

## ILO EVALUATION

- Evaluation Title: Increased progress in attaining SDGs through the promotion of Decent Work and inclusive economic growth in rural and urban areas in Azerbaijan (AZE101)
- ILO TC/SYMBOL: AZE/16/02/RBS
- Type of Evaluation : Final Independent Evaluation
- Country(ies) : Azerbaijan
- Date of the evaluation: 30 November 2019
- Name of consultant(s): Leyla Shamchiyeva
- ILO Administrative Office: Decent Work Technical Support Team and Country Office for Eastern Europe and Central Asia (DWT/CO Moscow)
- ILO Technical Backstopping Office: DWT/CO Moscow
- Other agencies involved in joint evaluation: N/A
- Date project ends: 30 November 2019
- Donor: country and budget US\$ ILO Regular Budget Supplementary Account (RBSA), Azerbaijan \$857,100
- Evaluation Manager: Irina Sinelina
- Key Words: Decent work, SDGs, entrepreneurship

promotion

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

#### TABLE OF CONTENTS

ΕX	EC	UTIVE SUMMARY	4
1.		PROJECT DESCRIPTION AND BACKGROUND	.9
2.		EVALUATION OVERVIEW1	.1
3.		EVALUATION METHODOLOGY1	.4
4.		MAIN FINDINGS	.5
	4.1		.5
	4.2	2. VALIDITY OF INTERVENTION DESIGN	.6
	4.3	B. PROJECT ACHIEVEMENT AND EFFECTIVENESS	.7
	4.4	Resource efficiency	0
	4.5	5. EFFECTIVENESS OF MANAGEMENT ARRANGEMENTS	1
	4.6	5. IMPACT ORIENTATION AND SUSTAINABILITY OF THE INTERVENTION	2
	4.7	2. ILO cross-cutting policy drivers	3
		Gender equality and non-discrimination	3
		International labour standards	4
		Social dialogue	5
		Just transition to environmental sustainability	6
5.		CONCLUSIONS	7
6.		LESSONS LEARNED AND EMERGING GOOD PRACTICES3	8
7.		RECOMMENDATIONS4	0
8.		BIBLIOGRAPHY4	3
AN	N	EX 1: LIST OF STAKEHOLDER INTERVIEWS4	3
AN	N	EX 2 EVALUATION MATRIX4	4
AN	N	EX 3 ILO LESSONS LEARNED	5
AN	N	EX 4 TERMS OF REFERENCE4	7
AN	NE	EX 6 A COMPLETE LIST OF KEY PROJECT OUTPUTS BY TARGET GROUP5	4
٨N	N	EX 7 EVALUATOR RESUME5	6

#### Acronyms

ACT/EMP	The ILO Bureau for Employers' Activities
ACTRAV	The ILO Bureau for Workers' Activities
AER	The Annual Evaluation Report
ASK	The National Confederation of Entrepreneurs (Employers) Organizations of the Republic of Azerbaijan
ATUC	The Azerbaijani Trade Unions Confederation
CCPD	Cross-cutting Policy Drivers
СО	Country Office
СРО	Country Programme Outcome
DW	Decent Work
DWCP	Decent Work Country Programme
DWT	Decent Work Team
EMPLAB	The ILO Employment and Labour Market Policies Branch
ENTERPRISES	The ILO Enterprises Department
FAO	The Food and Agriculture Organization of the United Nations
ITC	The International Training Centre
M&E	Monitoring and Evaluation
MED	Ministry of Economic Development
MLSPP	Ministry of Labour and Social Protection of the Population
MNE	Multinational enterprises
MULTILATERALS	The ILO Multilateral Cooperation Department
P&B	Programme and budget
RO	Regional Office
SDG	Sustainable Development Goals
STATISTICS	The ILO Department of Statistics
UN	The United Nations
UNDP	The United Nations Development Programme

#### **EXECUTIVE SUMMARY**

#### Project background

The purpose of the project was to assist Azerbaijan in its progress towards the decent work-related Sustainable Development Goals (SDGs). Azerbaijan has committed to achieving the SDGs and established the National Coordination Council for Sustainable Development. To date country has accomplished tangible progress towards the SDGs, particularly in the area of poverty reduction, sustained economic growth and development and global partnership for sustainable development<sup>1</sup>.

The project benefited from and contributed to programmes in the ILO's wider country and regional portfolio in the framework of the ILO Programme & Budget 2018-2019 and the Decent Work Country Programme 2016-2020. The ILO partnered closely with other UN agencies in Azerbaijan (UNDP and FAO) to jointly promote the SDG agenda and deliver awareness raising and capacity building. This project was one of the key mechanisms to deliver this assistance to constituents in Azerbaijan. Its main objectives were to:

- 1. Develop capacities of constituents to design and implement policies, programmes and strategies in the realm of youth employment and formalization as the main SDGs accelerators in Azerbaijan.
- 2. Provide policy advice to strengthen the analytical and reporting capacities of the government to identify the progress and gaps in areas related to decent work agenda and the SDG 8.
- 3. Support the Azerbaijani constituents to actively engage in collaborative mechanisms and partnerships with national and international actors to exchange knowledge and improve the coordination of the activities aimed at achieving the SDGs.

The project was administered by the ILO Decent Work Team and Country Office for Eastern Europe and Central Asia (DWT/CO Moscow). The technical backstopping and overall management of the project was provided by a Senior Technical Officer based in Baku. The project benefited from part-time secretarial support in Baku and administrative and financial management support from Moscow. The project was implemented in close collaboration with the International Labour Office (ILO) Geneva and International Training Centre (ITC) in Turin.

#### Evaluation background

The purpose of the evaluation was to ensure accountability and support organizational learning. However, two years is not a sufficient timeframe to record any significant outcome-level changes such as the effects of capacity building or policy advice interventions. This limits the level of insight that an evaluation exercise can provide into outcomes achieved or contributed to as a result of RBSA-funded activities and outputs.

The scope of this independent evaluation was review of the action to achieve the Country Programme Outcome (CPO) AZE 101 "Increased progress in attaining SDGs through the promotion of Decent Work

 $<sup>^{\</sup>rm 1}$  Contributing towards the achievement of SDGs 1, 8, 16 and 17

and inclusive economic growth in rural and urban areas in Azerbaijan" (referred to as *the project*) and all its components and throughout the whole duration of the project. This project was funded from the unearmarked voluntary contributions by development partners (RBSA). RBSA is a flexible funding mechanism that is well suited to fund activities that contribute to ILO's ongoing technical support in the country.

The main clients of this analysis are the ILO management, technical specialists, staff and tripartite constituents.

An independent evaluation of the RBSA project was carried out between October and November 2019<sup>2</sup> in line with the accountability requirements for RBSA projects with a budget over \$750,000.

The evaluation covered all aspects of project design and implementation, as well as organisational and management arrangements.

The evaluation applied the OECD/DAC evaluation criteria of relevance, efficiency, effectiveness, sustainability and impact potential.

#### Methodology

This evaluation involved a desk review of around 200 project-related documents, including events concept notes, agendas and lists of participants, analytical reports and training material, and interviews with key stakeholders conducted both in person and remotely. The evidence from earlier stages of project implementation was lacking due to insufficient handover between project coordinators which changed in the first year of project implementation. Primary and secondary data were analysed and compiled into a draft report to which key stakeholders provided input. The final report incorporates the key stakeholders' feedback.

#### Findings

The evaluation concluded that all milestones have been achieved by the end of the biennium. Milestone 2 was due to be achieved in 2018 but was completed in 2019.<sup>3</sup> The project has delivered on its stated objectives as follows:

1. The project activities aimed at improving constituents' capacity to support the development of policy framework on youth employment and formalization are highly likely to have a lasting positive impact. The Start and Improve Your Business programme, the Enabling Environment for Sustainable Enterprises analysis and the transition to formality study have been instrumental in achieving this objective.

<sup>&</sup>lt;sup>2</sup> In accordance with the recommendation for RBSA evaluations issued by the Evaluation office in their Annual Evaluation Report (AER) 2012-2013, the final independent evaluation of this RBSA project was conducted towards the end of the DWCP, though separately from the DWCP evaluation. ILO (2016): "CPOs receiving major RBSA contributions or outcomebased funding should be evaluated in a timely manner, preferably towards the close of the DWCP, and even as part of a DWCP evaluation or DWCP reviews, to maximize the "use of evaluation".

<sup>&</sup>lt;sup>3</sup> Original timeframes indicated in the project proposal were shifted due to changes in project staff. Some of the milestones due to be achieved by the end of 2018 (M1 and M2) were achieved in 2019.

- 2. The Government's capacity to identify the progress and gaps in areas related to the DW agenda and SDGs is likely to have improved as a result of the project activities. MLSPP expressed confidence that the ILO-provided training strengthened the Government's ability to conduct quality progress assessments. ILO helped the Government identify gaps between national policy and international labour standards, which may lead to an expansion of social protection system in the country. The Government's ability to determine areas of improvement in the business enabling environment was further strengthened by ILO's EESE survey and analysis results.
- 3. The project played an important role in intensification of the constituents' engagement in the activities aimed at achieving the SDGs. As a part of a concerted one-UN effort, the project activities advanced the constituents' capacity to advocate for SDGs and decent work agenda and actively engage in constructive discussion between the UN and the Government around the SDGs. The evaluation found that the tripartite partners highly valued ILO contribution to the advancement of social dialogue in the country and in helping partners recognize its importance in the creation of more and better jobs, more inclusive labour market and a more business friendly environment. The project can be credited for this incremental success as in the past two years, it served as a key vehicle for ILO's efforts to strengthen the social partners' capacity to advocate effectively and in a coordinated manner for the inclusion of decent work issues in the national sustainable development plans.

#### Conclusions

The project capitalised on existing UN initiatives and DWCP activities, delivering good value for money. Presently, the most effective and efficient way to provide technical support to Azerbaijan is to focus on the capacity development activities, specifically in the area of international labour standards and entrepreneurship promotion. Programmes of this kind should be preceded by greater awareness raising among target beneficiaries. This will help the programme reach its target audience, improve uptake and impact contributing to its success.

Acknowledging the project achievements, the evaluation also identified two areas of improvement. The project made limited contribution to the advancement of important cross-cutting policy drivers (CCPD) on 1) environmental sustainability and 2) gender and non-discrimination. ILO technical support does and should continue to put CCPDs at the core of all its interventions. It is paramount that ILS advocacy, environmental sustainability and non-discrimination messages are clear, tailored to the beneficiary group, anchored in the context, practically applicable and pragmatic.

The project's output delivery in the area of capacity building support with national statistical data was constrained due to external factors. As a result, ILO technical support to the State Statistics Committee with the improvement of the Labour Force Survey (LFS) was lighter-touch than intended and limited to knowledge sharing.

#### Lessons learned

#### 1. Evaluability of RBSA interventions

RBSA is a flexible funding mechanism that is well suited to fund activities that contribute to ILO's ongoing technical support in the country. However, two years is not a sufficient timeframe to record any significant outcome-level changes such as the effects of capacity building or policy advice interventions. This limits the level of insight that an evaluation exercise can provide into outcomes achieved or contributed to as a result of RBSA-funded activities and outputs. The level of planning documentation of an RBSA project is quite light compared to a regular development cooperation intervention. It is important to find a balance in terms of efficiency and effectiveness when it comes to RBSA project documentation: the project management and associated documentation of the RBSA projects may be comparatively lighter touch, however this can be detrimental to the project's evaluability.

#### 2. Most effective way to provide technical support

The ILO technical support to Azerbaijan is multi-pronged and includes policy advice, capacity building and operational support. The project demonstrated that tailored technical support with a strong capacity building component, especially in the area of entrepreneurship promotion, was a most effective way to provide technical support – it was specific, targeted, aligned to the country priorities and largely apolitical. ILO technical support does and should continue to put CCPDs at the core of all its interventions. It is paramount that ILS advocacy, environmental sustainability and non-discrimination messages are clear, tailored to the beneficiary group, anchored in the context, practically applicable and pragmatic. ILO technical support that is specific and targeted, centred around CCPDs and with a strong capacity building component can have a layered benefit of delivering tangible impact to vulnerable groups, setting a foundation for environmentally sustainable practices, leading to higher adoption and positive spill-over effects, as well as further strengthening ILO's stance with its national partners. The capacity building component should be responsive to the country's needs and have a built-in sustainability mechanism, including linking it to other ILO and UN initiatives and ongoing technical assistance.

#### Recommendations

The final evaluation proposes recommendations for ILO to consider in the design and delivery of future RBSA initiatives:

Recommendation 1. Continue knowledge sharing and capacity building efforts with an adjusted format

To the extent possible, ILO capacity building interventions should be interactive, encouraging individual participation and critical thinking. Participation in the capacity building activities should be inclusive of the constituents in rural areas and empower them to represent the vulnerable groups they serve at the national policy level.

Recommendation 2. A more deliberate approach to gender and non-discrimination

Gender and non-discrimination considerations should be mainstreamed in all ILO interventions and adapted to Azerbaijan's context. Programmes in rural areas must be designed in a way that is considerate of the needs of women and persons with disabilities. Focus group discussion can be used

for preliminary assessment to decide on the most appropriate ways to accommodate the needs of women and persons with disabilities to enable them to effectively participate and benefit from entrepreneurship promotion courses..

Recommendation 3. Encourage and facilitate Azerbaijan's greater participation in the South-South development cooperation

The South-South development cooperation is a good vehicle to encourage and inspire positive change. Peer-to-peer exchange of best practices in a range of subjects traditionally seen as artificially imposed and thus infeasible can be highly effective. This includes approach to environmental sustainability, gender and non-discrimination but also the wider SDG agenda.

Recommendation 4. Greater priority to environmental sustainability

Future projects should give a greater prominence to the issue of environmental sustainability and mainstream it in all ILO interventions. Interactive seminars, workshops, blended learning and peer-learning can be a good tool of grounding environmental sustainability principles in the context of Azerbaijan, both in urban and rural areas.

#### 1. PROJECT DESCRIPTION AND BACKGROUND

The project was designed in line with the ILO Programme and Budget (P&B) 2018-2019, Policy outcome A (*Effective knowledge management for the promotion of decent work*), linking the expected results to the ILO support to constituents on targeted advocacy, communication and capacity development on SDGs. The project was designed to contribute to the advancement of four cross-cutting policy drivers (CCPDs), namely 1) gender equality and non-discrimination; 2) international labour standards; 3) social dialogue; and 4) just transition to environmental sustainability.

The relevant P&B indicators and associated criteria for success (measurement criteria) are as follows:

- I. Primary link to **Indicator A3**: *ILO constituents, multilateral and regional organizations and development partners advocate effectively and in a coordinated approach for the inclusion of decent work issues in national sustainable development plans and programmes and internationally agreed outcomes at the global and regional level.* 
  - a. Multi-stakeholder partnerships, including South–South and triangular partnerships, for the implementation of the Sustainable Development Goals advocate for decent work.
  - b. ILO constituents and development partners enabled to participate in national multistakeholder processes for implementation of the SDGs through ILO capacity building or other support.
  - c. ILO constituents advocate for decent work policies through inclusion of decent work in outcome documents, declarations and resolutions of multilateral and regional bodies.
- II. Secondary link to **Indicator A2:** *Member States strengthen labour market statistics and information systems using international statistical standards and report on SDG Global Indicator Framework.* 
  - a. National sustainable development strategies utilize the latest ILO research, statistics and analysis and are developed with the participation of ILO constituents.
  - b. National data collected and reported for at least half of the Tier I and II indicators for which the ILO is custodian in the Global Indicator Framework of the SDGs.

