOIs	ILO EM	April 2025	
Selection of Evaluator	Evaluation Manager	June 2025	
Contracting Evaluator	ROAP	By June 2025	
Brief evaluators /document reviews/preparation of inception report	Evaluation manager and relevant COs	Early July 2025	6 days
Inception report submitted	Evaluators	July 2025	
Data collection and debriefing to ILO	Evaluators	July/August 2025	21
Draft report submitted to Evaluation manager	Evaluators	Mid Sep, 2025	10

Tasks/ Responsibilities	Responsible person	Time frame (by end)	Level of effort
Sharing the draft report with all concerned stakeholders for comments	Evaluation Manager	Mid Sep 2025	
Consolidated comments on the draft report, send to the evaluator	Evaluation Manager	End Sep 2025	
Finalisation of the report and submission to Evaluation Manager	Evaluators	Mid Oct 2025	3
Submission of the final report to ILO Evaluation Office	Evaluation Manager	Oct 2025	
Approval of the final evaluation report	ILO Evaluation Office	Oct 2025	

Resources: Funding will come from the RBSA M&E budget, estimated resource requirements at this point include

- a professional fee for the evaluator (s)
- travel cost and DSA (where relevant) as per the ILO rules and regulations
- actual communication cost (in case of virtual meeting e.g. telephone or skype calls if needed)

Legal and Ethical Matters

The evaluation will comply with UN Norms and Standards. The evaluator will abide by the [EVAL's Code of Conduct](#) for carrying out the evaluations. UN Evaluation Group (UNEG) ethical guidelines will be followed. The evaluator should not have any links to project management, or any other conflict of interest that would interfere with the independence of the evaluation.

Evaluators should have personal and professional integrity and abide by the [UNEG Ethical Guidelines](#) for evaluation and the Code of Conduct for Evaluation in the UN system to ensure that the rights of individuals involved in an evaluation are respected. Evaluators must act with cultural sensitivity and pay particular attention to protocols, codes and recommendations that may be relevant to their interactions with women. Evaluators will be expected to sign the respective ILO Code of Conduct to show that they have read and understood the UNEG Code of Conduct for Evaluation in the UN System process.

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

Annex

4. All relevant UNEG and ILO evaluation guidelines and standard templates

- [ILO policy guidelines for results-based evaluation: Principles, rationale, planning and](#)

- [managing for evaluations 4th edition](#)
- [Code of Conduct for Evaluation in the ILO](#) (to be signed and returned by evaluator to the evaluation manager)
- [Protocol on collecting evaluative evidence on the ILO's COVID-19 Response measures through project and programme evaluations](#)

Guidance Notes

- ✓ [Guidance Note 3.1 Integrating gender equality in monitoring and evaluation of projects](#)
- ✓ [Guidance Note 3.2 Adapting evaluation methods to the ILO's normative and tripartite mandate](#)
- ✓ [Guidance Note 3.3 Strategic clustered evaluations to gather evaluative information more effectively](#)
- ✓ [Guidance Note 4.3 Data collection methods](#)
- ✓ [Guidance Note 4.5 Stakeholder engagement](#)
- ✓ [Guidance Note 5.5 Dissemination of lessons learned and good practices](#)

EVAL Checklists and Templates for the Evaluator:

- ✓ [Checklist 4.8 Writing the inception report](#)
- ✓ [Checklist 4.2 Preparing the evaluation report](#) [including the templates for completing [lessons learned](#) and [emerging good practices](#), as well as the templates for the title page and [executive summary](#)
- ✓ [Checklist 4.3 Filling in the title page](#)
- ✓ [Checklist 4.4 Preparing the Evaluation Report Summary](#)
- ✓ [Checklist 4.5: Documents for Project Evaluators](#)
- ✓ [Checklist 4.9 Rating the quality of evaluation report](#)

Annex 3. Evaluation matrix

Table 6. Relevance criterion questions

QUESTION	SUB-QUESTIONS	METHODS & SOURCES	INDICATORS
How well do the interventions align with the national priorities and strategies of each country concerning formalization and social protection particularly in promoting gender equality and social inclusion?	To what extent does each intervention align with the country's policies and strategies on formalisation and social protection?	- Desk research on national strategies and on intervention objectives - Interviews with ILO staff and stakeholders	Extent to which the intervention objectives and outcomes align with objectives laid down in strategic documentation. Extent to which respondents perceive that the interventions align with the national policy and strategies on formalisation and social protection.
	To what extent does each intervention align with stakeholders' priorities regarding formalisation and social protection?	- Desk research on organisational priorities and on intervention objectives - Interviews with ILO staff and stakeholders	Extent to which the intervention objectives and outcomes align with objectives laid down in organisation's strategies/mission. Extent to which respondents perceive that the interventions align with their priorities on formalisation and social protection. Extent to which respondents were consulted in the design of the intervention activities
	To what extent do the interventions align with priorities and policies linked to gender equality and social inclusion?	- Desk research on gender equality and inclusion in policies, and on intervention objectives - Interviews with ILO staff and stakeholders	Extent to which the intervention objectives meet, or exceed, gender equality objectives laid down in policy documentation. Extent to which respondents perceive that the interventions align with their policies and priorities linked to gender equality and social inclusion.
To what extent do the interventions address the unique challenges faced by women, youth, and marginalized groups in the informal economy?	To what extent do the interventions align with the specific needs of women?	- Desk research on challenges faced by women, and on intervention design - Interviews with ILO staff and stakeholders - FGDs with beneficiaries	Existence of background research/needs assessments done to inform the interventions. Extent to which the activities and approaches of the interventions address directly the challenges faced by women, as identified in literature. Extent to which respondents perceive that the activities are gender-sensitive and address the main challenges faced by women
	To what extent do the interventions align with	- Desk research on challenges faced by youth, and on intervention design	Existence of background research/needs assessments done to inform the interventions

QUESTION	SUB-QUESTIONS	METHODS & SOURCES	INDICATORS
	the specific needs of youth?	- Interviews with ILO staff and stakeholders - FGDs with beneficiaries	Extent to which the activities and approaches of the interventions address directly the challenges faced by youth, as identified in literature Extent to which respondents perceive that the activities address the main challenges faced by youth
	To what extent do the interventions align with the specific needs of groups identified as specifically vulnerable in their country context?	- Desk research on challenges faced by women, and on intervention design - Interviews with ILO staff and stakeholders - FGDs with beneficiaries	Existence of background research/needs assessments done to identify vulnerable groups and inform the interventions Extent to which the activities and approaches of the interventions address directly the challenges faced by specific vulnerable groups, as identified in literature Extent to which respondents perceive that the activities address the main challenges faced by vulnerable groups
Are the interventions' objectives aligned with global priorities such as the Sustainable Development Goals (SDGs), particularly SDG 8 (Decent Work) and SDG 1 (No Poverty)?	To what extent do the interventions align with SDG 8?	- Desk research on SDG8 indicators and intervention design	Extent to which intervention objectives and outcomes align with specific indicators and objectives of SDG 8
	To what extent do the interventions align with SDG 1?	- Desk research on SDG1 indicators and intervention design	Extent to which intervention objectives and outcomes align with specific indicators and objectives of SDG 1
	To what extent do the interventions align with other global or regional objectives, e.g. of ASEAN and the Global Accelerators?	- Desk research on global and regional objectives on formalisation and social protection, and on intervention design - Interviews with ILO staff	Extent to which intervention objectives and outcomes align with specific objectives of global and regional strategies on social protection and formalisation. Examples of other global/regional objectives that the interventions contribute to, as provided by documentation and mentioned by respondents.

Table 7. Coherence criterion question

QUESTION	SUB-QUESTIONS	METHODS & SOURCES	INDICATORS
Are the intervention objectives consistent with the ILO's strategic priorities on formalization, social protection, and advancing equality for marginalized groups?	To what extent were the interventions designed to contribute to the P&B?	- Desk research on the P&B 22-23 and 24-25, and on the intervention objectives	Extent to which the intervention objectives and outcomes align with the objectives of both P&B rounds.
	To what extent were the interventions designed to contribute to each country's CPO?	- Desk research on the CPOs of each country and on the intervention objectives - Interviews with ILO staff	Extent to which the intervention objectives and outcomes align with the objectives of the CPO. Extent to which respondents perceive that the intervention aligned with the objectives of the CPO.

QUESTION	SUB-QUESTIONS	METHODS & SOURCES	INDICATORS
	To what extent were the interventions designed to contribute to the implementation of ILO Recommendation 204?	- Desk research on Rec. 204 and on intervention objectives	Examples of approaches and strategies of interventions aligned with recommendations and instructions from Rec.204.
Did the interventions maintain internal coherence to ensure an integrated approach to formalisation?	To what extent did interventions rely effectively on the support of different Decent Work technical staff?	- Desk research on intervention implementation and meeting minutes - Interviews with ILO staff	Examples of coordination and exchange with different technical specialists reported in documentation and by respondents Extent to which respondents perceive that interventions relied effectively on the support of multiple ILO specialists.
To what extent did the interventions leverage partnerships with other ILO projects and other organizations in the countries to enhance results?	To what extent did the interventions manage to holistically implement different components, toward an integrated approach	- Desk research on intervention implementation - Interviews with ILO staff and stakeholders	Examples of coordination among ILO staff and interaction between activities, as reported in documentation and by respondents Extent to which respondents perceive that the interventions were implemented through an integrated approach Examples of siloed implementation of activities.
	To what extent did each intervention explore synergies with other ILO efforts in the country?	- Desk research on intervention implementation - Interviews with ILO staff	Examples of joint activities, coordinated efforts, and interactions of the intervention with other ILO efforts, reported in documentation and by respondents Extent to which respondents perceive that the intervention managed to create synergies with other ILO efforts.
	To what extent did each intervention explore synergies with intervention of other UN/NGO efforts?	- Desk research on intervention implementation - Interviews with ILO staff	Examples of joint activities, coordinated efforts, and interactions of the intervention with other UN/NGO efforts, reported in documentation and by respondents Extent to which respondents perceive that the intervention managed to create synergies with UN/NGO efforts in the same area.
	Did the interventions benefit from effective coordination mechanisms to enhance opportunities for synergies?	- Desk research on coordination meetings, mechanisms - Interviews with ILO staff	Existence of dedicated tools to coordinate with other ILO/UN efforts and explore synergies Extent to which respondents perceive that sufficient mechanisms were in place to facilitate exploring synergies
	Did the interventions interact with other RBSA interventions in the region, under	- Desk research on meetings, exchanges - Interviews with ILO staff	Examples of exchanges between ILO intervention staff, reported in documentation and by respondents Extent to which respondents perceive that sufficient exchange took place

QUESTION	SUB-QUESTIONS	METHODS & SOURCES	INDICATORS
	"Transition to Formality"?		Extent to which respondents perceive that exchange was necessary.