The project document outlined three main objectives (outcomes):

- 1. To develop capacities of constituents to design and implement policies, programmes and strategies in the realm of youth employment and formalization as the main SDGs accelerators in Azerbaijan.
- 2. To provide policy advice to strengthen the analytical and reporting capacities of the government to identify the progress and gaps in areas related to the decent work agenda and SDG8.
- 3. To support the Azerbaijani constituents to actively engage in collaborative mechanisms and partnerships with national and international actors to exchange knowledge and improve the coordination of the activities aimed at achieving the SDGs. The following milestones were defined towards the achievement of outcome:

The project document also identified intermediary results (milestones) to assist in measuring progress towards outcomes linked to the P&B measurement criteria, to which CPO is linked:

- 1. ILO constituents, in collaboration with other national stakeholders, have analysed labourrelated constraints and barriers to decent work and implementation of SDGs in Azerbaijan, by carrying out specific country assessments, research and data collection (linked to measurement criteria 2 and 3, Indicator A.2)
- 2. ILO constituents and development partners, independently and collectively, have raised awareness and been capacitated to effectively contribute to SDGs related processes through social dialogue and use of the ILO knowledge products (for monitoring and implementation) and policy-oriented research (linked to measurement criteria 2 and 3, Indicator A.2; and measurement criteria 3, Indicator A.3)
- 3. Institutional partnerships and collaborative mechanisms have been established with constituents, other national stakeholders and international organizations for knowledge exchange, effective coordination and collaboration for implementation of the SDGs, and become operational (linked to measurement criteria 2, Indicator A.3)
- Actions within the framework of the selected decent work accelerators economic diversification, youth employment, SMEs competitiveness and sustainability – are implemented by constituents and used to shape their further progress in achieving SDGs in Azerbaijan (linked to measurement criteria 3, Indicator A.3)
- 5. ILO constituents and other national stakeholders have advocated for decent work through the inclusion of decent work in national development strategies and programmes, as well as policy documents adopted by multilateral and sub- regional level (linked to measurement criteria 4, Indicator A.3).

The project design was informed by the constituents' priorities identified in the Decent Work Country Programme of the Republic of Azerbaijan (2016-2020) and contributed to the following Outcomes of the DWCP:

- Outcome 1.2 Active labour market programmes targeting young women and men are put in place and implemented by constituents:
  - Indicator 1. Number of programmes and measures for young job seekers designed with the technical support of the ILO and put in place
  - Indicator 2. Number of staff of the State Employment Service involved in advanced trainings to increase knowledge and skills in the field of providing quality services to young people
  - Indicator 3. Number of young people who got access to decent work opportunities as a result of the measures developed with the ILO support.
- Outcome 1.3 Self-employment labour market programmes are put in place and implemented by constituents.
  - Indicator 1. Number of programmes on self-employment developed and tested by the MLSPP, with the ILO support
  - Indicator 2. Number of unemployed and job-seekers who got access to training programmes/courses aimed at self-employment developed with the ILO support

- Indicator 3. Number of people who became self-employed as a result of training programmes.
- Outcome 3.3 Increased capacities of the ATUC to effectively represent and protect its members and influence socio-economic policies.
  - o Indicator 1. Number of workers covered by the collective agreements
  - o Indicator 2. Increased ATUC membership
  - o Indicator 3. Increased share of women in trade unions' decision-making bodies
  - o Indicator 4. Number of collective agreements concluded in the SMEs.
- Outcome 3.4 Increased capacities of ASK to provide sustainable services to undertake effective advocacy effort for its members.
  - Indicator 1. Number of adjustments made by ASK to its organizational and management practices
  - Indicator 2. Number of new and/or improved services developed and introduced by ASK for its members
  - Number of position papers and advocacy strategies for their promotion developed by ASK
  - Number of policy consultations and decision-making in the socio-economic sphere done with ASK's participation.

The intervention implementation period was mid-November 2017 – end November 2019, including an inception period (mid-November 2017 – mid-February 2018) for baseline data collection and other preparatory steps. The project was administered by the DWT/CO Moscow and implemented in close collaboration with MULTILATERALS, STATISTICS, ENTERPRISES, EMPLAB, RO/EUROPE, ACTRAV and ACT/EMP, and ITC-ILO (ITC / MULTILATERALS SDG training).

The technical backstopping and overall management of the project was provided by a Senior Technical Expert and supported by a part-time assistant based in Baku. An assistant based in Moscow provided administrative and financial support (a 50% cost-sharing arrangement with another project over a two-year period).

#### 2. EVALUATION OVERVIEW

This section describes the purpose and primary use of the evaluation, its scope, clients and the main audience of the report. It also lays out the evaluation criteria and questions,

#### Purpose

The purpose of the evaluation was to ensure accountability and support organizational learning.

The evaluation was commissioned by the ILO RO Moscow and conducted in the framework of the regional Regular Budget Supplementary Account (RBSA) Monitoring and Evaluation (M&E) plan for 2018-2019. This is in accordance with ILO Procedures stipulating that RBSA-funded outcomes are

subject to evaluation in order to examine the results achieved with RBSA resources and their contribution to broader ILO programming and country cooperation frameworks, including DWCPs<sup>4</sup>.

#### Scope

The scope of the assessment was the action to achieve the Country Programme Outcome (CPO) AZE 101 "Increased progress in attaining SDGs through the promotion of Decent Work and inclusive economic growth in rural and urban areas in Azerbaijan" (referred to as *the project*) and all its components.

Gender equality was addressed as a cross-cutting consideration throughout the methodology and deliverables. To the extent possible data collection and analysis was disaggregated by gender.

The evaluation took place over a 6-week period from 14 October to 30 November 2019 and covered all aspects of project design and implementation, as well as organisational and management arrangements based on established development cooperation policies and procedures in the ILO<sup>5</sup>. The purpose of the evaluation was to:

- Review the work done so far and assess the level of achievement of the stated objectives of the project/CPO AZE101;
- Assess the contribution of the project to the advancement of CCPDs, as well as the contribution to the achievement of other country programme outcomes in Azerbaijan, as may be relevant;
- Inform the next steps, and improve further programming in the area of SDGs (particularly SDG8), Decent Work accelerators and enterprise development;
- Provide technical inputs aimed at better defining the role of the ILO in relation to further strengthening of the capacity of the ILO constituents to effectively contribute to SDG-related processes and to promote the Decent Work agenda;
- Provide recommendations on steps to be taken to achieve better coordination and synergies with other UN family organizations for the implementation of 2030 agenda in Azerbaijan.

The evaluation was conducted in line with ILO Evaluation Office policies and procedures on independent evaluations<sup>6</sup>.

#### Clients

The main clients of this analysis are ILO management, technical specialists, staff and tripartite constituents. The insights generated by the evaluation are intended as technical input for future planning with ILO constituents, and in particular around the new DWCP for Azerbaijan beyond 2020.

#### Criteria and questions

A detailed set of evaluation questions was developed based on the OECD/DAC evaluation criteria of relevance, efficiency, effectiveness and impact orientation and sustainability of outcomes:

<sup>&</sup>lt;sup>5</sup> ILO Development Cooperation Manual

<sup>&</sup>lt;sup>6</sup> ILO Evaluation Policy (2017)

#### EVALUATION CRITERIA EVALUATION QUESTIONS

1. RELEVANCE	To what extent are the project objectives and approach relevant to the constituents' needs and country context?					
2. VALIDITY OF DESIGN	Did the project have a clearly articulated theory of change which was understood by all stakeholders?					
3. PROJECT ACHIEVEMENT AND EFFECTIVENESS	<ul> <li>What has been the progress in the achievement of the project outcomes?</li> <li>Has the constituents' capacity to support the development of policy framework in the realm of youth employment and formalization improved?</li> <li>Have the Government's capacities to identify the progress and gaps in areas related to the DW agenda and SDGs improved?</li> <li>Have the constituents' engagement, exchange of knowledge and coordination of the activities aimed at achieving the SDGs (i.e., their participation in national multistakeholder processes) improved?</li> <li>To what extent have the project activities taken into account and contributed to the advancement of four cross-cutting policy drivers (CCPDs)?</li> <li>What were the main constraints experienced by the project (both in terms of methodology and context)?</li> <li>What was the most effective and efficient way to provide technical support and follow up on the main areas tackled by the project?</li> </ul>					
4. EFFICIENCY OF RESOURCE USE	Have resources available (time, funds, partnerships, knowledge, expertise and tools/know-how) been used efficiently?					
5. EFFECTIVENESS OF MANAGEMENT ARRANGEMENTS	Was the project managed and monitored adequately? Was the technical, programmatic, administrative and financial backstopping from the project team adequate? Has the project capitalised on the existing ILO projects, products and initiatives to improve the project's effectiveness?					
6. IMPACT ORIENTATION AND SUSTAINABILITY	Are the results achieved likely to continue after the end of the interventions? Are they likely to produce longer-term effects and benefits to the target groups? Is it likely that the government will develop new policies, laws, regulations contributing to further progress in the areas tackled by the project?					
7. LESSONS LEARNED	What have been the lessons learned during the RBSA project implementation? What lessons could be drawn for future projects? What should be done differently in similar projects in the future based on the experiences from this project?					
8. RECOMMENDATIONS AND NEXT STEPS	What are the next steps to be undertaken? What is the best way to proceed? What would be the main issues to tackle? Which actors should be engaged and in what ways? What action might be needed to bolster the longer-term effects and to come to further policy measures generating a positive change?					

#### 3. EVALUATION METHODOLOGY

The evaluation had three distinct phases:

> Phase 1: Desk review

The desk review was based on the review of nearly 200 documents and material related to the project deliverables provided by the project team. The review process also included e-mail and phone contact with the ILO Evaluation Manager, DWT/CO Moscow, and in-person meetings with the project coordinator and the ILO National Coordinator in Azerbaijan. The aim of phase 1 was to identify key issues to focus on during phase 2.

#### > Phase 2: Interviews with key stakeholders

Phase 2 took the form of in-country research, including meetings with the ILO staff based in Baku (Project Coordinator, ILO National Coordinator) and tripartite constituents including government ministries, workers and employers organizations, and other relevant government institutions. Data was collected from individual interviews with key informants. Interviews were conducted both face-to-face and remotely.

#### > Phase 3: Report drafting and stakeholder feedback

This phase consisted of drafting the evaluation report, gathering and incorporating feedback on the findings, lessons learned and evaluation recommendations.

To strengthen the credibility of findings, the evaluation deployed a mixed methods approach which included analysis of both primary and secondary data. Qualitative information was obtained through a series of key informant interviews (KII) with stakeholders. See **Annex 1** for the complete list of interviewees. The KII took the form of a semi-structured interview following a KII interview guide. Quantitative data was drawn from written material generated by the project, including events attendee lists. To the extent possible, the data was disaggregated by sex. Information on other demographic categories was not available for this evaluation.

One of the limitations of the evaluation was the lack of evidence from earlier stages of project implementation. The project management changed in the first year of delivery and no proper handover to the new Project Coordinator took place. As a result, the rationalisation for some of the decisions concerning changes or adjustments from the originally proposed direction is patchy.

The following principles were applied during data collection and analysis:

- a) Methods of data collection and stakeholder perspectives were triangulated to the greatest extent possible.
- b) Gender and cultural sensitivity were integrated into both qualitative and quantitative data.

In addition, the participatory nature of the evaluation process was designed to contribute to the usefulness of the evaluation findings and to a sense of ownership among stakeholders. Stakeholder participation was ensured through:

- An orientation meeting at the outset of the evaluation and clearance of the evaluation methodology
- Project team and ILO DWT/CO Moscow review of the draft report
- Circulation of the draft report for comments
- Interviews with recipients of project services, including national stakeholders
- Interviews with key ILO staff at the DWT/ CO and UN staff in Baku

#### 4. MAIN FINDINGS

The findings are evidence-based and organized according to the evaluation questions: relevance and project validity, effectiveness and efficiency, management arrangements and impact and sustainability. Factors contributing to the extent to which the project achieved its objectives are identified and discussed. The project contribution to the advancement of the cross-cutting issues such as gender and inclusion, labour standards, social dialogue and environmental sustainability is also examined.

#### 4.1. RELEVANCE

To what extent are the project objectives and approach relevant to the constituents' needs and present country context?

This section examines the extent to which the project is consistent with beneficiaries' requirements, country needs, global priorities and partners' and donors' policies; the extent to which the approach is strategic and the ILO uses its comparative advantage.

The evaluation found that the activities and results under the CPO AZE101 *Increased progress in attaining SDGs through the promotion of Decent Work and inclusive economic growth in rural and urban areas in Azerbaijan (2017-19)* were highly relevant to the stated needs of the tripartite constituents in Azerbaijan. The Government was pleased that the project directly responded to the country's needs and priorities and expressed interest in continued capacity building support and more targeted and tailored programmes in the future.

The project was linked to the ILO P&B Enabling Outcome A *Effective knowledge management for the promotion of decent work*, and funded through the RBSA funding mechanism. The project proposal was designed by the DWT/CO Moscow and elaborated in consultations with ENTERPRISES, MULTILATERALS, STATISTICS, PARDEV, EMPLAB, RO/EUROPE, ACTRAV, ACT/EMP, and ITC-ILO. The project was further developed in close collaboration with the Government and social partners and fully aligned with the national development framework. The project document specifically refers to

"Azerbaijan 2020: Vision into the Future" development concept, "The State Programme on Social and Economic Development of the Regions for 2014-2018" and the National Employment Strategy 2017-2030.

Furthermore, the evidence of the relevance of project activities included explicit requests by, and active involvement of, the intended direct beneficiaries of the project's activities. The Government requested ILO's support with employment promotion activities aimed at youth, women and vulnerable categories of population, development of social protection and labour inspection systems and the ratification of international labour standards. The Employers' Organization requested ILO support to improve its institutional capacity to better serve its members and in the area of sustainable enterprise promotion. The Trade Unions requested the ILO support with the monitoring of progress towards SDG achievement.

#### 4.2. VALIDITY OF INTERVENTION DESIGN

Did the project have a clearly articulated theory of change which was understood by all stakeholders?

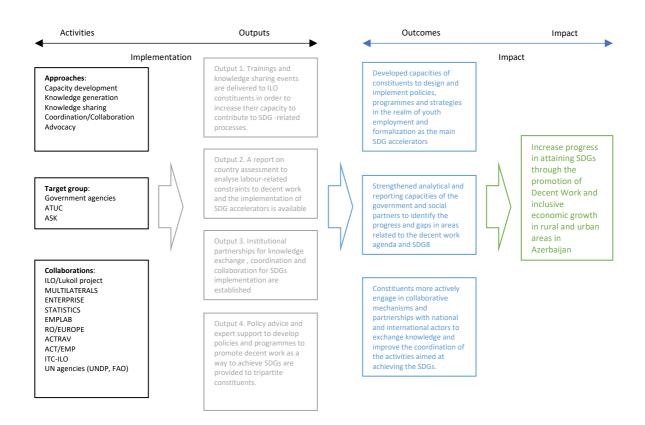
This section examines the logic of the interventions' design and causal linkages between outputs and the intended outcomes and the broader objectives. The project was developed by the DWT/CO Moscow and aimed to boost the constituents' engagement and influence in the SDG-related processes.