Table 8. Effectiveness criterion questions

QUESTION	SUB-QUESTIONS	METHODS & SOURCES	INDICATORS
To what extent did the interventions achieve their intended results under the three outcome streams, particularly in terms of gender equality and social inclusion?	To what extent did the interventions contributed to strengthened policy frameworks and e-gov systems to facilitate formalisation and expansion of social security coverage?	- Desk research on intervention implementation and policy documents - Interviews with ILO staff and stakeholders	Examples of updated / newly designed policy frameworks and strategies for formalisation and social protection Examples of newly designed e-government systems to facilitate formalisation Extent to which respondents perceive that ILO's intervention contributed to strengthened policy frameworks and e-systems for formalisation and social security
	To what extent did the interventions strengthen sector-specific, gender-sensitive approaches to formalisation and social security coverage?	- Desk research on intervention implementation and sector strategies - Interviews with ILO staff and stakeholders	Examples of adopted sector strategies for formalisation and social protection Extent to which respondents perceive that ILO's intervention contributed to strengthened sector policies Extent to which strategies reflect on needs and approaches targeted to women
	To what extent did the interventions contribute to increased formalisation by beneficiaries, particularly women?	- Desk research on intervention implementation - Interviews with ILO staff and stakeholders - FGDs with beneficiaries	Examples of beneficiaries who formalised their activity after participating in the ILO training, particularly women Extent to which beneficiaries report increased knowledge and awareness about formalisation and social security Share of beneficiaries reporting increased interest in formalising their business
What barriers or challenges hindered the implementation of intervention activities, especially for women and marginalized groups and how were they addressed to	What factors hindered the implementation of the interventions?	- Desk research on intervention implementation - Interviews with ILO staff and stakeholders	Factors hindering or delaying implementation, most commonly reported in intervention documentation and by respondents
	What factors hindered the interventions from creating benefits for women and marginalised groups?	- Desk research on intervention implementation - Interviews with ILO staff and stakeholders - FGDs with beneficiaries	Factors hindering the participation of women, mostly commonly reported in documentation and by respondents Factors hindering women from formalising, even after the ILO intervention, as reported in documentation and by respondents
	Did the interventions take sufficient measures to mitigate or address these challenges?	- Desk research on intervention implementation	Examples of measures taken to enhance the intervention's benefits for women, and enhance their equal participation, as reported in documentation and by respondents

QUESTION	SUB-QUESTIONS	METHODS & SOURCES	INDICATORS
ensure equitable outcomes?		- Interviews with ILO staff and stakeholders - FGDs with beneficiaries	Extent to which respondents perceive that ILO took sufficient measures to mitigate the challenges.
To what extent were the strategies or approaches used effective in contributing to the Global Accelerators through formalization and social protection, particularly for women, youth, and marginalized groups in the informal economy?	To what extent were the strategies/approaches effective to support the Roadmaps of Cambodia and Viet Nam in their role as pathfinder countries for the Global Accelerator on Jobs and Social Protection for Just Transitions?	- Desk research on Road Maps of Viet Nam and Cambodia, and on intervention results - Interviews with ILO staff and stakeholders	Extent to which the reported results in both countries align with, and contribute directly to the objectives of the Road Map Extent to which respondents perceive that the intervention results contributed to objectives under the Road Map.
	To what extent were the strategies/approaches of interventions in other countries effective to contribute to objectives of the Global Accelerator on Jobs and Social Protection for Just Transitions?	- Desk research on the Global Accelerator and on intervention results - Interviews with ILO staff and stakeholders	Extent to which the reported results in the countries align with, and contribute directly to objectives of the Global Accelerator. Extent to which respondents perceive that the results support the countries to achieve objectives of the Global Accelerator.

Table 9 Efficiency criterion questions

QUESTION	SUB-QUESTIONS	METHODS & SOURCES	INDICATORS
How effectively have the interventions utilized their financial and human resources to achieve the intended outputs?	Did the interventions' budget align with the expected outcomes?	- Desk research on intervention design and allocated budget - Interviews with ILO staff	Extent to which respondents perceive that the budget aligned with the expected results, and that the budget was sufficient to achieve the results. Extent to which respondents perceive that the funded activities were sufficient to create the expected results.
	Did the interventions manage to create savings?	- Desk research on intervention budget - Interviews with ILO staff	Examples of costs lower than planned, as shown in the final budgets and as reported by respondents Examples of approaches to savings, reported by respondents
	Did the interventions identify cost-sharing opportunities with other ILO interventions?	- Desk research on intervention implementation - Interviews with ILO staff	Examples of joint activities and shared financial input to these activities, as reported in documentation and by respondents

QUESTION	SUB-QUESTIONS	METHODS & SOURCES	INDICATORS
	Did the interventions leverage digital technology to enhance cost-effectiveness?	- Desk research on intervention implementation - Interviews with ILO staff and stakeholders	Extent to which respondents perceive that the use of digital technology enhanced the results, and the number of beneficiaries engaged in the intervention. Extent to which respondents perceive that the use of technology enhanced the efficiency of the intervention's implementation
	Did the interventions benefit from sufficient human resources in terms of technical capacity and division of work?	- Desk research on intervention implementation and available staff - Interviews with ILO staff	Extent to which respondents perceive that sufficient (technical) staff was available to implement the activities Examples of gaps in staff resources, reported by respondents or in documentation Extent to which the allocated staff aligned with the technical and logistical needs of the project.

Table 10. Impact criterion questions

QUESTION	SUB-QUESTIONS	METHODS & SOURCES	INDICATORS
To what extent have the interventions created signs of impact towards increased formalisation and social protection coverage?	To what extent did the interventions contribute to enhanced resilience of economic units and workers, through decreased informality and increased social security coverage?	- Desk research on intervention implementation - Interviews with ILO staff and stakeholders - FGDs with beneficiaries	Extent to which targeted areas demonstrate a decrease in informality and increase in social security coverage, evidenced by statistics or other sources Extent to which respondents perceive a decrease in informality and increase in social security coverage Extent to which beneficiary respondents perceive increased resilience as a result of formalisation
	To what extent did these results emerge particularly for women, youth, and marginalised groups?	- Desk research on intervention implementation - Interviews with ILO staff and stakeholders - FGDs with beneficiaries	Extent to which results regarding decreased informality and increased social security coverage apply equally to women, youth, and other vulnerable beneficiaries Extent to which respondents perceive that the intervention was equally impactful for women, youth, and marginalised groups.
	To what extent did the interventions advance progress towards the CPOs?	- Desk research on CPOs and intervention results - Interviews with ILO staff	Examples of results contributing directly to the CPO objectives, as reported in documentation and by respondents.
What unintended positive or negative consequences have emerged	Did the interventions create any unintended positive results?	- Desk research on intervention implementation - Interviews with ILO staff and stakeholders - FGDs with beneficiaries	Examples of positive achievements outside the expected results and intervention logic, most commonly reported in documentation and by respondents