The evaluation found that all stakeholders largely endorsed the logical flow of the project and found the project objectives aligned to the needs of the Government and other ILO constituents in the country. The project's close link to DWCP ensured that constituents' stated priorities informed the RBSA proposal design. During the implementation, the project showed responsiveness to the beneficiaries requests, which further strengthened relevance of its interventions.

The project aimed to increase progress in attaining SDGs through the promotion of decent work and inclusive economic growth in rural and urban areas in Azerbaijan. This would be achieved through 1) developing capacities of constituents to design and implement policies, programmes and strategies in on youth employment and formalization; 2) providing policy advice to strengthen the analytical and reporting capacities of the government to identify the progress and gaps in areas related to the decent work agenda and SDG8; 3) supporting the constituents to actively engage in collaborative mechanisms and partnerships with national and international actors to exchange knowledge and improve the coordination of the SDG-related activities.

The pro forma RBSA project proposal comprises sections on A) DWCP Outcome and B) Risk Assessment Plan. The Section A describes how the interventions link to P&B Outcome and Indicators, the crosscutting policy drivers (CCPDs) and project description detailing national context and strategic fit, contribution to the 2030 Agenda in Azerbaijan and management arrangement and funding. This section of the proposal outlines milestones and major outputs. As defined in the guidance on "What to include in the SM/IP template for an RBSA submission", milestones are the intermediary results measuring progress towards the outcome/result to be achieved by the end of the biennium, linked to the measurement criteria under the indicator to which the CPO relates. Outputs on the other hand, are a description of what and how ILO will deliver to achieve the stated outcome. The Section B identifies risk associated with each major output, and the risk mitigation plan.

The project proposal has three objectives, five milestones supported by four major outputs and 15 activities. The project would benefit from articulating a Theory of Change (TOC) to better illustrate the relationships between these results and to build a coherent picture of ILO's contribution to SDG progress and linkages to DWCP and P&B. The ILO policy guidelines for evaluation advises that the reconstruction of a TOC based on the project documentation, facilitates the assessment of the project's achievements. An example of what a TOC for this project might look like (minus the assumptions) is presented below.



#### Figure 1. Reconstructed Theory of Change

#### 4.3. PROJECT ACHIEVEMENT AND EFFECTIVENESS

This section considers the extent to which the intervention's objectives were achieved, or are expected to be achieved.

The evaluation found that significant progress was made towards achieving the project's stated **objectives**:

### 1. The development of constituents' capacity to support the development of policy framework in the realm of youth employment and formalization:

The project provided extensive support for the Government's agenda on transition to formality, piloted a national self-employment programme and strengthened the public employment services' (PES) capacity to manage and implement rural youth entrepreneurship promotion activities in line with C88.

The project engaged the constituents in several capacity building and knowledge sharing activities around youth employment and formalization strategies, which the interviewed tripartite stakeholders found to be enriching and useful. A tripartite conference on international labour standards jointly organized by ILO and the Government of Azerbaijan emphasised the role of international labour standards in combating informality and realisation of the SDGs.

The ILO produced a research paper on Supporting the Transition from the Informal to Formal Economy in Azerbaijan. The paper generated great interest among the stakeholders and received much feedback, which delayed its publishing towards the very end of project implementation.

A tripartite round table was held on compliance strategy for informal economy and formalization in Azerbaijan as a part of a larger event on the ILO approach to strategic compliance planning.

Particularly popular was the ILO-offered Start and Improve Your Business training programme, which in Azerbaijan was targeted at rural youth. One of the objectives of this training programme was to educate young entrepreneurs on business regulation as a means of curbing informality. The capacity development aspect of SIYB training of trainers (ToT) was regarded as especially promising, though there are still issues with consistency in quality of training delivered by trainers. The programme is at an early stage of implementation with new trainers not yet ready to be certified as formal SIYB service providers. The main recipients of the ToT were the employers' organization staff and consultants who will eventually provide SIYB training services to the Government in the framework of state entrepreneurship promotion programme.

The project's concerted activities aimed at improving the constituents' capacity to support the development of policy framework on youth employment and formalization are therefore highly likely to be successful and lead to lasting impact.

### 2. The development of Government's capacity to identify the progress and gaps in areas related to the Decent Work agenda and SDGs:

It is difficult to conduct an evidence-based assessment of the Government's capacity to analyse progress towards decent work agenda and the SDGs, considering the short lifespan of the RBSA project. In the interviews, MLSPP expressed confidence that the ILO-provided training that the Ministry's staff received was beneficial and strengthened the Government's ability to conduct quality progress assessments but that there is a need in continued technical support in the area of international labour standards.

ILO helped the Government identify gaps between national policy and international labour standards and invited the Government to commit to strengthening and expanding social protection system in the country. The project shared knowledge on the ILO Social Protection Floor and key areas of social protection.

MLSPP expressed readiness to play a more active role in the South-South cooperation and share its expertise and best practice with peer countries with regard to youth employment and entrepreneurship promotion, and especially social dialogue.

The Government's ability to determine areas of improvement in the business enabling environment was further strengthened by ILO's EESE analysis results and the continuous consultations with social partners.

# 3. Strengthening constituents' engagement in collaborative mechanisms and partnerships with national and international actors, exchange of knowledge and coordination of the activities aimed at achieving the SDGs:

The project contributed towards this objective by investing in social dialogue mechanisms and building the capacity of trade unions and employers' organizations to carry out SDG progress monitoring and analysis process using the ILO SDG web platform and other tools. Achievement of this objective is evident in the fact that the ILO constituents submitted recommendations to the Government based on the Second SDG Voluntary Report.

The recommendations will shape future collaboration with the Government and the UN in the area of SDGs. As a testimony to their commitment to participating in the SDG-related processes, the ILO constituents will continue engaging on SDG-related issues in the framework of the UN Sustainable Development Cooperation Framework Steering Committee and Advisory Group to continue the dialogue around SDG monitoring and evaluation results.

#### **Milestones delivery**

The five intermediary results (milestones) identified in the project proposal relate to the four outputs that contribute to the three project's outcomes (objectives). All milestones have been achieved by the end of the biennium. Milestone 2 was due to be achieved in 2018 but was completed in 2019.<sup>7</sup>

Intermediary results	Target group	RAG <sup>8</sup>	Achievement
Milestone 1. Country assessments, research and data collection to analysed barriers to decent work and implementation of SDG. By December, 2018	ILO constituents		The Employers' Organization (ASK) set up a tripartite collaborative mechanism to translate the recommendations of the Enabling Environment for Sustainable Enterprises survey and analysis into action and contribute to the achievement of decent work and SDGs.
Milestone 2. Raised awareness and capacity to use social dialogue and ILO knowledge products to effectively contribute to SDG processes and policy-oriented research. By December, 2018	ILO constituents		ILO constituents demonstrated awareness of the importance of social dialogue. During project implementation, they regularly engaged in social dialogue around SDG-related processes and have set up collaborative mechanisms to follow up by monitoring and reporting on progress.
Milestone 3. Knowledge exchange, coordination and collaboration in implementation of SDGs through operationalized institutional partnerships and collaborative mechanisms. By April, 2019	ILO constituents		ILO constituents have committed to engage in the UN Sustainable Development Cooperation Framework Steering Committee and Advisory Group as a collaborative mechanism for implementation and monitoring of SDGs.
Milestone 4. Implementation of actions on economic diversification, youth employment, SME competitiveness and sustainability. By September, 2019	ILO constituents		SIYB programme for rural youth rolled out. Training of trainers in SYIB completed; currently 140 training beneficiaries are in the process of developing business plans.

<sup>&</sup>lt;sup>7</sup> Original timeframes indicated in the project proposal were shifted due to changes in project staff. Some of the milestones due to be achieved by the end of 2018 (M1 and M2) were achieved in 2019.

<sup>&</sup>lt;sup>8</sup> RAG rating – Red, Amber and Green, where red is "not achieved", amber is "partially achieved", green is "achieved".

Milestone 5: Advocacy for inclusion of decent work in national development strategies, programmes, policy documents adopted by multilateral partners at sub- regional level. By November, 2019	ILO constituents		Decent work and SDG seminars for young trade unionists in Azerbaijan's regions.
---	---------------------	--	---

#### Output-level achievements

Output-level achievements are detailed below, followed by a section examining the extent to which project activities taken into account and contributed to the advancement of the four cross-cutting policy drivers.

### Output 1. Capacity development of the ILO constituents to effectively contribute to SDG-related processes in the country.

Overall, the capacity of the ILO constituents to effectively contribute to SDG-related processes in the country has increased as a result of the project interventions. Constituents have received training on decent work and 2030 Agenda and are well versed in the SDGs and their indicators. Key documents have been translated into Azeri and widely shared in the capital in the regions. Social partners have a better understanding of their role in SDG monitoring and reporting and are able to effectively contribute to SDG-related processes.

1.1 Technical support to Trade Unions Confederation (ATUC) and the National Confederation of Entrepreneurs' Organizations (ASK) to increase its institutional and technical capacities to advocate for decent work agenda, in the context of SDGs, using the Decent Work for Sustainable Development Resource Platform and the Trade Union Reference Manual on the 2030 Agenda for Sustainable Development - December 2017 – December 2018

#### Status: Achieved

The institutional and technical capacities of Azerbaijani trade union and employers' (entrepreneurs') organization significantly improved thanks to project activities. The timeframe of activities shifted from 2018 to 2019 due to changes in the project staff but were finalised before project completion. The Trade Union Reference Manual on the 2030 Agenda for Sustainable Development was translated, published and disseminated as planned. The constituents participated in the ILO-ITC training on Decent Work and the 2030 Agenda for Sustainable Development where they learned to use the Sustainable Development Resource Platform. This knowledge was used in the preparation of social partners' recommendations to the Second SDG Voluntary Report.

Institutional capacity of the Employers' Organization was strengthened through a comprehensive change management programme. The programme comprised capacity building, survey and strategic

analysis, performance management and compensation structure training. This was delivered in response to ASK's request for ILO support with organizational management to better serve its members. The Customer Oriented Service and CRM database training enabled ASK to improve internal and external communication, introduce new services for the members and further grow the organization's membership. The findings and recommendations of the organisational strategic analysis were summarised in a report on the basis of which ASK and ILO jointly developed an action plan. A senior management group was established at ASK to follow through with the action plan. The beneficiaries found this support to be very valuable allowing the participants to critically assess their own performance and identify areas of improvement. It is too early to assess the extent to which ASK's institutional capacity improved as a result of the project's support but ASK management are determined to ensure that this learning translates into positive impact for the organization, its members and the wider business community. As a stronger and more representative organization, ASK believes they will be better placed to advocate for decent work agenda and SDGs.

1.2 Capacity-building of the newly created National Tripartite Commission for Economic and Social Affairs to ensure effective social dialogue in the country and active engagement of workers and employers in economic and social policy-making January 2018 – March 2019

#### Status: Achieved

The activities under this output were achieved to budget and largely to schedule. The ILO organized a conference to mark the organization's centenary that was widely attended by the ILO national and regional tripartite constituents, other business representatives and the UN. The conference fostered social dialogue and encouraged active engagement of social partners in the policy making. It included a panel on social dialogue and partnership where constituents shared experience of their collaboration in the framework of the National Tripartite Commission for Economic and Social Affairs, as well as their expectations for the future.

ILO organized a conference on Social Protection and Sustainable Development, which despite its technical focus emphasized the importance of social dialogue in policy making. The constituents agreed to put a social protection action plan in place. This work will continue with ILO's assistance beyond the life of the project.

1.3 Provision of technical tools for the implementation of measurement of the progress on SDGs linked to the labour market, measured through the Global Indicator Framework, following already established methodologies by the ILO Department of Statistics. Based on the Microdata from quarterly Labour Force Survey, derive key labour market indicators in order to measure SDG indicators beyond the ones already published. In particular, this could include (but not limited to) the development of a methodology to measure informal sector and informal employment (SDG 8.3.1) in line with international recommendations and based on available variables in the LFS. Azerbaijan currently does not report data to the ILO on this indicator.

#### Status: Partially achieved

A major constraint faced by the project in the course of implementation was in the area of labour market information designed and delivered jointly with the ILO STATISTICS and contributing to

capacity development of the ILO constituents to advance SDGs. At this stage, the State Statistics Committee deems it unfeasible to provide open access to Labour Force Survey microdata and it is unclear if this will change in the near future.

The project facilitated meetings between the ILO Department of Statistics and the State Labour Statistics Committee to discuss the ILO's support to the Committee with the LFS implementation. The objective of this support was to revisit the survey in line with the latest international standards and good practice taking into consideration the SDG decent work indicator. To this end, ILO delivered a presentation to the Committee staff on the recent developments in the international statistical standards with relevance to the national LFS, covering the main changes introduced by the 19<sup>th</sup> ICLS to the concept of employment, the new measures of labour underutilization and the new international classification of status in employment (ICSE-18) adopted by the 20<sup>th</sup> ICLS.

### Output 2. Carrying out specific country assessments to analyse labour-related constraints and barriers to decent work and the implementation of the SDG accelerators in Azerbaijan.

This output was achieved mainly through rolling out the EESE methodology that generates valuable data and provides analysis of market constraints and economic inefficiencies in the country. The study on informality in Azerbaijan added depth to the assessment of the country context. This knowledge is essential to develop targeted measures to implement SDG accelerators and overcome barriers to decent work.

2.1 Technical support to constituents in assessing specific sectors of the economy to identify market constraints, economic inefficiencies and decent work deficit and identify the ways to improve the performance as well as the productive inclusion of youth in those specific sectors. South-South knowledge sharing will be utilized as a means to learn from best practices in countries with similar characteristics. By July 2018

#### Status: Achieved

The ILO provided technical support to the Ministry of Agriculture with the decent work deficit and value chain analysis in the agriculture sector and shared ILO approach and tools. The analysis is due to be conducted in the next biennium. As a follow up to this work beyond the life of the project, the DWT/CO Moscow is developing tailored training courses on value chain analysis for the tripartite constituents in collaboration with the ENTEPRISE department.

The EESE report (Output 2.3) contributed to this activity in that it helps identify market constraints and inefficiencies by economic sectors.

The project facilitated South-South knowledge sharing between Azerbaijani social partners and their counterparts from Uzbekistan, Albania, Bosnia-Herzegovina and Moldova who were invited to attend events in Baku. The evaluation established that Azerbaijani Government is keen to continue such exchange in the future willing to share emerging good practices in the area of entrepreneurship promotion, youth employment and social dialogue.

2.2 Research on key youth employment issues and challenges, in the specific context of Azerbaijan, in collaboration with EMP/POL. April 2018 – September 2019, funded by the Lukoil's Youth Employment project.

#### Status: Achieved

The ILO produced a research paper on Supporting the Transition from the Informal to Formal Economy in Azerbaijan, one of the Government's priority issues when it comes to youth employment. The report received extensive feedback from the national constituents in Azerbaijan which caused a delay with publishing. The final version of the report is expected to be translated, published and disseminated to the ILO constituents before the end of the biennium (2018-2019).

2.3 Assessment of the business environment in Azerbaijan by implementing the EESE methodology and through the involvement of ILO's tripartite constituents in collaboration with ENTERPRISE. Analysing the business environment and providing relevant data to inform policy-makers in the process of policy design. By September 2018

#### Status: Achieved

The ILO provided technical assistance to the employers' organization (ASK) in the area of enabling environment for sustainable enterprise (EESE) by sharing the ILO methodology and tools. EESE survey was identified by ASK as a priority with the view to develop position papers on specific sectors to inform policy design. After the EESE methodology training, ASK conducted four focus group discussions to prioritise pillars (thematic areas) for the survey. Nine areas were identified for an indepth investigation. This investigation involved a primary survey and was conducted by a local implementing partner recruited competitively through a bidding process. The primary survey covered 500 companies and was disaggregated by sector, sex, size, regions and other criteria, which allowed for a representative sample to be extrapolated.

The process was consultative and carried out in close collaboration with the Ministries of Economy and Labour and the confederation of trade unions. The secondary survey was conducted by an external expert and covered four key areas (economic, social, political and environmental). The final report included both the analyses of primary and secondary data as well as recommendations to the Government of Azerbaijan on improvement of business environment in the country. The results and recommendations of the report were presented to and validated by 200 participants at a conference attended by the government representatives, social partners and other business organization, as well as the UN. ASK will establish a working group comprising the employers' organizations and the Ministries of Economy, Labour, Agriculture and Education and potentially the Ministry of Environment to follow up on the select recommendations of the report.

## Output 3. Establishment of the institutional partnerships and collaborative mechanisms, including through the National Coordination Council for Sustainable Development, for knowledge exchange, effective coordination and collaboration for implementing the SDGs in Azerbaijan.

The project succeeded in galvanizing knowledge exchange and effective collaboration among the constituents, members of the National Coordination Council (NCC) for Sustainable Development. The

delivery was in large part aided by project activities under other outputs. Multiple tripartite events organized under the project reinvigorated social dialogue and contributed to the work of the NCC. The constituents also established a multi-stakeholder steering committee to oversee the implementation of recommendations for the improvement of the business enabling environment.

3.1 Promotion of selected ILO tools on Decent Work and SDGs (such as the brochure "Decent Work and the 2030 Agenda for Sustainable Development"), the SDG Note Series through the National Coordination Council for Sustainable Development, other UN Agencies and development partners; translation into Azeri/ Russian and printing. January – April 2018

#### Status: Achieved

The "Decent Work and the 2030 Agenda for Sustainable Development" brochure was translated into Azerbaijani language and printed in 200 copies. It will be disseminated among the constituents, the UN, and the Ministry of Economy – currently in charge of the National Coordination Council for Sustainable Development. The brochure is intended to raise awareness of decent work and the SDG agenda and anchor it in the national policy making.

3.2 Capacity-building of the ILO constituents and development partners in Azerbaijan, in close collaboration with MULTILATERALS, to integrate the ILO decent work agenda, including the ILO cross-cutting policy in SDG-related debates, national development plans and programmes, as well as in monitoring and reporting on progress on SDGs. March-November 2018

#### Status: Achieved

The project delivered capacity building to ILO constituents to integrate the decent work agenda in national development plans and in monitoring and reporting on progress on SDGs. The ILO funded the constituents to participate in the ITC course on "Decent Work and the 2030 Agenda for Sustainable Development: How to Achieve the Sustainable Development Goals through Decent Work" in Turin. The courses were attended by 11 tripartite constituents representatives with an even gender representation. The course attendants were trained to use the ILO web platform on SDGs and other tools to underpin the SDG progress monitoring and analysis process.

ILO and ATUC jointly organized a conference on "Decent Work for Sustainable Social-Economic Development". The conference was tripartite and covered the role of workers' organizations in the successful implementation of the SDGs, the collective responsibility of tripartite constituents in tackling informal economy and responding to the challenges of the future of work. ATUC presented their strategy to promote decent work in the context of SDG implementation for validation and discussion of the way forward.

The project supported the Azerbaijani constituents in preparation of a high-level conference on SDGs attended by the ILO Director General in Baku in May 2018. This high-level visit reinforced the Government's and social partners' commitment to the ILO decent work agenda and SDGs. The project also built the constituents' capacity in the area of international labour standards, social protection and formalization. At this early stage it is not possible to determine to what extent this capacity

building will influence national development plans but it has already contributed to the constituents' capacity to apply a decent work lens in SDG monitoring and reporting processes.

3.3 Further development of the regional cooperation networks, including youth employment network, by applying voluntary peer review methodology, regular meetings, high-level events and awareness raising activities. January 2018 – December 2019, funded by the Lukoil's Youth Employment project.

#### Status: Achieved

In the framework of the second phase of the Lukoil-funded 'Partnerships for Youth Employment in the Commonwealth of Independent States', the project produced a comprehensive toolkit for peer reviews, youth labour market analysis and comparative good practices on youth employment. The project provided support for the Government's agenda on transition to formality, piloted a national self-employment programme and strengthened the public employment services' (PES) capacity to manage and implement rural youth entrepreneurship promotion activities.

The Presidential Reserve Fund has now assumed the sponsorship for the rural youth entrepreneurship programme; the SIYB-trained youth will be prioritised for access to funds of the Presidential Reserve Fund to ensure sustainability and scale of the newly formed enterprises. Azerbaijan had a chance to share its best practices in the area of youth employment and entrepreneurship promotion in the framework of a regional cooperation with Moldova, Uzbekistan, Bosnia-Herzegovina and Albania.

3.4 Facilitate the establishment of a working platform to engage private sector companies (particularly multinationals) in actions contained within the MNE declaration, with particular focus on the creation of decent jobs for youth and the promotion of the DW agenda in Azerbaijan. January-July 2018

#### Status: Partially achieved

The project translated the MNE Declaration into Azeri, disseminated it to the tripartite constituents and held a seminar for tripartite constituents on the declaration and its actions. Acknowledging the project's efforts to facilitate the engagement of the private sector in the consistent implementation of the actions recommended in MNE declaration<sup>9</sup>, the evaluation could not determine that the project activities succeeded in establishing a "working platform" that systemically brings together private sector partners around the issues of the MNE declaration and catalyses action. The work in this area is in its nascence and ongoing efforts beyond the life of this project will be necessary to achieve the desired result.

Output 4. Support to tripartite constituents to develop policies and programmes aimed at promoting the selected decent work accelerators in Azerbaijan as a means to achieve SDGs.

<sup>&</sup>lt;sup>9</sup> The ILO funded an ASK representative to participate in the course on "Multinational Enterprises, Development and Decent Work: The Approach of the ILO MNE Declaration"

Through this project, ILO supported the tripartite constituents to develop programmes that promote decent work accelerators, though this support needs to continue beyond the life of the project (e.g. with SIYB follow up).

4.1 Policy advice to constituents to bring the selected SDG accelerators – youth employment, formalization, SMEs competitiveness and sustainability – to the agendas of workers' and employers' organisations and national development agendas. January 2018 – September 2019, partially funded by the Lukoil's Youth Employment project.

#### Status: Achieved

As part of the efforts to promote youth employment as a key SDG accelerator, the project organized a conference on the youth employment challenges from the employers' perspective. Co-organized by ILO and ASK and attended by 100 people, the conference brought together the representatives of businesses, the confederation of trade unions and Ministries of Youth, Education, Justice, Economy and Labour. The objective of the conference was to provide a comprehensive review of the challenges facing the youth, including in the area of informality, education and matching skills and demand, entrepreneurship development and economic diversification – underpinned by enabling labour law legislation.

Jointly with ATUC, the project organized four seminars in Baku and the regions for young trade unionists on youth employment promotion, collective bargaining and conflict resolution. The seminars emphasized the role of social dialogue in policy making and implementation.

Another event was organized jointly by the UN, ILO and ASK in Quba on the issues of decent work, productive employment and private sector development for achievement of the SDGs. The attendees had a chance to brainstorm balanced strategies for improvement of entrepreneurship with a particular focus on policy advocacy, capacity building of key stakeholders and awareness raising of the importance of the private sector development. As a follow up, the project co-organized a tripartite event with a sectoral focus on agriculture and tourism.

4.2 Capacity building of the Government, ASK and ATUC to design, implement and evaluate policies and programmes to accelerate decent work, including a) policies and programmes to strengthen local MSMEs, particularly in those sectors where youth are more likely to be employed; b) formalization of MSMEs and employment. February 2018 – October 2019

#### Status: Achieved

ILO delivered a range of activities that built the capacity of the Government, ASK and ATUC to drive programmes that strengthen MSMEs and lead to their formalization and employment creation.

A tripartite round table was held on compliance strategy for informal economy and formalization in Azerbaijan as a part of a larger event on the ILO approach to strategic compliance planning. The conference presented a range of compliance interventions discussing relevance of implementation models in Azerbaijani context. The conference was organized in response to the Government's interest in labour inspection and employment policy and shared the latest labour inspection practices with the tripartite constituents. In the context of an ongoing moratorium on labour inspection in the

country, this event underscored significance of labour inspection in compliance with the fundamental labour standards and employment formalization to accelerate decent work outcomes.

The project funded a training of trainers (ToT) course on the ILO's Start and Improve Your Business (SIYB) toolkit for ASK staff and consultants. Following this training, ASK has been offering SIYB trainings to current members and new entrepreneurs across Azerbaijan. In addition to supporting MSMEs and generating employment, one of the objectives of SIYB training was to educate entrepreneurs on business regulation as a means of curbing informality. Monitoring and evaluation mechanisms were put in place to assure the quality of these training activities and their compliance with the ILO SIYB methodology. Once the year-long training programme is completed, the effectiveness of the training will be assessed based on the number of businesses started and the number of businesses sustained after a twelve-month period. Throughout this time, the trainers are expected to provide continued support to the new start-ups. ASK trainees have raised funds for SIYB follow up activities for the trained entrepreneurs, including from USAID and other non-ILO sources. In the two year period following the ToT, each SIYB alumnus will provide four training courses for the Public Employment Services (PES) as a way of building up their training portfolio to qualify for certification. ASK is in discussions with MLSPP to be approved to deliver SIYB training services to the State Self-Employment Programme implemented by PES.

4.3 Piloting interventions in sectors such as tourism and IT based on the analysis of country-specific research (Output 2). April 2018 - September 2019

#### Status: Achieved

The project piloted Start and Improve Your Business programme in rural areas in Azerbaijan. A group of trainers were trained in the ILO SIYB methodology to provide training and support to new entrepreneurs in rural areas to set up cooperatives, try innovative production methods using local seeds and cultivation techniques and improve their access to markets.

At the Government's request, the sector focus was shifted from IT and tourism to agriculture<sup>10</sup>. The project provided technical support to the Ministry of Agriculture and MLSPP in the implementation of the rural employment enhancement programme (AMAL). The project-funded SIYB trainers delivered training to 140 young farmers and assisted them in securing grants from AMAL, a joint MoA-FAO rural employment programme. No business start-ups have taken off the ground yet, which given the project's short lifespan is of no surprise. The project-supported SIYB work will continue beyond the life of the project and is likely to lead to a creation and expansion of businesses.

4.4 Awareness raising among constituents and broader public in Azerbaijan on the importance of the ILO decent work agenda in making progress and achieving SDGs; promotion of international labour standards, social dialogue, gender equality and non-discrimination, environmental sustainability. January 2018 – September 2019

Status: Achieved

<sup>&</sup>lt;sup>10</sup> The results of the country-specific assessments conducted as a part of Output 2 were finalised at a later stage of the project and did not directly feed into sector selection for the pilot.

Awareness raising activities around the importance of ILO decent work agenda contributed to ILO's ongoing work in this field. The constituents have a high degree of appreciation of the importance of the ILO decent work agenda and its role in furthering of the SDGs. Interviewed stakeholders expressed pride in the level of social dialogue and tripartite collaboration. MLSPP expressed the need for further capacity building on international labour standards.

The project's contribution to gender equality and non-discrimination and environmental sustainability was implicit in promotion of decent work and social justice for all and in the use of methodological frameworks that factor in gender equality and environmental sustainability; however, no targeted actions in these cross-cutting areas were planned or implemented. According to the project team, the employers' organization addressed environmental sustainability in the SDG conference jointly delivered with the project and issued a dedicated SDG award to companies for their role in environmental sustainability promotion<sup>11</sup>.

At the Government's request, the project funded the participation of an MLSPP policy expert in a course on International Labour Standards (ILS) at the ILS Academy in Turin and Geneva. The purpose of the course was to familiarise the attendees with the fundamental labour standards and introduce the mechanisms for monitoring the application of ILS in law and practice. The project cost-shared a sub-regional workshop on International Labour Standards for judges, lawyers and legal educators in Tbilisi organized by ILO ICT Turin

Further to this, a conference on ILS was jointly organized by ILO-MLSPP for 70 tripartite participants. The conference covered the issues of forced labour and child labour, the role of ILS in combating informality and realisation of the SDGs. The ILO delivered a training for the MLSPP staff as well as select representatives of employers' and workers' organizations on the ILS to support the Government in meeting some of its ILS obligations under the ILO Constitution. This work will be followed up beyond the life of the project by the DWT/CO Moscow specialists.

The project facilitated the ratification of the fundamental ILO conventions, contributing to the ongoing promotion of labour standards and decent work agenda. This included facilitating meetings between ILO and the Government to discuss the ratification of C155 and producing translations into Azeri of C155 and R205<sup>12</sup>. As a result of these efforts, the recommendation for ratification of C155 was submitted to the Parliament of Azerbaijan Republic.

The ILO supported the Government in the adoption of the new law around minimum wage and minimum subsistence level and initiated discussions with the tripartite constituents around international standards and regional best practices in improving the system of wages, with a focus on the public sector employees. ILO advised the Government on the introduction of the "workers with family responsibilities" definition into the labour code; a draft proposal has been submitted by the MLSPP to the National Assembly (Milli Meclis).

<sup>&</sup>lt;sup>11</sup> The evaluator reached out to ASK with a request for evidence of the work relating to environmental sustainability but no evidence was provided.

<sup>&</sup>lt;sup>12</sup> C155 - Occupational Safety and Health Convention, 1981, and R205 - Employment and Decent Work for Peace and Resilience Recommendation, 2017

The conclusions of the high level forum on SDG were shared and discussed in a joint ILO-ATUC conference that took place in the regions. ATUC prepared a set of recommendations based on the SDG Voluntary Report II which will shape their future collaboration with the Government and the UN. During the project's final independent evaluation, ATUC expressed the need to demystify SDGs for the trade union members in rural areas by grounding the goals and indicators in the local context.

4.5 Sub-regional/regional knowledge sharing event to share the best practices and learn from regional experiences on developing analysis, evidence, policy alternatives and specific capacities to scale up national efforts to achieve SDGs. October 2019

#### Status: Achieved

A tripartite regional training on evaluating Decent Work Agenda in the SDG for the unions in rural areas was organized jointly by ILO and ATUC. The purpose of the event was to build capacity of the trade unions in Azerbaijan and Moldova as target countries to participate in the SDG monitoring and evaluation efforts. The training was delivered by the SDG focal point from ILO/ACTRAV. The project team and the participants were pleased with the training. ATUC and ASK agreed plan to continue engaging in SDG monitoring and evaluation efforts in the framework of the UN sustainable development cooperation framework steering committee and advisory group.