QUESTION	SUB-QUESTIONS	METHODS & SOURCES	INDICATORS
from the interventions?	Did the interventions create any unintended negative results?	- Desk research on intervention implementation - Interviews with ILO staff and stakeholders - FGDs with beneficiaries	Examples of negative results outside the expected results and intervention logic, most commonly reported in documentation and by respondents
	Did the interventions take measures to mitigate the negative results (if any)?	- Desk research on intervention implementation - Interviews with ILO staff and stakeholders - FGDs with beneficiaries	Examples of mitigation measures taken, as reported in documentation and by respondents Extent to which respondents perceive that ILO took sufficient measures to mitigate negative impact.

Table 11. Sustainability criterion questions

QUESTION	SUB-QUESTIONS	METHODS & SOURCES	INDICATORS
Are the outcomes of the interventions likely to be sustained after intervention completion?	Do stakeholders have sufficient capacity to maintain the results?	- Desk research on intervention results - Interviews with ILO staff and stakeholders	Examples of (increased) capacity of stakeholders aligned with the achieved results, reported in documentation and by respondents. Extent to which respondents perceive that stakeholders have sufficient knowledge, skills, tools, etc. to maintain the results
	Do stakeholders perceive sufficient ownership of the results?	- Desk research on intervention results - Interviews with ILO staff and stakeholders	Examples of ownership among stakeholders, e.g. through commitments, follow-up initiatives, and related signs, as reported in documentation and by respondents Extent to which respondents perceive that stakeholders have sufficient ownership and willingness to maintain the results
	Do stakeholders possess sufficient resources to maintain the results?	- Desk research on intervention results - Interviews with ILO staff and stakeholders	Examples of resources (dedicated budget allocations, staff, departments, etc.) available to maintain the results Extent to which respondents perceive that stakeholders have sufficient resources to maintain the results
What factors contribute to or hinder sustainability?	What factors may contribute to sustainability of the results?	- Interviews with ILO staff and stakeholders - FGDs with beneficiaries	Examples of factors supporting the sustainability of the interventions, most commonly reported in documentation and by respondents
	What factors may hinder the sustainability of the results?	- Interviews with ILO staff and stakeholders - FGDs with beneficiaries	Examples of factors hindering the sustainability of the interventions, most commonly reported in documentation and by respondents

Annex 4. Evaluation schedule

The evaluation was conducted along **three main phases**: 1) inception phase, 2) data collection 3) reporting and finalisation.

	July				August				Sept				Oct			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Kick-off call with ILO																
Initial desk research and interviews																
Elaboration of the methodology																
Submission of the Inception Report																
Feedback and resubmission of the IR																
Online interviews																
Field visits																
Analysis and reporting																
Submission of the Draft Report																
Receipt of feedback																
Stakeholder workshop																
Resubmission and finalisation																

Annex 5. Documents reviewed

Project documentation

RBSA proposal “Promoting the transition to formalization through integrated approaches in Cambodia”.

RBSA Proposal - Fostering the transition to formality of informal workers and informal businesses in Mongolia through the implementation of an integrated approach to promote policy coherence, utilisation of technologies to access information and business development services

RBSA proposal “Enabling Sectoral Pathways towards Formality for Vulnerable Workers, and Enterprises in Nepal's Informal Economy”

RBSA Proposal - Rise from multiple crises through the integrated formalization of informal economy with social protection and decent work in the Philippines

RBSA Proposal - Addressing informality in Viet Nam through policy coordination and sectoral action.

Nepal NPL/23/01/RBS project no. 109028 – Progress Update. 29 July 2025

Technical backstopping report. Formalize your business rollout. February-June 2025

Mongolia_Annex 1 Progress Monitoring_July 3.

PHL/23/01/RBS (109024) – Progress Monitoring. 30 June 2025

End-of-intervention Report Viet Nam.

KHM/23/01/RBS (109019) Promoting the transition to formalization through integrated approaches in Cambodia. Final Report – February 2025

MNG/23/01/RBS (109033) Fostering the transition to formality of informal workers and informal businesses in Mongolia. Progress report 31 May 2025.

Background documentation

ILO (2024) ILO Brief: Workers in the Cambodian informal economy: Insights into labour statistics from the 2019 LFS

ILSSA (2024) Research report: Informal employment in Viet Nam through a gender lens

Danish Trade Union Development Agency: The Philippines Labour Market Profile 2023/2024

DSWD. Social Protection Plan 2023-2028.

ILO & UNDP (2023) Understanding the paths to formalization in Cambodia: an integrated vision.

ILO Programme and budget for the biennium 2022–23.

ILO (2021) Informal employment in Viet Nam: Trends and determinants.

ILO (2021) The state of informal employment in Mongolia: Survey report

Labour Force Survey. National Statistical Office, Government of Nepal. 2018

PSA. 2018 Informal Sector Survey

Updated Philippine Development Plan 2017-2022.