Furthermore, this event led to a formalisation of the cooperation between ATUC and the National Trade Union Confederation of Moldova (CNSM) in order to implement the 2030 Agenda of Sustainable Development (SDGs).Beyond the life of the project, the capacity building efforts as well as the monitoring and evaluation-related work will be backstopped by the ILO Technical Specialist for Workers' Activities.

#### 4.4. RESOURCE EFFICIENCY

Have resources available (time, funds, partnerships, knowledge, expertise and tools/know-how) been used efficiently?

This section determines a measure of how economically resources/inputs (funds, expertise, time, etc.) are converted to results.

The RBSA resources were efficiently utilised, capitalising on synergies with activities delivered through other financial mechanisms. The project team was very small with only one full-time technical staff and two part-time support staff. This meant that most of the funds were channelled directly into output delivery. The project heavily relied on existing ILO methodologies, tools and training courses, including SIYB, EESE, CRM and ILS training courses.

A number of outputs were funded from the second phase of the ILO/LUKOIL project "Partnerships for youth employment in the CIS (2018-2022), namely outputs 2.2, 3.3, and 4.1. The objective of these synergies was to harmonize the efforts and resources in actions aimed at establishing partnerships

with the private sector and informing the design and development of policies and programmes to create jobs in rural areas, linking these efforts to the achievement of the relevant SDGs.

The project's finances were managed well owing to the efficient support from the DWT/CO Moscow and the project team's diligent programme management. The project team showed a high degree of integrity in financial management, appropriately following ILO processes to procure services at market rates through competitive bidding. At the same time, the project's autonomy to channel funds towards specific outputs without having to undergo a lengthy process of justifying reallocation of funds to different budget lines allowed the project to be agile and responsive to the constituents' needs.

#### 4.5. EFFECTIVENESS OF MANAGEMENT ARRANGEMENTS

Was the project managed and monitored adequately?

Was the technical, programmatic, administrative and financial backstopping from the project team adequate?

*Has the project capitalised on the existing ILO projects, products and initiatives to improve the project's effectiveness?* 

This section aims to determine extent to which management capacities and arrangements support the achievement of results.

The technical backstopping and overall management of the project was provided by one senior international technical expert (Project Coordinator) and a locally recruited part-time assistant delivering secretarial support, both based in Baku. However, the project was brought to a close by the coordinator alone due to the assistant's early departure from the project. A Moscow-based assistant provided administrative and financial management support (a 50% cost-sharing arrangement with another project over a two-year period).

The Project Coordinator changed in the first year of implementation which caused some delay in output delivery. The new Project Coordinator that joined in the second year of implementation came with a strong background in project management, which allowed for the project to quickly get back on track and meet most of its deliverables. The project benefited from extensive technical support by the ILO National Coordinator in Baku, relevant ILO HQ departments and DWT/CO Moscow. DWT/CO Moscow team's continued close engagement with partners in Azerbaijan the will ensure better synergies with other ILO initiatives in the region and continuity of ILO technical assistance to its national constituents.

Based in ILO DWT/CO Baku, the project capitalised on available infrastructure, products and initiatives. It built on the existing ILO efforts in the area of social dialogue, youth employment

promotion and entrepreneurship development. The flexibility of financial management within RBSA modality allowed the project to be responsive to the requests of the social partners.

The project staff duly followed all ILO procedures and protocols which, at times, compounded by the bureaucracy within social partner structures resulted in slowing down of the activities. Nonetheless, the project marked a reinvigoration of ILO activities in Azerbaijan with around 20 outputs in 2019 alone, including training courses, seminars and conferences, as well as much needed translations of key ILO materials into Azeri.

The UN inter-agency cooperation was an important vehicle for provision of policy support to the Government and ILO constituents in the achievement of the SDGs. The ILO partnered with UNDP, FAO and other UN agencies on the SDG accelerators, especially in supporting the entrepreneurship programme and the strengthening of the institutional capacity of the Public Employment Services.

#### 4.6. IMPACT ORIENTATION AND SUSTAINABILITY OF THE INTERVENTION

Are the results achieved likely to continue after the end of the interventions? Are they likely to produce longer-term effects and benefits to the target groups?

*Is it likely that the government will develop new policies, laws, regulations contributing to further progress in the areas tackled by the project?* 

This section appraises the strategic orientation of the project towards making a significant contribution to broader, long-term, sustainable development changes. It determines the likelihood that the results of the intervention are durable and can be maintained or even scaled up and replicated by intervention partners after major assistance has been completed.

The project outputs directly contributed to the priority areas of cooperation between ILO and Azerbaijan. ILO's capacity building efforts in the areas of labour standards, labour inspection and employment policy, entrepreneurship promotion, social protection and social dialogue have been well received and carry lasting benefits to the social partners.

Furthermore, targeted technical assistance to ASK in particular will likely lead to sustainable positive impact. Following ILO's support with internal reorganization of ASK, a working group was put in place to monitor implementation of selected recommendations and ASK strategic plan developed with ILO's help. The project directly contributed to ASK's increased capacity to serve their existing members and further grow their membership. ASK is better equipped to partner with the Government to deliver training services for Public Employment Services as a part of the state self-employment promotion programme.

Technical assistance provided to the Government is highly likely to result in new policies, laws and regulations contributing to further progress in the areas tackled by the project. The project

encouraged social dialogue around the newly adopted Government bill to increase the minimum wages and subsistence minimum which had benefited from ILO advise. The ILO assistance in the area of labour inspection is likely to influence policy making, given that the moratorium on labour inspections in the country is due to come to an end in 2021.

ILO's work on entrepreneurship promotion through Start and Improve Your Business training programme, to which the project contributed, enjoys a high degree of buy-in among the Government and social partners. The project organized a Training of Trainers on ILO's SIYB methodology. The ILO-trained trainers have been engaged in the Government's entrepreneurship promotion programmes, namely in the joint Ministry of Agriculture-FAO Agriculture Employment Enhancement Project (AMAL) and MLSPP in the State Self-Employment Programme).

Another important area of the project's technical assistance, Enabling Environment for Sustainable Enterprises, is also likely to have impact beyond the life of the project. ASK requested for ILO's support with this survey methodology having first learned about it during an ILO-funded course in ITC Turin. After completing the training in EESE methodology and participating in its implementation, ASK is invested in seeing the process through. ASK and the Government partners have plans to establish a working group to discuss and enact the recommendations emerging out of the EESE report.

The project contributed to a greater awareness of the SDG related processes among the constituents and their role in monitoring and analysis through social dialogue and the use of ILO knowledge products, ILO web platform on SDGs and other tools. This awareness spread to Azerbaijan's regions and will continue to grow through dissemination of translated materials on SDGs and decent work agenda to the local representatives of the Government, ATUC and ASK in the regions of Azerbaijan.

Finally, the project achievements are highly likely to be sustainable due to continued support of DWT/CO Moscow to the national partners in Azerbaijan. The DWT/CO Moscow specialists intensified their collaboration with their national partners in the framework of the project and fortified existing collaboration in the area of SDGs and decent work agenda.

#### 4.7. ILO CROSS-CUTTING POLICY DRIVERS

The project was designed with the ILO cross-cutting policy drivers (CCPD) in mind. The project document addressed each of the CCPDs. Output 4.4. explicitly sets out to promote international labour standards, social dialogue, gender equality and non-discrimination and environmental sustainability and raise awareness of the importance of making business processes, products and services environmentally friendly. However, during implementation, the project's contribution to the advancement of CCPDs was varied in its significance.

#### GENDER EQUALITY AND NON-DISCRIMINATION

The project's contribution to the advancement of this CCPD was limited (Marker Code: 1 – limited contribution).

The project was designed to include the gender equality perspective throughout all its four outputs. Gender equality was a part of the methodological framework of the analyses undertaken, and in the capacity building activities delivered by the project to ILO constituents and partners. However, gender and non-discrimination aspects of the project outputs were not comprehensively spelt out and were present implicitly rather than explicitly, limiting the extent to which the project contributed to the advancement of this CCPD.

EESE survey was sex-disaggregated and intended to generate knowledge on the barriers for women to create and develop enterprises in the country. The project build the capacity of the constituents to mainstream gender in the implementation of the recommendations emerging from EESE survey. This formula of support was designed to ensure that gender perspective is included in the policy advice on entrepreneurship at both the analytical phase and in the implementation.

The project attempted to maintain a gender balance in trainings and capacity building activities, however, this was not always possible. The ratio of women to men during workshops and conferences varied greatly between 10-40 percent. Information on the share of women among SIYB training beneficiaries was not available.

#### INTERNATIONAL LABOUR STANDARDS

The project's contribution to the advancement of this CCPD was substantial (Marker code: 2A - significant contribution)<sup>13</sup>.

The project was designed to provide technical support to ILO constituents and other national stakeholders to incorporate international labour standards (ILS) in national development strategies and SDG discussions, as well as in monitoring and reporting on the SDGs. The project set out to advocate ILO Conventions and Recommendations, including the Employment Policy Convention, 1965 (No. 122), the Employment Service Convention, 1948 (No. 88), the Human Resources Development Convention, 1975 (No. 142) and Recommendation No. 195, and the Transition from the Informal to Formal Economy Recommendation, 2015 (No. 204) and Recommendation No. 189 on Job Creation in SMEs, 1998.

According to the information provided by the DWT/CO Moscow, ILO technical assistance made a significant contribution to the advancement of this CCPD. For instance, ILO facilitated a collaboration between the Government and social partners of Azerbaijan in formulation of an action plan to support the transition from the informal to formal economy in Azerbaijan, which is in line with the ILO Recommendation No. 204. Compliance with the Employment Policy Convention No. 122 and the SDGs was evident in the provisions of Azerbaijan's 2018 National Employment Strategy which set an explicit employment target for 2030. The project's technical assistance and capacity building events

<sup>&</sup>lt;sup>13</sup> Market Code 2A Definition: ILO action has potential to contribute significantly to the advancement of the CCPD, although this is not its primary objective. The CCPD analysis is included in the description of the CPO and is reflected in at least two outputs (but not in all outputs) and in one or more results (but not in all results).

for Public Employment Services (PES) were in line with the ILO Convention No. 88. ILO's support contributed to formulation of the recently adopted Unemployment Insurance Law and its provisions for PES and Active Labour market Policies (ALMPs). Therefore, ILO's contribution to the ILS-related objectives set out in the RBSA project proposal is evident. These objectives were synergistically achieved through a combination of ILO funding mechanisms and the RBSA project's specific contribution was not possible for the evaluator to discern.

The project expanded its focus beyond the conventions and recommendations listed in the project proposal to include activities contributing to the ongoing work around the ratification of Convention 155 on Occupational Safety and Health, 1981, and adoption of the Recommendation 205 Employment and Decent Work for Peace and Resilience Recommendation, 2017. This was done in response to the Government's direct request for support with C155 and R205 to help advance their ratification process. The project funded a meeting between the ILO and MLSPP on C155 and a recommendation for ratification of C155 was submitted to the Parliament of Azerbaijan Republic. The C155 and R205-related material was translated into Azeri and distributed among key national stakeholders. This expansion of the project's focus to C155 and R205 demonstrates the project's responsiveness to the constituents' needs and its ability recognize areas where the project's support would achieve a greater complementarity to ILO's DWCP.

The project organized a conference on social protection and sustainable development agenda. The objective of the conference was to introduce Azerbaijani social partners to the ILO Social Protection Floor, present key areas of social protection and call for a commitment to strengthen and expand social protection system in the country. In line with this objective, the project helped its constituents to identify the gaps between national policy and international labour standards and agree on an action plan. The event contributed to the SDG 1.3 "Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable".

The project organized for the ILO constituents to attend the International Labour Standards training in Turin. As the training was offered in English only, ATUC could not benefit from this opportunity as they do not currently have English speaking technical specialists. The project cost-shared in the sub-regional workshop on International Labour Standards for judges, lawyers and legal educators in Tbilisi, Georgia, organized by ILO ICT Turin.

#### SOCIAL DIALOGUE

The project set out to contribute to strengthening social dialogue in Azerbaijan through:

- Enhancing capacities of workers' and employers' organizations to effectively engage with the government in national policy debates, pursue and advocate for decent work principles among its members and broader range on national and international stakeholders
- ii. Supporting the active participation of social partners in SDG-related processes in the country, including through the newly created National

Tripartite Commission for Economic and Social Affairs and the National Coordination Council for Sustainable Development

 Facilitating the effective participation of workers' and employers' organization in designing and implementing decent work accelerating activities.

The projects made significant contribution to the advancement of this CCPD (Market Code:  $2B - targeted action)^{14}$ .

Social partners benefited from capacity building and knowledge sharing activities to actively participate in the policy dialogue around pro-employment macroeconomic policies and enabling environment. The ILO's EESE methodology supported the promotion of social dialogue among the constituents on issues related to the business climate and main deterrents for the creation and development of enterprises. It allowed the constituents to analyse the business environment and collaboratively plan and advocate for improving the policy framework for sustainable entrepreneurship.

The project promoted social dialogue as central to the SDG agenda and its objective of involving nonstate actors in development processes. It placed an important role of social dialogue in "enhancing policy coherence for sustainable development" (SDG 17.14) and contribute to the work of the National Coordination Council for Sustainable Development. For this reason, most project activities were tripartite in nature and served as platform for social dialogue.

The project activities reinforced the value of social dialogue as a mechanism for monitoring and analysis of the SDG-related processes. The project improved the constituents' capacity to review the results of the Voluntary National Report on the SDGs and provide recommendations to the Government. The joint ILO-ASK conference on "Decent work and productive employment, developing enterprises and the private sector to achieve the Sustainable Development Goals (SDGs) in Azerbaijan" intended to increase the tripartite cooperation in SDG implementation and foster private-public dialogue. These recommendations are expected to be fed into the next Voluntary National Report on the SDGs. The work in this direction will be continued by the DWT/CO Moscow and CO Baku.

The project worked to ensure that consultation and decision-making processes were based on tripartism and social dialogue, and promote awareness of the value of independent and representative social partners.

#### JUST TRANSITION TO ENVIRONMENTAL SUSTAINABILITY

The project document emphasised environmental sustainability as one of the key preconditions for successful implementation of two technical components of the project – creating decent jobs for youth and increasing competitiveness and sustainability of enterprises and their formalization. The

<sup>&</sup>lt;sup>14</sup> Market Code 2A Definition: ILO action has potential to contribute significantly to the advancement of the CCPD, although this is not its primary objective. The CCPD analysis is included in the description of the CPO and is reflected in at least two outputs (but not in all outputs) and in one or more results (but not in all results).

ILO EESE methodology provided guidance to assess the issue of environmental sustainability of interventions aimed at promoting green entrepreneurship and increasing the competitiveness of SMEs through resource efficiency and cleaner production strategies.

The project activities made a limited contribution to the advancement of this CCPD (Marker Code: 1 – limited contribution). Its activities in the realm of entrepreneurship promotion through SIYB training delivery were targeted to rural areas and can potentially serve as an avenue for promotion of environmental sustainability. The EESE report recommendations included integration of the environmental protection and responsible stewardship in all economic development policies and measures, promotion of green procurement, resource use efficiency or cleaner production strategies.

# 5. CONCLUSIONS

Conclusions are formulated by synthesizing the main findings with special care given to their validity and reliability.

# Relevance and validity of design

The project activities have been highly relevant and effective. The outcomes achieved, as measured by the milestones met, demonstrate the appropriateness of the planning and managerial arrangements in implementing activities which were well-correlated with the expected objectives of the project and stated needs of the tripartite constituents.

# Effectiveness and efficiency

The project succeeded in advancing effective knowledge sharing for the promotion of decent work (link to P&B Enabling Outcome A). As a part of a concerted one-UN effort, the project activities advanced the constituents' capacity to advocate for SDGs and decent work agenda and actively engage in constructive discussion between the UN and the Government around the SDGs. The project capitalised on existing UN initiatives and DWCP activities, delivering good value for money.

The evaluation found that the tripartite partners highly valued ILO contribution to the advancement of social dialogue in the country and in helping partners recognize its importance in the creation of more and better jobs, more inclusive labour market and a more business friendly environment. The project can be partly credited for this incremental success as in the past two years, it served as a key vehicle for ILO's efforts to strengthen the social partners' capacity to advocate effectively and in a coordinated manner for the inclusion of decent work issues in the national sustainable development plans (primary link to P&B Indicator A3).

The project greatly contributed to ILO's collaboration with the employers' organization (ASK) in Azerbaijan. The project coincided with the adoption of a strategic plan developed together with the ILO DWT/CO Moscow and consequent internal changes in the organization. The ensuing vibrant cooperation on organizational change, EESE and SIYB will likely have a long-term positive impact, bolstering ASK's position to actively participate in the social dialogue and influence policy formulation.

The project also succeeded in raising awareness in ATUC and among its members across Azerbaijan of the role trade unions can play in SDG achievement. It built the constituents' capacity to participate in

the SDG progress monitoring and input in the Voluntary National Reports prepared by the Government. ILO's capacity building and other support to trade unions boosted ATUC's profile in social dialogue, policy influence and in the SDG-related processes in Azerbaijan.

## Sustainability

The project outcomes are highly likely to be sustainable due to continued support of DWT/CO Moscow to the national partners in Azerbaijan. The DWT/CO Moscow specialists intensified their collaboration with their national partners in the framework of the project and fortified existing collaboration in the area of SDGs and decent work agenda.

Technical assistance provided to the Government is highly likely to result in new policies, laws and regulations contributing to further progress in the areas tackled by the project. The project contributed to a greater awareness of the SDG related processes among the constituents and their role in monitoring and analysis through social dialogue and the use of ILO knowledge products, ILO web platform on SDGs and other tools. This awareness spread to Azerbaijan's regions and will continue to grow through dissemination of translated materials on SDGs and decent work agenda to the local representatives of the Government, ATUC and ASK in the regions of Azerbaijan.

Targeted technical assistance to ASK with organizational change will likely lead to sustainable positive impact. Another important area of the project's technical assistance, Enabling Environment for Sustainable Enterprises, is also likely to have impact beyond the life of the project. ASK and the Government partners have plans to establish a working group to discuss and enact the recommendations emerging out of the EESE report.

# 6. LESSONS LEARNED AND EMERGING GOOD PRACTICES

What have been the lessons learned during the RBSA project implementation?

What should be done differently in similar projects in the future based on the experiences from this project?

## What lessons could be drawn for future projects?

This section puts forth generalizations based on evaluation experiences that abstract from the specific circumstances to broader situations. A key purpose of any project evaluation is to promote organizational learning. One way of doing so is assessing evaluation findings for lessons that can be useful in other relevant contexts.

The ILO Evaluation guidelines define lesson learned as an observation from the project experience which can be translated into beneficial knowledge by establishing clear causal factors and effects (ILO,

2017). A lesson learned can be a basis for an emerging good practice if its success can be replicated or upscaled to other projects.

# Evaluability of RBSA interventions

RBSA is a flexible funding mechanism that is well suited to fund activities that contribute to ILO's ongoing technical support in the country. However, two years is not a sufficient timeframe to record any significant outcome-level changes such as the effects of capacity building or policy advice interventions. This limits the level of insight that an evaluation exercise can provide into outcomes achieved or contributed to as a result of RBSA-funded activities and outputs.

The level of planning documentation of an RBSA project is quite light compared to a regular development cooperation intervention. It is important to find a balance in terms of efficiency and effectiveness when it comes to RBSA project documentation: the project management and associated documentation of the RBSA projects may be comparatively lighter touch, however this can be detrimental to the project's evaluability. For instance, the RBSA proposal terminology used does not fully align to the results-based management framework (objectives, milestones and outputs versus outcomes, outputs and indicators of change).

To improve the evaluability of future RBSA interventions, it would help to have a clearly articulated ex-ante theory of change connecting the CPO to which the RBSA is linked to the wider monitoring system with a specific set of progress indicators relevant to the intervention. It is also important to ensure that project activities are well documented and changes in direction, if any, properly recorded; an adequate handover must be ensured in cases when project management changes in the course of delivery. At project planning stage, conducting the RBSA project's final evaluation as a part of a wider the DWCP independent evaluation should be considered.<sup>15</sup>

# Most effective way to provide technical support

The ILO technical support to Azerbaijan is multi-pronged and includes policy advice, capacity building and operational support. The project demonstrated that tailored technical support with a strong capacity building component, especially in the area of entrepreneurship promotion, was a most effective way to provide technical support – it was specific, targeted, aligned to the country priorities and largely apolitical. As such, the SIYB training programme has been very well received and even incorporated as an entrepreneurship promotion measure by several ministries, employers' organization and other development projects. Programmes such as the SIYB can be specific and targeted and have demonstrable effects, which is appealing for national partners to collaborate on. Programmes of this kind should be preceded by greater awareness raising among target beneficiaries. This will help the programme reach its target audience, improve uptake and impact contributing to its success.

ILO technical support does and should continue to put CCPDs at the core of all its interventions. It is paramount that ILS advocacy, environmental sustainability and non-discrimination messages are clear, tailored to the beneficiary group, anchored in the context, practically applicable and pragmatic.

<sup>&</sup>lt;sup>15</sup> It should be noted that this RBSA evaluation was run concurrently to an independent evaluation of the DWCP for Azerbaijan, but the two evaluation teams were unable to connect.

ILO technical support that is specific and targeted, centred around CCPDs and with a strong capacity building component can have a layered benefit of delivering tangible impact to vulnerable groups, setting a foundation for environmentally sustainable practices, leading to higher adoption and positive spill-over effects, as well as further strengthening ILO's stance with its national partners. The capacity building component should be responsive to the country's needs and have a built-in sustainability mechanism, including linking it to other ILO and UN initiatives and ongoing technical assistance.

# 7. RECOMMENDATIONS

What are the next steps to be undertaken? What is the best way to proceed? What would be the main issues to tackle?

Which actors should be engaged and in what ways?

What action might be needed to bolster the longer term effects and to come to further policy measures generating a positive change?

This section proposes practical recommendations on the immediate next steps and technical assistance needs that could be incorporated into the design of future initiatives. The recommendations have been derived from the conclusions, lessons learned and good practices. This section provides suggestions for the ILO Regional Office (RO) Geneva and DWT/CO Moscow to consider in future project planning in Azerbaijan.

# Recommendation 1. Continue knowledge sharing and capacity building efforts with an adjusted format

Responsible agency: DWT/CO Moscow, RO Europe

Priority: High

Time implication: Medium to long term

Resource implication: Low

Azerbaijani constituents greatly appreciate ILO's knowledge sharing and capacity building efforts and these should be continued. It is not uncommon for conferences to take on a formal and highly 'protocoled' tone which may inhibit open discussion. To the extent possible, ILO capacity building interventions should be interactive, encouraging individual participation and critical thinking. ILO should also consider blended learning (combination of in-person and online-based training) to promote self-learning beyond the classroom. Participation in the capacity building activities should be inclusive of the constituents in rural areas and empower them to represent the vulnerable groups they serve at the national policy level.

# Recommendation 2. A more deliberate approach to gender and non-discrimination

Responsible agency: DWT/CO Moscow, RO Europe

Priority: High

Time implication: Immediate

Resource implication: Low/medium

Gender and non-discrimination considerations should be mainstreamed in all ILO interventions and adapted to Azerbaijan's context. This means not only using tools and methodological frameworks that incorporate gender but also sharing lessons learned and good practices from peer countries in the South-South development cooperation network. Programme outreach efforts should be targeted and tailored to women and persons with disabilities to encourage better uptake. Programmes in rural areas must be designed in a way that is considerate of the needs of women and persons with disabilities, like venue proximity or provision of transportation to the venue and back home, or making provisions for mothers with small children. Focus group discussion can be used for preliminary assessment to decide on the most appropriate ways to accommodate the needs of women and persons with disabilities to enable them to effectively participate and benefit from entrepreneurship promotion courses.

# Recommendation 3. Encourage and facilitate Azerbaijan's greater participation in the South-South development cooperation

Responsible agency: DWT/CO Moscow, RO Europe

Priority: Medium

Time implication: Medium to long term

Resource implication: Medium

Azerbaijan is keen to step up its participation in South-South development cooperation and play a greater role in sharing knowledge and experience on emerging good practices in the country. The South-South development cooperation is a good vehicle to encourage and inspire positive change based on regional best practices in a range of subjects traditionally seen as artificially imposed and thus infeasible. This includes approach to environmental sustainability, gender and non-discrimination but also the wider SDG agenda.

# Recommendation 4. Greater priority to environmental sustainability

Responsible agency: DWT/CO Moscow, RO Europe

Priority: High

Time implication: Immediate

Resource implication: Medium

Awareness-raising activities around the just transition to environmental sustainability are recognized to be important for sustainable development, decent work and social justice. Future projects should give a greater prominence to the issue of environmental sustainability and mainstream it in all ILO

interventions. It is important to raise awareness that environmental sustainability must be given appropriate consideration when designing policies and national development plans. Interactive seminars, workshops, blended learning and peer-learning can be a good tool of grounding environmental sustainability principles in the context of Azerbaijan, both in urban and rural areas. This also means considering engaging external experts to complement ILO capacity, though this will have additional resource implications and require ILO backstopping support. The South-South development cooperation network can be a valuable source of expertise and learning, especially when it comes to adoption of environmentally sustainable practices in developing contexts.

# 8. BIBLIOGRAPHY

ILO. 2016. Annual Evaluation Report 2015-2016. Evaluation Office, ILO Geneva

ILO. 2017. ILO policy guidelines for evaluation: Principles, rationale, planning and managing for evaluations, 3RD edition. ILO Geneva

ILO. 2018. Development cooperation internal governance manual / International Labour Office, Partnerships and Field Support Department. 2018 ed. ILO Geneva

# ANNEX 1: LIST OF STAKEHOLDER INTERVIEWS

- 1. Azad Rahimov, SIYB Master Trainer
- 2. Delawar Barkzai, UN Representative in Baku, Azerbaijan
- 3. Evgenia Tyurina, DWT/CO Moscow Programme Officer
- 4. Gocha Alexandria, DWT/CO Moscow Senior Specialist, Workers Activities
- 5. Ilyas Aliyev, The First Vice-President of ATUC
- 6. Kristina Mammadova, Secretary General
- 7. Matin Karimli, Deputy Minister of Labour and Social Protection of the Population
- 8. Mirza Mulescovic, ILO Technical Specialist (project team)
- 9. Namiq Mammadov, FAO-Azerbaijan Partnership Programme Manager
- 10. Yashar Hamzayev, ILO Azerbaijan National Coordinator

# ANNEX 2 EVALUATION MATRIX

# EVALUATION CRITERIA EVALUATION QUESTIONS

EVALUATION CRITERIA	EVALUATION QUESTIONS
1. RELEVANCE	To what extent are the project objectives and approach relevant to the constituents' needs and country context?
2. VALIDITY OF DESIGN	Did the project have a clearly articulated theory of change which was understood by all stakeholders?
3. PROJECT ACHIEVEMENT AND EFFECTIVENESS	<ul> <li>What has been the progress in the achievement of the project outcomes?</li> <li>Has the constituents' capacity to support the development of policy framework in the realm of youth employment and formalization improved?</li> <li>Have the Government's capacities to identify the progress and gaps in areas related to the DW agenda and SDGs improved?</li> <li>Have the constituents' engagement, exchange of knowledge and coordination of the activities aimed at achieving the SDGs (i.e., their participation in national multistakeholder processes) improved?</li> <li>To what extent have the project activities taken into account and contributed to the advancement of four cross-cutting policy drivers (CCPDs)?</li> <li>What were the main constraints experienced by the project (both in terms of methodology and context)?</li> <li>What was the most effective and efficient way to provide technical support and follow up on the main areas tackled by the project?</li> </ul>
4. EFFICIENCY OF RESOURCE USE	Have resources available (time, funds, partnerships, knowledge, expertise and tools/know-how) been used efficiently?
5. EFFECTIVENESS OF MANAGEMENT ARRANGEMENTS	Was the project managed and monitored adequately? Was the technical, programmatic, administrative and financial backstopping from the project team adequate? Has the project capitalised on the existing ILO projects, products and initiatives to improve the project's effectiveness?
6. IMPACT ORIENTATION AND SUSTAINABILITY	Are the results achieved likely to continue after the end of the interventions? Are they likely to produce longer-term effects and benefits to the target groups? Is it likely that the government will develop new policies, laws, regulations contributing to further progress in the areas tackled by the project?
7. LESSONS LEARNED	What have been the lessons learned during the RBSA project implementation? What lessons could be drawn for future projects? What should be done differently in similar projects in the future based on the experiences from this project?
8. RECOMMENDATIONS AND NEXT STEPS	What are the next steps to be undertaken? What is the best way to proceed? What would be the main issues to tackle? Which actors should be engaged and in what ways? What action might be needed to bolster the longer-term effects and to come to further policy measures generating a positive change?

# ANNEX 3 ILO LESSONS LEARNED

## ILO Lesson Learned: Evaluability of RBSA interventions

Project Title: Increased progress in attaining SDGs through the promotion of Decent Work and inclusive economic growth in rural and urban areas in Azerbaijan (2017-19) Project TC/SYMBOL: AZE 101

Name of Evaluator: Leyla Shamchiyeva Date: 30 November 2019 The following lesson learned has been identified during the course of the evaluation. Further text explaining the lesson may be included in the full evaluation report.

LL Element	Text
Brief description of lesson learned (link to specific action or task)	RBSA is a flexible funding mechanism that is well suited to fund activities that contribute to ILO's ongoing technical support in the country. The level of planning documentation of an RBSA intervention is quite light compared to a regular development cooperation intervention. To improve the evaluability of future RBSA interventions, it would help to have a clearly articulated theory of change with a specific set of progress indicators.
Context and any related preconditions	It is important to find a balance in terms of efficiency and effectiveness when it comes to RBSA project documentation. RBSA projects do not require as much documenting as other development cooperation interventions which makes the project management lighter touch. However, this can be detrimental to the project's evaluability. RBSA project's should include key planning elements like a TOC and an M&E framework.
Targeted users / Beneficiaries	EVAL, DWT/CO Moscow, RO EUROPE
Challenges /negative lessons - Causal factors	The RBSA proposal terminology used does not fully aligned to the results- based management framework (objectives, milestones and outputs versus outcomes, outputs and indicators of change).
Success / Positive Issues - Causal factors	The reconstruction of a TOC based on the project documentation, facilitates the assessment of the project's achievements. It helps illustrate the relationships between results and build a coherent picture of the project's contribution to SDG progress and linkages to DWCP and P&B.
ILO Administrative Issues (staff, resources, design, implementation)	RBSA project design should align to the results-based management framework to ensure project evaluability. At the design stage, consider conducting the final evaluation as a part of a wider the DWCP independent evaluation, not separate from it.