ILO Recommendation 204 “Transition from the Informal to the Formal Economy Recommendation”, 2015

UN Secretary-General's *Our Common Agenda*

Annex 6. List of interview respondents

Table 12. Stakeholder interviews

#	Organization	# of respondents	Country	Gender of participants
1	Ministry of Labour	2	Nepal	Two males
2	Department of Labour and Occupational Safety	2	Nepal	Two males
3	Social Security Fund	1	Nepal	One Male
4	Workers' Organisations	4	Nepal	Three Male, one Female
5	Federation of Nepalese Chambers of Commerce & Industry	1	Nepal	One Male
6	FNCCI women's helpdesk	1	Nepal	One Male
7	Dangadhi Municipality	1	Nepal	One Male
8	Sudurpashchim Provincial Ministry of Social Development	1	Nepal	One Female
9	Mongolian Employers Federation	2	Mongolia	One Female, one Male
10	Confederation of Mongolian Trade Unions	3	Mongolia	Two Female, one Male
11	Mongolian National Chamber of Commerce and Industry	2	Mongolia	Two Female
12	Khaan Bank	2	Mongolia	One Female, one Male
13	Ministry of Labour and Social Protection	2	Mongolia	Two Female
14	General Authority for Social Insurance	5	Mongolia	Three Female, two Male
15	United Nations Development Programme	1	Cambodia	One Male
16	Cambodia-Australia Partnership for Resilient Economic Development	1	Cambodia	One Male
17	General Secretariate of National Social Protection Council, Ministry of Economy and Finance	2	Cambodia	Two Males
18	Coordinating Committee on the Development of the Informal Economy, Ministry of Industry, Science, Technology and Innovation	1	Cambodia	One Female
19	Alliance of Workers in the Informal Sector	1	Philippines	One Female
20	Department of Labor and Employment - Bureau of Workers with Special Concerns	6	Philippines	Four female, two male
21	Municipal and Agriculture and Fisheries Office Siargao	1	Philippines	One Male
22	PAIG IBIG Mutual Development Fund	1	Philippines	One Male
23	PhilHealth Pasig	1	Philippines	One Male
24	PhilHealth Siargao	1	Philippines	One Female
25	Quezon Public Employment Service	2	Philippines	One Female, one Male
26	Quezon Small Business and Cooperatives Development Office	2	Philippines	One Female, one Male
27	Freelance consultant	1	Viet Nam	One Male

Table 13. ILO staff interviews

#	Staff member	Office
1	Steven Tobin	ILO ROAP
2	Ravindra Chanaka Samithadara	ILO ROAP
3	Andre Bongestabs	ILO Kathmandu
4	Saurabh Shah	ILO Kathmandu
5	Chang-Hee Lee	ILO Mongolia (CO-Beijing)
6	Bolormaa Purevsuren	ILO Mongolia

7	Munkhtogtokh Davvadorj	ILO Mongolia
8	Tergel Ariunbilegt	ILO Mongolia
9	Xiaoyan Qian	ILO Cambodia
10	Sophorn Tun	ILO Cambodia
11	Helen Kirsch	ILO Cambodia
12	Giulio Bordon	ILO Cambodia
13	Sutida Srinopnikom	ILO Cambodia
14	Jie Yu Koh	ILO Cambodia
15	Mx. Yuki Otsuji	ILO Cambodia
16	Ingrid Christensen	ILO Viet Nam
17	Nguyen Ngoc Trieu	ILO Viet Nam
18	Nguyen Thi Huyen	ILO Viet Nam
19	Khalid Hassan	ILO Philippines
20	Hideki Kagohashi	ILO Philippines
21	Carlos Andre da Silva Gama Nogueira	ILO Philippines
22	Sandra Yu	ILO Geneva

Table 14. Beneficiaries' consultations

#	Country	Type of beneficiaries / activity	# of participants	# of female participants
1	Nepal	FYB trainers FGD	3	Two Female, one Male
2	Nepal	Interviews with FYB beneficiaries	3	One Female, two male
3	Mongolia	One FGD and two interviews with FYB trainers	13	Nine Female, four Male
4	Mongolia	Two FGDs with FYB beneficiaries	10	Eight Female, Two Male
5	Philippines	One FGD in Quezon with business registration beneficiaries	4	Four Female
6	Philippines	One FGD in Siargao with business registration beneficiaries	3	Three Female

Annex 7. Questionnaires

ILO questionnaires

Each interview commenced with an introduction by the evaluator, explanation of the purpose of the interview, and explanation of the privacy and anonymity of the interview.

The following questions were formulated to address staff directly involved in the intervention. The questions will be phrased differently for Country Directors and ILO Technical Staff, to align with their specific roles and engagement.

Introduction

Could you briefly introduce yourself, your role, and your involvement in the XXX project?

RELEVANCE

1	Can you describe how the intervention was designed? Which factors influenced the choice of priorities, activities etc? <i>Follow-up prompts regarding national policies, stakeholder priorities and stakeholder consultations</i>	Coordinators / Officers
2	Did you conduct any background research or needs assessment of the target groups and location? How did you select both? Besides women and youth, which groups are most vulnerable or marginalized in your country in relation to formalization and social security? Were they identified and targeted in the intervention?	Coordinators / Officers All

COHERENCE

3	In what way was the intervention designed to contribute to the CPO? How does it align with the CPO objectives?	All
4	Did you request and receive support from ILO specialists? Which specialists and in which areas? <i>If relevant:</i> How did you integrate the feedback from different specialists? Did the feedback and suggestions align or contradict each other?	Coordinators / Officers
5	How did you ensure coherence among the different dimensions of the intervention, to ensure the intervention applied an integrated approach to formalization and social security coverage?	Coordinators / Officers
6	Did you coordinate the intervention with other ILO initiatives in the country? How? Is there a mechanism to facilitate collaboration?	All
7	Did you communicate or exchange with other countries who received RBSA funding for Transition to Formality? Why (not)?	All

8	Did you coordinate the intervention with other UN initiatives in the country? How? Were there mechanisms to facilitate collaboration?	All
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EFFECTIVENESS