## ILO Lesson Learned: Most effective way to provide technical support

Project Title: Increased progress in attaining SDGs through the promotion of Decent Work and inclusive economic growth in rural and urban areas in Azerbaijan (2017-19) Project TC/SYMBOL: AZE 101

Name of Evaluator:Leyla ShamchiyevaDate:30 November 2019

The following lesson learned has been identified during the course of the evaluation. Further text explaining the lesson may be included in the full evaluation report.

LL Element	Text
Brief description of lesson learned (link to specific action or task)	The ILO technical support to Azerbaijan is multi-pronged and includes policy advice, capacity building and operational support. The project demonstrated that tailored operational support with a strong capacity building component, especially in the area of entrepreneurship promotion, was a most effective way to provide technical support – it was specific, targeted, aligned to the country priorities and largely apolitical. E.g., the SIYB training programme was well received and even incorporated as an entrepreneurship promotion measure by several ministries, employers' organization and other development projects.
Context and any related preconditions	Programmes such as the SIYB can be specific and targeted and have demonstrable effects, which is appealing for national partners to collaborate on. Programmes of this kind should be preceded by greater awareness raising among target beneficiaries. This will help the programme reach its target audience, improve uptake and impact contributing to its success.
Targeted users / Beneficiaries	DWT/CO Moscow, RO EUROPE
Challenges /negative lessons - Causal factors	ILO technical support does and should continue to put CCPDs at the core of all its interventions. It is paramount that ILS advocacy, environmental sustainability and non-discrimination messages are clear, tailored to the beneficiary group, anchored in the context, practically applicable and pragmatic.
Success / Positive Issues - Causal factors	ILO technical support that is specific and targeted, centred around CCPDs and with a strong capacity building component can have a layered benefit of delivering tangible impact to vulnerable groups, setting a foundation for environmentally sustainable practices, leading to higher adoption and positive spill-over effects, as well as further strengthening ILO's stance with its national partners.
ILO Administrative Issues (staff, resources, design, implementation)	The capacity building component should be responsive to the country's needs and have a built-in sustainability mechanism, including linking it to other ILO and UN initiatives and ongoing technical assistance.

# **ANNEX 4 TERMS OF REFERENCE**

#### ILO DWT/CO Moscow

## Final Independent Evaluation of RBSA-funded outcome:

# Increased progress in attaining SDGs through the promotion of Decent Work and inclusive economic growth in rural and urban areas in Azerbaijan (2017-19)

ILO Responsible Office:

Decent Work Technical Support Team and Country Office for Eastern Europe and Central Asia (DWT/CO Moscow)

#### Country Programme Outcome:

	AZE 101 Increased progress in attaining SDGs through the promotion of Decent Work and inclusive economic growth in rural and urban areas in Azerbaijan	
Implementation period: mid-November 2017 – end of December 2019		
Linked to:	ILO Programme & Budget Outcome (P&B) 2018-19: 710240 - Effective knowledge management for the promotion of decent work	
Funding source:	ILO Regular Budget Supplementary Account (RBSA)	
Budget:	\$857,100	

#### I. Intervention background and description

Azerbaijan has made significant progress in terms of human development and poverty reduction during the recent years. However, the Azerbaijani economy remains highly dependent on the hydrocarbon sector. In order to address challenges arising from the economic crisis and reduced petroleum revenues, the Government has launched an ambitious programme to diversify and revitalize the Azerbaijani economy, focusing at implementing reforms in economic sectors such as agriculture, tourism , infrastructure and IT.

Because of the prevalence of informality in the non-oil sector in Azerbaijan, the government has prioritized formalization of employment. Diversification in Azerbaijan will therefore necessarily involve transformation of self-employment into formal and productive businesses, as well as addressing the significant occupational gender segregation that exists in the labour market.

This project (action to achieve the CPO AZE101) is aligned with the national development frameworks, such as "Azerbaijan 2020: Vision into the future" Development Concept, "The State Programme on Social and Economic Development of the Regions for 2014-2018" and the National Employment Strategy for 2017-2030.

In the recent years, especially in a context of diversification and need for consolidated approaches to tackle economic crisis and growing social inequality, the tripartite constituents in Azerbaijan have been demonstrating a strong commitment to the ILO Decent Work agenda. The cooperation between the ILO and tripartite constituents in Azerbaijan has been framed in three Decent Work Country Programmes (2006-2009, 2011-2015 and 2016- 2020). The project is built on the constituents' priorities identified in the Decent Work Country

Programme (DWCP) for 2016-2020 signed in September 2016, and has been specifically contributing to implementation of the following DWCP outcomes:

• Outcome 1.2: Active labour market programmes targeting young women and men are put in place and implemented by constituents

• Outcome 1.3: Self-employment labour market programmes are put in place and implemented by constituents

• Outcome 3.3: Increased capacities of the ATUC to effectively represent and protect its members and influence socio-economic policies

• Outcome 3.4: Increased capacities of ASK (National Confederation of Entrepreneurs' Organizations) to provide sustainable services and to undertake effective advocacy effort for its members

#### Progress made by constituents in implementing the 2030 Agenda

Azerbaijan has shown concrete results in achieving the SDGs, especially SDG 1 (End poverty in all its forms everywhere), 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all), 16 (Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels), and 17 (Strengthen the means of implementation and revitalize the global partnership for sustainable development).

In October 2016, the President of Azerbaijan signed the decree creating the National Coordination Council for Sustainable Development, which marked a significant step towards further integrating SDGs into the national development agenda.

In July 2017, at the UN High Level Political Forum on SDGs, Azerbaijan presented a National Voluntary Progress Report on SDGs, reaffirming its commitment and confirming the relevance of the 2030 Agenda for national development.

During the period 2014-2017, the ILO supported its constituents in Azerbaijan to implement reforms by: a) providing policy recommendations, as part of a comprehensive macroeconomic study; b) supporting the development of an Unemployment Insurance Law and drafting of a National Employment Strategy (2017–2030) linked to the SDGs; c) rolling-out active labour market measures, including the National self-employment programme which has received the allocation of AZN 4 million from the Presidential Reserve Fund; d) strengthening the national Public Employment Service so it is fully equipped to deliver quality services to unemployed, job seekers, employers and self-employed, also in rural areas. By increasing productivity, economic performance and scale of small businesses and self-employed people, these reforms aim at formalizing employment and the economy in general, making substantive progress to achieve SDG8 in the country.

The DWCP 2016-2020 as a whole embeds actions to achieve the targets set in the SDG 8, as well as other targets contained in the 2030 agenda such as 1.4, 5.5, 5.a, 16.6, 16.7, 17.9, 17.17. Operating on the basis of DWCP priorities for 2016-2020, the ILO will continue supporting the Government of Azerbaijan to achieve the SDGs, focusing on prioritized policy areas such as a) the operationalization of the National Employment Strategy, b) increasing competitiveness and sustainability of SMEs through formalization, c) strengthening of the Public Employment Service (PES) and other labour market institutions, d) fostering youth employment and economic inclusion, e) supporting entrepreneurship development, with particular focus on young entrepreneurs in rural areas. In doing so, it will work to ensure that consultation and decision-making processes are based on tripartism and social dialogue, and promote awareness of the value of independent and representative social partners.

In line with the ILO SDG Implementation Plan endorsed by the Senior Management Team in 2016, Azerbaijan has been included in the list of five countries proposed for intensive decent work acceleration activities in the context of SDGs, as a pilot.

The project fits to the ILO Programme and Budget (P&B) 2018-19 outcome *Effective knowledge management for the promotion of decent work*, linking the expected results to Enabling Outcome A (Indictor A.3), which is a domain for the ILO work and support to constituents on targeted advocacy, communication and capacity-development on SDGs.

Contribution to the cross-cutting policy drivers (CCPDs):

The project is expected to contribute to the advancement of the four cross-cutting policy drivers (CCPDs). A marker system has been used for planning and monitoring purposes with a view to assessing the extent to which activities and results of the project contribute to the advancement of the CCPDs <sup>16</sup>. The CCPDs and relevant markers for this project are as follows:

- Gender equality and non-discrimination marker 2A
- International labour standards marker 2A
- Social dialogue marker 2B
- Just transition to environmental sustainability marker 2A

## Description of intervention

#### Objectives

The main objectives of the project are as follows:

- 1. To develop capacities of constituents to design and implement policies, programmes and strategies in the realm of youth employment and formalization as the main SDGs accelerators in Azerbaijan.
- 2. To provide policy advice to strengthen the analytical and reporting capacities of the government to identify the progress and gaps in areas related to the decent work agenda and SDG8.
- 3. To support the Azerbaijani constituents to actively engage in collaborative mechanisms and partnerships with national and international actors to exchange knowledge and improve the coordination of the activities aimed at achieving the SDGs. The following milestones were defined towards the achievement of outcome:

#### Milestones

- ILO constituents, in collaboration with other national stakeholders, have analysed labour-related constraints and barriers to decent work and implementation of SDGs in Azerbaijan, by carrying out specific country assessments, research and data collection (by December 2018; linked to measurement criteria 2 and 3, Indicator A.2

- ILO constituents and development partners, independently and collectively, have raised awareness and been capacitated to effectively contribute to SDGs related processes through social dialogue and use of the ILO

Four-category scale, comprising the following marker codes:

<sup>• 0 (</sup>no visible potential to contribute to the CCPD);

<sup>• 1 (</sup>expected to make a limited contribution to the CCPD);

<sup>• 2</sup>A (expected to make a significant contribution to the CCPD); and

<sup>• 2</sup>B (the CCPD is the principal objective of the interventions and expected results).

knowledge products (for monitoring and implementation) and policy-oriented research (by December 2018; linked to measurement criteria 2 and 3, Indicator A.2; and measurement criteria 3, Indicator A.3)

- Institutional partnerships and collaborative mechanisms have been established with constituents, other national stakeholders and international organizations for knowledge exchange, effective coordination and collaboration for implementation of the SDGs, and become operational (by April 2019; linked to measurement criteria 2, Indicator A.3)

- Actions within the framework of the selected decent work accelerators – economic diversification, youth employment, SMEs competitiveness and sustainability – are implemented by constituents and used to shape their further progress in achieving SDGs in Azerbaijan (by September 2019; linked to measurement criteria 3, Indicator A.3)

- ILO constituents and other national stakeholders have advocated for decent work through the inclusion of decent work in national development strategies and programmes, as well as policy documents adopted by multilateral and sub-regional level (by November 2019; linked to measurement criteria 4, Indicator A.3).

## Major outputs

Output 1. Capacity development of the ILO constituents to effectively contribute to SDG-related processes in the country (December 2017 – December 2018) - contributing to SDGs targets 8.3, 16.7 and 17.9

Output 2. Carrying out specific country assessments (research) to analyse labour-related constraints and barriers to decent work and the implementation of the SDGs' accelerators in Azerbaijan (January 2018 – August 2019) - contributing to SDGs targets 8.2, 8.3, 8.6, 8.b

Output 3. Establishment of the institutional partnerships and collaborative mechanisms, including through the National Coordination Council for Sustainable Development, for knowledge exchange, effective coordination and collaboration for implementing the SDGs in Azerbaijan (January 2018 – November 2019; to be covered by RBSA) - contributing to SDGs targets 8.3, 8.6, 16.7 and 17.9

Output 4. Support to tripartite constituents to develop policies and programmes aimed at promoting the selected decent work accelerators in Azerbaijan as a means to achieve SDGs (February 2018 – September 2019) - contributing to SDGs targets 8.2, 8.3, 8.4, 8.5, 8.6; 9.3; 12.6

#### Management arrangements

The project is administered by the DWT/CO Moscow. The technical backstopping and overall management of the project is provided by a Technical Expert/Sr. Technical Officer located in Baku. An assistant provides part-time secretarial support to the Technical Expert/Sr. Technical Officer in Baku (at 50% of his/her time over 24 months). An assistant located in Moscow provides administrative and financial assistance (on 50% cost-sharing arrangements with another project over 24 months).

The project has been implemented in close collaboration with MULTILATERALS, STATISTICS, ENTERPRISES, EMP/LAB, RO/EUROPE, ACTRAV and ACT/EMP, and ITC-ILO (ITC / MULTILATERALS SDG training).

The implementation period is mid-November 2017 – end December 2019, including an inception period (mid-November 2017 – mid-February 2018) for baseline data collection and other preparatory steps.

II. Evaluation background and purpose

The evaluation is conducted in the framework of the regional RBSA Monitoring and Evaluation (M&E) plan for 2018-2019 and in accordance with the ILO Procedures for the use of the Regular Budget Supplementary Account (RBSA) stipulating that RBSA-funded outcomes are being subject to evaluation in order to examine the results achieved with RBSA resources and their contribution to broader ILO programming and country cooperation frameworks, including DWCPs<sup>17</sup>.

The purpose of this assessment is to:

- Review the work done so far and assess the level of achievement of the stated objectives of the project/CPO AZE101;
- Assess the contribution of the project to the advancement of CCPDs, as well as the contribution to the achievement of other country programme outcomes in Azerbaijan, as may be relevant;
- Inform the next steps, and improve further programming in the area of SDGs (particularly SDG8), DW accelerators and enterprise development;
- Provide technical inputs aimed at better defining the role of the ILO in relation to further strengthening of the capacity of the ILO constituents to effectively contribute to SDG-related processes and to promote the Decent Work agenda;
- Provide recommendations on steps to be taken to achieve better coordination and synergies with other UN family organizations for the implementation of 2030 agenda in Azerbaijan.

These insights will be used as technical input for future planning with ILO constituents, i.e. possibly in connection with the elaboration of a new DWCP for Azerbaijan after 2020.

The main clients of this analysis will be ILO management, technical specialists, staff and tripartite constituents.

## III. Scope of the assessment

The scope of the assessment will be the action to achieve the country programme outcome AZE 101 "Increased progress in attaining SDGs through the promotion of Decent Work and inclusive economic growth in rural and urban areas in Azerbaijan" (referred to as *the project*) and all its components. Interviews research will be conducted in Azerbaijan with key actors such as ministries, other government institutions and ILO constituents.

Gender equality will be addressed as a cross-cutting consideration throughout the methodology and deliverables. To the extent possible data collection and analysis will be disaggregated by gender.

## IV. <u>Criteria and questions</u>

The assessment will apply the key OECD/DAC criteria of relevance, effectiveness, efficiency, sustainability, and will provide recommendations in the definition of the key actions to be undertaken. Impact potential will be assessed to the extent possible given the limited scope and duration of the intervention.

The assessment will seek answers to the following questions:

Relevance

1. To what extent are the project objectives and approach relevant to the constituents' needs and present country context?