9	What do you see as the main results toward the expected COUNTRY OUTCOMES? How did the intervention contribute to these achievements	All
10	Do you perceive that women and marginalized groups benefitted equally from the intervention? Did they perceive any barriers to participate in the interventions or apply the results?	All
11	<i>For Viet Nam and Cambodia:</i> How do the results of the intervention link with the country's RoadMap under the Global Accelerator on Jobs and Social Protection for Just Transitions? Were the intervention's approaches useful for the Road Map? Did they create any lessons learned? <i>For the others:</i> Is your country interested in or working towards the objectives of the Global Accelerator on Jobs and Social Protection for Just Transitions? Was the intervention helpful somehow to stimulate this progress?	All
12	Did you experience any challenges in the implementation of the intervention? Any factors that caused delays? What measures did you take to address the challenges and mitigate delays?	All

EFFICIENCY

13	Do you think the budget was sufficient considering the intended results and objectives of the intervention? Was the intervention sufficiently ambitious, though realistic considering the budget?	All
14	Did you manage to create any savings or implement activities more efficiently than expected? <i>Prompts: Cost-sharing with other ILO or UN efforts; use of technology to enhance efficiency and effectiveness</i>	Coordinators / Officers
15	Do you think you had enough staff resources to implement the activities efficiently? If not, what type of staff was missing?	All

IMPACT		
16	Can you already see a decrease in informality and increase in social security coverage among the areas and target groups of the intervention? How do you see that?	All
17	Did the intervention contribute to the achievement of the CPOs?	All
18	Did you see any positive and/or negative impact stemming from the intervention? If negative, how did you mitigate these results?	All
SUSTAINABILITY		
19	Do you think stakeholders are able to maintain the results of the intervention, in terms of their capacity, resources, but also willingness?	All
20	What factors do you expect to influence the sustainability of the intervention? Both positively and negatively	All
CLOSURE		
21	What do you see as the main lessons learned from the intervention? Could they be applicable to other interventions as well?	All
22	Did you observe any good practices that other interventions in the country or region could apply as well?	All
23	Any final comments?	All

Stakeholder interviews

The following questionnaire formed the generic basis for stakeholder interviews, but were tailored for each interviewee based on the activities they were involved in and based on the specific intervention and its objectives in each country.

Each interview commenced with an introduction by the evaluator, explanation of the purpose of the interview, and explanation of the privacy and anonymity of the interview.

Introduction

Could you briefly introduce yourself, your role, and your involvement in the XX project?

RELEVANCE		
1	Were you consulted for the design of the intervention? Does it align with your organisation's main priorities?	All
2	What do you think are the main barriers for people to formalize their work or business? Are there specific barriers faced by: - Women - Youth - Marginalised groups	All
3	Do you think the ILO intervention activities aligned with the main policies and strategies of the government, in relation to formalization and social security coverage?	Tripartite partners
4	Do you have any specific priorities or policy objectives related to gender equality and inclusion of marginalized groups? Do you think the ILO intervention contributed to achieving those?	All
COHERENCE		
5	Do you work with ILO on other projects related to formalization and social security? Do these activities interact and build on each other or does the XXX intervention take place as standalone effort?	All
6	Do you work with other UN organisations on formalization and social security? Do those efforts complement the ILO intervention or do you see duplications?	All
EFFECTIVENESS		
7	What progress have you seen in terms of COUNTRY OUTCOMES? How did the ILO intervention contribute to achieving these results? Did the intervention help you coordinate better with other institutions regarding topics on transition to formality? Do you think these results are equally beneficial for women, youth and marginalized groups?	All
8	Which other efforts/projects of ILO helped to achieve these results? <i>E.g. related to social protection, support to trade unions, simplification of registration procedures, linking government databases, etc?</i>	All

9	Did you see any activities or approaches of the intervention that were less effective or did not work well? Did you discuss this with ILO? Did ILO make adjustments accordingly?	All
10	Did the ILO intervention contribute to your country's Road Map for the Global Accelerator on Jobs and Social Protection for Just Transitions?	Govt in Viet Nam and Cambodia

EFFICIENCY

11	Are you satisfied with the management of the intervention by ILO? Were you kept informed and were they easy to reach in case you had questions?	All
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IMPACT

12	As a result of the intervention, have you noticed a decrease in information and increase in social security coverage in the targeted areas? How did you notice this impact?	All
13	Did you see any other impact from the intervention, both positive and negative? <i>If negative:</i> Did ILO take measures to mitigate this negative result?	All

SUSTAINABILITY

14	Do you feel willing and capable of maintaining the results created by the intervention? Do you have the necessary skills and technical staff to maintain the results?	All
15	Does your organisation have sufficient resources to continue working on formalization and expansion of social security coverage?	All
16	What factors do you think will influence the sustainability of the intervention? Do you see any risks that the results would be undone? Particularly for formalised businesses?	All

CONCLUDING REMARKS

Is there anything I did not ask, that you would like to share/add?

All

FGDs with FYB trainers and beneficiaries

FGDs with FYB beneficiaries

Each FGD commenced with an introduction by the evaluator, explanation of the purpose of the FGD, and explanation of the privacy and anonymity of the FGD.

MAIN QUESTION ASKED BY THE EVALUATOR TOPICS TO DISCUSS DURING THE FGD

1. In this first part of this group discussion, we would like to hear about how you got involved in this project with the ILO in XXX

How did you learn about this support?

Guide the conversation to understand:

- How did they find out about the activities?
- Where ILO's outreach campaigns relevant for them?
- Do they know what the activities were for?

What led you to seek out/accept this type of support?

Guide the conversation to understand:

- Do they know about the rights and benefits of formalising a business?
- Have they tried to formalise their business before and/or had problems doing so?
- Have they had any positive/negative opinion about formalisation before the support (i.e., formalisation is costly or too complex)?
- Are there specific challenges that female business owners face? (*for the female FGD*)

What type of support did you receive from ILO to guide you in formalising your business?