Effectiveness

- 2. What have been the major results and lessons learned during the RBSA project implementation?
- 3. What has been the progress made in the achievement of the project outcome? Have there been any changes in the three specific areas defined as project objectives:
  a) in constituents' capacity to support the development of policy framework in the realm of youth employment and formalization; b) in the government capacities to identify the progress and gaps in areas related to the DW agenda and SDGs; c) in constituents' engagement, exchange of knowledge and coordination of the activities aimed at achieving the SDGs (i.e., their participation in national multi-stakeholder processes)?
- 4. To what extent the project activities have taken into account and contributed to the advancement of four cross-cutting policy drivers (CCPDs)?
- 5. What are the main constraints experienced by the project (both in terms of methodology and context)?
- 6. What is the most effective and efficient way to provide technical support and follow up on the main areas tackled by the project?

## Efficiency

7. Have resources available (time, funds, partnerships, knowledge, expertise and tools/know-how) been used efficiently?

## Sustainability and impact potential

- 1. Are the results achieved likely to continue after the end of the interventions? Are they likely to produce longer-term effects and benefits to the target groups?
- 2. Is it likely that the government will develop new policies, laws, regulations contributing to further progress in the areas tackled by the project?

#### Recommendations and next steps

- 1. What are the next steps to be undertaken? What is the best way to proceed? What would be the main issues to tackle?
- 2. Which actors and which way should be engaged?
- 3. What action might be needed to bolster the longer term effects and to come to further policy measures generating a positive change?

The list of questions can be adjusted by the consultant prior to field research in coordination with the ILO representatives.

Based on the analysis of the findings this study will aim at providing practical recommendations on the immediate next steps and technical assistance needs that could be incorporated into the design of future initiatives.

## V. <u>Methodology</u>

The methodology should include multiple methods. The evaluation consultant will review the available literature and materials. Then the consultant will set an action plan to carry out interviews, the action plan will be validated through an orientation meeting (on-distance) with the ILO.

It will be followed by on-distance interviews with the DWT/CO Moscow staff (management/TBC, Evaluation Officer, Programme Officer), in-country research, including meetings with the ILO staff based in Baku, Project Manager, ILO National Coordinator in Azerbaijan and tripartite constituents, i.e. the government, trade unions

and employers' organization, and other relevant government institutions, UN agencies representatives (UN RC office, FAO). Information will be collected by means of group and/or individual interviews with key actors. Interviews may be arranged both face-to-face and/or on-distance depending on feasibility. Stakeholders' survey questionnaire might be also applied if relevant and appropriate. Upon completion of the interviews, a presentation of preliminary findings might be organized by the ILO.

## VI. Main deliverables/outputs

The consultant will provide a draft report in English (preferably up to 30 pages in length, without annexes). The report will follow the format recommended by the ILO Evaluation Office<sup>18</sup> and include:

- Executive Summary with key findings, conclusions and recommendations
- ✓ project background
- ✓ evaluation background and methodology
- ✓ findings
- $\checkmark$  conclusions and recommendations
- $\checkmark$  lessons learnt and good practices
- ✓ annexes, including a list of those consulted

The draft report will be circulated by the evaluation manager and shared for comments with the stakeholders. Further to receipt of combined comment from the evaluation manager, the evaluator will prepare a final report that will be subject to approval by the ILO.

Essential parts of the report might be translated for the constituents' use (to be arranged by the ILO).

#### VII. Management arrangements and professional requirements

The assignment will be conducted by an external consultant who will report to the evaluation manager appointed by the ILO. The assignment will require approximately 20 working days (non-consecutive), in the second half of October – November 2019. The ILO will cover the consultancy fee.

#### **Timelines**

A tentative timeline can be found below:

Task	Time	# days
Desk review	Mid-October	4
Orientation meeting (on distance)	End of October	1
Meetings/interviews	Beginning of November	3
Data analysis and draft report	Mid-November	8
Circulation of the draft report for		(two weeks)
comments (by the evaluation manager)		
Final report	End of November	4
Total		20

#### Requirements:

- o University degree in social sciences or economics
- o understanding of the ILO's tripartite foundations and standards
- o expertise in the issues of SDGs promotion, DW agenda, entrepreneurship development

<sup>&</sup>lt;sup>18</sup> Please refer to the ILO Evaluation Office Checklist #5 Preparing Evaluation Reports at <u>http://www.ilo.org/eval/Evaluationguidance/WCMS\_165967/lang--en/index.htm</u>

- o knowledge of the country context and the region
- o knowledge of assessment methods, qualitative and quantitative research skills
- o analytical skills
- o fluency in English
- o knowledge of Azeri an advantage

#### VIII. Norms and standards

The assessment will be carried out in adherence with the ILO evaluation policy guidelines, UN Evaluation Group (UNEG) Norms and Standards and OECD/DAC criteria for evaluating development assistance.

The evaluator will abide by the ILO EVAL's Code of Conduct for carrying out the evaluations<sup>19</sup>.

Ethical considerations will be taken into account in the process. As requested by the UNEG Norms and Standards, the consultant will be sensitive to beliefs, manners and customs, act with integrity and honesty in the relationships with all stakeholders.

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 assessment, this implies involving both men and women in the consultation, analysis. Moreover, the consultant should review data and information that is disaggregated by gender (if available) and assess the relevance and effectiveness of gender-related strategies and outcomes to improve lives of women and men. All this information should be accurately included in the report.

ANNEX 6 A COMPLETE LIST OF KEY PROJECT OUTPUTS BY TARGET GROUP	
Target group	Outputs
All constituents	Seminar on wages for all social partners (December 2018) SDG promotion, Government + Social partners together with UNDP – continuation from last year, 26th July Conference on Social Security and labour market and pension system – July 2019 (up to 10.000)
Government	Conference: "International labour standards", Baku, 15-16 July, 2019 Conference: "ILO Approach to Strategic Compliance Planning: Labour Inspection and Employment Policy" Baku, 11-12 July, 2019 Conference: "Social Protection and Sustainable Development", Baku 2-3 July 2019 (up to 10.000) Training: "Start and Improve Your Business" in collaboration with the Ministry of Agriculture, the Ministry of Labour and Social Protection of the Population and the FAO, Baku and regions, April-May, 2019 (140 beneficiaries) Training: International Labour Standards, Turin, the International Training Centre, 27 May – 7 June, 2019 Training: "DECENT WORK AND THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT", Turin, the International Training Centre, 8-12 April, 2019 (attended by the Head of the Employment Policy Department)

#### The consultant should not have worked or have any relation with the project

<sup>&</sup>lt;sup>19</sup> <u>http://www.ilo.org/legacy/english/edmas/eval/template-code-of-conduct.doc</u>

	1
	Translation and dissemination: C155 - Occupational Safety and Health Convention, 1981 (No. 155) to facilitate ratification, 2019
	Seminar: "The Basics of the Civil Servants' Wages System Development", Baku 17 – 18 December, 2018
	Training: "DECENT WORK AND THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT", Turin, the International Training Centre, 24-28 September, 2018
ASK	Youth conference organized at the beginning of January 2019
	Internal capacity reorganization, July 2019
	ITC Turin training on DECENT WORK AND THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT
	SIYB Training of Trainers starting in September 2019
	Enabling Environment for Sustainable Enterprises (EESE) workshop, 28.01.2019
	Customer relationship management (CRM) database – Training for usage of database, October 2019
Trade Union	Future of Work conference to discuss ILO Global Report, 80 participants, Baku, 6 May 2019
	Azerbaijan - Moldova SDG conference, May 2019
	4 seminars (total of 100 participants) for Azeri Trade Unions Confederation and its affiliates' young activists on youth employment, collective bargaining & dispute resolution including in informal sector. (end of February – April 2019)
	Conference to review the implementation of the SDGs by Azerbaijan and drawing up recommendations to the National SDGs Commission, Baku, November 2019.
	Printing of publications SDG TU guide. SDG document ACTTRAV / 100-200 pieces - (April 2019)

## **ANNEX 7 EVALUATOR RESUME**

#### Leyla Shamchiyeva Personal details Contact: leyla@impact-management.org Education: MA in Central Asia and Caucasus, Humboldt University Berlin BA in History and Regional Studies, Baku State University English (fluent), Russian (native), Azerbaijani (native), Turkish (working knowledge), German (basic Languages: working knowledge) Nationality: Azerbaijan Residence: UK (full unrestricted employment rights) Career summary 2018 - present Principal Consultant, Impact Management; London, UK Managed the mobilisation and setting up of the £30 million DFID-funded and Nathan-led Invest Salone programme in Sierra Leone aimed at improving incomes and livelihoods by facilitating domestic and foreign investment in tradeable sectors. Led a scanning exercise of the four East African economies to help Msingi identify future opportunities for quality job creation in the region's manufacturing sector. Msingi is an inclusive growth-catalysing organisation based in Nairobi and funded by DFID and the Gatsby Foundation. Led an independent evaluation of an ILO project aimed at enabling ASEAN governments to improve the labour market dialogue in response to the new challenges of growing regional trade, economic integration and digitalisation. Produced a study on how DCED members can support inclusive economic transformation in Sub-Saharan Africa using a Market Systems Development approach. 2016 - 2018 Senior Consultant, Nathan Inc.; London, UK Seconded to PwC as Portfolio Lead for the £350 million DFID-funded Girls' Education Challenge (GEC) Fund with projects across Africa and Asia. Line-managed a global team of 5 Portfolio Managers to manage portfolio risks, milestone delivery, quality assure on-the-ground monitoring and coordinate relationships with projects and local DFID offices. Led the portfolio management workstream and working closely with other workstreams programme management, M&E and technical Line-managed the portfolio managers (PM's) who oversaw projects in their regions; managing PM's workplans and performance management Risk management and mitigation for projects, including decisions on putting projects on performance improvement plans Ensured compliance with logframe milestones, indicators and output schedules Donor reporting, KPI reporting, responding to ad-hoc donor requests Sitting on the senior management team (SMT) and attending relevant meetings/making decisions at this level Achievements include successfully delivering GEC projects' phase-out and a closed procurement under the new GEC-Transition funding window. Coordinated 6 end-of-project knowledge sharing and learning events. 2015 - 2016 Consultant, International Labour Organization; Geneva, Switzerland and Uzbekistan Assessed the risks of child and forced labour in supply chains in cotton industry in Central Asia for a joint ILO-World Bank project. Coordinated the implementation of Youth Employment Programme learning activities in North and East Africa, preparing policy briefs on what works in public works, public employment services and other active labour market programmes (ALMPs) based on the meta-analysis of ALMP impact evaluations. Achievements include organising two Ministerial-level learning events in Geneva and Addis Ababa on "what works in youth employment" for 90 government, business and workers' representatives and international employment experts. 2014 - 2015 Task Team Coordinator, UN High Commissioner for Refugees: Geneva, Switzerland Ran task team communication to increase awareness and collaboration across 9 UN operational agencies and 180 iNGOs. Achievements include organizing a series of high-level meetings and webinars for iNGOs and UN agencies to coordinate approaches to improving 'downwards accountability' in humanitarian situations.

<ul> <li>Produced reports on accountability by UN member agencies and international NGOs and an assessment of UNHCR's capacity to address gender-based violence (GBV) protection issues pertaining specifically to LGBTI persons of concern in the MENA region.</li> </ul>
<ul> <li>Labour Market Analyst, International Labour Organization; Geneva, Switzerland</li> <li>Researched, drafted and edited reports on a) school-to-work transitions using a jobs quality lens and b) the enabling environment for private sector growth.</li> <li>Achievements include leading data analysis and co-authoring country studies on decent work transitions in Tanzania, Uganda and Moldova for the MasterCard Foundation's Work4Youth project.</li> </ul>
<ul> <li>Skills Development Consultant, Helvetas Swiss Intercooperation; Kathmandu, Nepal</li> <li>Provided technical advisory support to the Employment Fund Secretariat.</li> <li>Achievements include updating 2 guidelines for vocational skills training practitioners on 'rapid market appraisal' and 'micro-enterprise development for job creation'.</li> </ul>
<ul> <li>Women's Economic Empowerment Adviser, Community Action Centre; Kathmandu, Nepal</li> <li>Advised on the development of a five-year strategic plan with a focus on disadvantaged women's economic empowerment through improved skills and employability.</li> <li>Achievements include successfully brokering partnerships with the World Bank, NGOs and enterprises to pilot new models for running apprenticeship programmes.</li> </ul>
<ul> <li>Employment Policy Consultant, World Bank Institute; Washington DC, USA</li> <li>Ran an e-learning course on 'Policies for Jobs' and providing input into flagship reports, such as on violence against women and girls in South Asia.</li> <li>Achievements include organizing a workshop on 'tools and policies for inclusive growth' and presenting on critical youth employment challenges for 30 state officials from Eastern Europe and Central Asia in Vienna.</li> </ul>
<ul> <li>Technical Officer, International Labour Organization; Geneva, Switzerland</li> <li>Carried out key technical and project management functions in a small team for a Sida-funded global initiative on promoting strategies for inclusive growth, acting as a focal point for gender issues. Advising governments on productive employment targets to achieve MDG poverty reduction goals.</li> <li>Achievements include an Employment Diagnostic Analysis (EDA) methodology applied by the ILO and government partners and widely cited; producing 2 country EDAs and delivering 3 consultative and capacity building workshops in Bosnia and Indonesia for 100 high-level government, business and workers' representatives to validate the results of the diagnostic analysis and inform national development policy.</li> </ul>

#### Selected publications

- Matt Ripley, Leyla Shamchiyeva. <u>Promoting Economic Transformation through Market Systems Development</u>. Study for the DCED Working Group on Market Systems Development. London. 2019
- Vladimir Ganta, Leyla Shamchiyeva. <u>Labour Market transitions of young women and men in the Republic of Moldova</u>, Work4Youth Publication Series No 38, ILO Geneva, 2016
- Maikel Lieuw-Kie-Song, Susana Puerto and Mito Tsukamoto. <u>Boosting youth employment through public works</u>, Revised and edited by Leyla Shamchiyeva, Employment Policy Department, ILO Geneva, 2016
- Global Employment Trends for Youth 2015: <u>Scaling up investments in decent jobs for youth</u>, ILO Geneva, 2015
- Leyla Shamchiyeva, Takaaki Kizu and Godius Kahyarara. <u>Labour market transitions of young women and men in the United</u> <u>Republic of Tanzania</u>, Work4Youth Publication Series No. 26, ILO Geneva, 2014
- Jimrex Byamugisha, Leyla Shamchiyeva and Takaaki Kizu. <u>Labour market transitions of young women and men in Uganda</u>, Work4Youth Publication Series No. 24, ILO Geneva, 2014
- Employment diagnostic analysis: A methodological guide, Employment Sector, ILO Geneva, 2012
- <u>Understanding deficits of productive employment and setting targets: A methodological guide</u>, Employment Sector, ILO Geneva, 2012;
- Per Ronnås, Leyla Shamchiyeva. <u>Employment diagnostic analysis: Maluku, Indonesia</u>, Employment Working Paper No. 98, ILO Geneva, 2011
- Shagun Khare, Per Ronnas, Leyla Shamchiyeva. <u>Employment diagnostic analysis: Bosnia and Herzegovina</u>. Employment Working Paper No. 86, ILO Geneva, 2011