Guide the conversation to understand whether the participants are familiar with one or more of the following:

- How many sessions did the training have?
- How long was each session?
- Did they attend each session?
- Did they receive any materials?

2. We would like to hear about your experience with the ILO's FYB trainings.

Did the workshops align with your needs and goals?

Guide the conversation to understand:

- Did the FYB training mention issues and challenges that are important for them as a (female) business owner?
- Was the training relevant to their business needs?
- Did it help to overcome/address challenges with formalization?
- Which part(s) were the most relevant or interesting?
- Which part(s) were less relevant or interesting?
- Did they formalize their business after the training?

How were the workshops implemented?

Guide the conversation to understand :

- Were the session length and detail level adequate? Could you follow it fully? Was it organised at a good time of the day?
- Were the speakers engaging?
- Was there an option to ask and discuss the topics together?
- Did the workshop address and meet the needs of women and caregivers in terms of timing and facilities chosen?
- Do you have any specific feedback to the implementation of the workshop?

3. We would like to know more about how the training/manual affected your business in the long term (if you had the training/received the manual more than a few months ago).

In general, do you think that the trainings / FYB manual

Guide the conversation to understand and ask for examples:

were beneficial for your long- or short-term economic success?	• Are they still operating formally? Did they grow as a business since their formalization? • How did the training help their business succeed, if at all? Did they learn any valuable skills? • Did formalizing their business have any benefits or challenges? Do they want to keep their business formally operating? • Are they facing any challenges in keeping your business formal? In particular for women.
Have you taken part in other projects/initiatives on the same topics? If yes, what? How were they different from this workshop?	Guide the conversation to understand: • If yes, what? How were they different from this workshop?

Do you have any other comments about the training and/or the ILO?

FGDs/interviews with FYB trainers

Each FGD commenced with an introduction by the evaluator, explanation of the purpose of the FGD/interview, and explanation of the privacy and anonymity of the FGD/interview.

**MAIN QUESTION ASKED TOPICS TO DISCUSS DURING THE FGD
BY THE INTERVIEWER**

In this first part of this group discussion, we would like to hear about how you got involved in this training of trainers with the ILO.

What makes informal business management more attractive for certain people than formal business?	Guide the conversation to understand: • Which groups of people might prefer informal business management? • What opportunities do they envisage that informal business management would give them?
What kind of challenges do you think people are facing when it comes to formalising a business?	Guide the conversation to understand: • Potential challenges: registration barriers, knowledge about business, knowledge about regulations, etc. • Are there any specific challenges women face in order to formalise a business?
What made you decide to take part in the FYB Training of Trainers?	Guide the conversation to understand: • How did they find out about the activities? • Why did they take part? • Do they know what the activities aimed to? • Have you worked with ILO before?

2. We would like to hear about your experience with the FYB training of trainers you took part in

Do you think the training content and approach aligned with the main needs and challenges of people establishing a business in country XX?	Guide the conversation to understand: • Was the training/manual relevant to people's business needs? • Which part(s) were the most relevant or interesting? • Which part(s) were less relevant or interesting? • Did the training include gender-specific considerations, e.g. related to timing and childcare? • Were you able to influence the training content based on your ideas and experiences?
How was the FYB training of trainers implemented?	Guide the conversation to understand: • Did you have prior knowledge on the topic of business formalisation? Did you learn anything new? • Were the session length and detail level adequate? Could you follow it fully? Was it organised at a good time of the day? • Were the speakers engaging? • Did the training address and meet the needs of women and caregivers in terms of timing and facilities chosen?

	Do you have any specific feedback to the implementation of the training?
Have you noticed any other organisations providing the same types of trainings?	Guide the conversation to understand and ask for examples: - Is this work of ILO overlapping with other initiatives? - Or is it unique?
3. We would like to know how the beneficiaries reacted to the training.	
Was the training suitable and interesting for the beneficiaries?	Guide the conversation to understand: - Did the beneficiaries seem to understand what you were teaching them? - Did the beneficiaries seem interested in the training? How did you perceive that? - Were the beneficiaries actively participating and engaged in the training?
Did you encounter any challenges during the trainings?	Guide the conversation to understand: - Did the beneficiaries continue to show up or did some of them drop out? - Were women beneficiaries able to participate equally or did they face barriers to participate? - Were there any elements missing in the training, that you think would have been relevant? - Did the beneficiaries ask any questions you could not answer?
Did the beneficiaries implement their new knowledge?	Guide the conversation to understand: - Did the beneficiaries follow-up with you to clarify any aspects of the training? - Did the beneficiaries inform you of their future plans regarding formalisation? - Did any beneficiaries inform you that they formalised their business?
Will you be able to, and are you planning to continue conducting FYB trainings? Why (not)?	
4. Closing questions.	
Is there anything you did not like about the training or something that ILO could improve? Do you have any other comments regarding business formalisation and the FYB training, that we did not ask?	

Annex 8. Lessons learned and good practices

Lessons learned

LESSON LEARNED ELEMENT	New working groups established under an intervention may be less likely to sustain
Brief description of lessons learned (link to specific action or task)	The introduction of new working groups is useful to ensure that a topic receives dedicated and focused attention of all stakeholders but has a higher risk of discontinuing if ILO as driving force closes the intervention. The continuity of such working groups is then completely dependent on (changing) political will and resources.
Context and any related preconditions	To support the work on formalisation, various interventions introduced new Working Groups to dedicate specific attention to the topic of formalisation from a holistic and multi-stakeholder perspective. Some stakeholders are concerned that other stakeholders are not sufficiently committed to maintain these WGs after the project.
Targeted users / Beneficiaries	Constituents and other national-level stakeholders
Challenges /negative lessons - Causal factors	Because the working group is newly introduced in the system, there is a clear commitment of stakeholders needed to ensure its long-term continuity, particularly in case of short-term projects where the WGs are not sufficiently integrated
Success / Positive Issues - Causal factors	
ILO Administrative Issues (staff, resources, design, implementation)	Consider in the design of future projects whether there are existing WGs to build on instead of new WGs, or how to sustain the new WG.

LESSON LEARNED ELEMENT	No systematic solutions or guidelines exist to ensure women's participation in FYB training
Brief description of lessons learned (link to specific action or task)	Although FYB trainers have tried to find solutions for women with children to participate in FYB, the results still show that some female participants had to drop out or could not enrol at all.
Context and any related preconditions	Barriers still exist for women with childcare duties to participate in FYB trainings, often due to the lack of resources of trainers to hire caregivers or provide other forms of support. There is a need for more tools and recommendations for trainers on how to address this issue.
Targeted users / Beneficiaries	Female business owners
Challenges /negative lessons - Causal factors	Female business owners face barriers in attending the training.
Success / Positive Issues - Causal factors	
ILO Administrative Issues (staff, resources, design, implementation)	ILO HQ teams responsible for FYB need to develop guidelines and other instructions and options that trainers can use to ensure women's participation.

LESSON LEARNED ELEMENT	Complex registration procedures and high taxes will continue to hinder formalization, despite the efforts of training and other support on awareness-raising
Brief description of lessons learned (link to specific action or task)	FYB trainings are of great value to address one of the key barriers to formalisation, namely awareness of registration procedures and social protection benefits. However, after the FYB trainings, beneficiaries still faced barriers to formalisation due to the complexity of registration procedures and the cost of taxes and contributions.
Context and any related preconditions	In the intervention countries, business registration is perceived as tedious and often requires businesses to visit multiple offices and fill in various forms. At the same time, the taxes are perceived as too high for small-and microenterprises who often have low income.
Targeted users / Beneficiaries	Informal business owners
Challenges /negative lessons - Causal factors	Despite the positive effects of the FYB training, true impact towards formalisation is limited due to the persisting barriers.
Success / Positive Issues - Causal factors	
ILO Administrative Issues (staff, resources, design, implementation)	Ensure that future projects include a clear focus on revision and simplification of registration procedures and taxation tranches.

Good practices

GOOD PRACTICE ELEMENT	Invite national and local guest speakers from relevant authorities to FYB trainings
Brief summary of the good practice (link to project goal or specific deliverable, background, purpose, etc.)	The invitation of national and local guest speakers from relevant authorities (tax, social insurance) ensured that FYB beneficiaries could receive detailed and practical information on how to register, and that all questions on these specific topics could be answered directly by the authority itself. It also enhances the alignment of the training with the local context and needs
Relevant conditions and Context: limitations or advice in terms of applicability and replicability	The FYB training is a global ILO training model, but should and can be adjusted to the local context of each country and locality where the training is implemented. Therefore, this can be replicated by any future project using the FYB methodology.
Establish a clear cause-effect relationship	The use of guest speakers on taxes, social protection and business registration directly enhanced the understanding of FYB beneficiaries on the different procedures.
Indicate measurable impact and targeted beneficiaries	Beneficiaries felt better able to register their business or sign up for social protection systems as a result of the guest speakers' inputs.
Potential for replication and by whom	Any ILO project globally can replicate this approach.
Upward links to higher ILO Goals (DWCPs, Country Programme Outcomes or	

ILO's Strategic Programme Framework)	
GOOD PRACTICE ELEMENT	Closely involve stakeholders as co-designers of interventions
Brief summary of the good practice (link to project goal or specific deliverable, background, purpose, etc.)	Co-designing or closely consulting key stakeholders enhances relevance, effectiveness and sustainability, by ensuring that the intervention fits into the existing policy work, fits into the capacities of stakeholders, and subsequently has a better chance of being funded through allocation of government budget
Relevant conditions and Context: limitations or advice in terms of applicability and replicability	This is possible in situations where there is sufficient flexibility from the donor to align the activities with stakeholder needs and sufficient time and opportunity for co-creation at the proposal and design stage.
Establish a clear cause-effect relationship	As stakeholders were closely involved in the design, they all praised the project relevance and noted that they cannot criticise any parts of the interventions as they co-designed them.
Indicate measurable impact and targeted beneficiaries	The interventions are more likely to be taken forward by stakeholders (and then create impact for beneficiaries) as the results fit well into existing actions of stakeholders and budget is available to ensure continued implementation
Potential for replication and by whom	By all ILO teams designing projects and have the space from donors to significantly align with stakeholder interests.
Upward links to higher ILO Goals (DWCPs, Country Programme Outcomes or ILO's Strategic Programme Framework)	
GOOD PRACTICE ELEMENT	Explore opportunities for mutual reinforcement and cost-sharing between ongoing projects (e.g. towards a ONE-ILO model)
Brief summary of the good practice (link to project goal or specific deliverable, background, purpose, etc.)	Close collaboration between projects enhances efficiency and reinforcement between activities, thereby enhancing potential impact. Integration of activities has led results from one intervention to feed into the design of the other, or allowed different interventions to provide one piece of the larger puzzle
Relevant conditions and Context: limitations or advice in terms of applicability and replicability	This is possible if there are multiple projects that touch (to some extent) on similar topics, but also if multiple projects focus on the same locality, allowing for staff sharing.
Establish a clear cause-effect relationship	Staff sharing and joint activities reduced the costs of both projects, and enabled projects to support each other and enhance impact
Indicate measurable impact and targeted beneficiaries	Eventually, strengthened efforts to the same objective can enhance and broaden impact for beneficiaries
Potential for replication and by whom	ILO project teams in countries with multiple ongoing projects

Upward links to higher ILO Goals (DWCPs, Country Programme Outcomes or ILO's Strategic Programme Framework)	
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