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Inclusive Economic Recovery through Sustainable Enterprises in the Informal Economies of Fiji, Palau, Tonga, and Vanuatu

ILO DC/SYMBOL: **RAS/20/53/UND**

Type of Evaluation: Joint

Evaluation timing: Final

Evaluation nature: Independent

Project countries: Fiji, Palau, Tonga and Vanuatu

P&B Outcome(s): Improved employment and business environment in the informal sector through sustainable businesses, access to social security, and organizing

- (a) Creation of market linkages and specialized skills transfer in the cultural and creative industry sector to improve productivity and innovation in Fiji, Vanuatu, Tonga and Palau;
- (b) Improved livelihood outcomes from informal agricultural economy in Fiji, Vanuatu and Tonga; and
- (c) Effective joint project monitoring, documentation and evaluation processes put in place.

SDG(s): SDG 1: No poverty; SDG 5: Gender equality; and SDG 8: Decent and economic growth

Date when the evaluation was completed by the evaluator: 31 May 2022

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ILO Administrative Office: CO-Suva

ILO Technical Office(s): DWT-Bangkok

Joint evaluation agencies: ILO, UNESCO, UNDP and IFAD (Led by ILO)

Project duration: October 2020 – March 2022

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

FINAL EVALUATION – KEY INFORMATION TABLE			
Project Title	RAS/20/53/UND Inclusive Economic Recovery through Sustainable Enterprises in the Informal Economies of Fiji, Palau, Tonga, and Vanuatu		
Contracting Organization	International Labour Organization (ILO)		
ILO Responsible Office	ILO CO-Suva		
Technical Units	--		
Funding source	Secretary General's Multi Partner Trust Fund (MPTF)		
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Name of the Evaluator	Ganesh P. Rauniyar		
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LIST OF ABBREVIATIONS

ACTEMP	ILO Bureau of Employers Activities
ACTRAV	ILO Bureau for Workers Activities
CDS	business development services
BCP	business continuity plan
C-BED	community-based enterprise development
CCI	cultural and creative industries
COVID-19	coronavirus disease 2019
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
ILS	International labour Standard
LGBT	lesbian, gay, bisexual and transgender
MDF	Market for Development
MSMEs	micro, small and medium enterprises
OECD-DAC	Organization for Economic Cooperation and Development – Development Assistance Committee
PIFON	Pacific Islands Farmers Organisation Network
RUNOs	Recipient United Nations Organizations
SEIA	socio-economic impact assessment
SPC	The Pacific Community
TC	tropical cyclone
ToC	training of trainer
UN	United Nations
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNSEIA	United Nations Socio-Economic Impact Assessment

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EXECUTIVE SUMMARY

INTRODUCTION

The Inclusive Economic Recovery through Sustainable Enterprises in the Informal Economies of Fiji, Palau, Tonga, and Vanuatu (RAS/20/53/UND) supported by ILO, UNDP, IFAD, and UNESCO was approved for implementation from 1 October 2020 to 1 November 2021. The project received funding from the Secretary General's Multi Partner Trust Fund (MPTF) for activities implemented by ILO, UNDP, and UNESCO, and IFAD was to bring its own funding as an implementing partner of the project. It was extended until 31 March 2022 due to the prolonged coronavirus disease (COVID-19). The project design was informed by a joint United Nations (UN) exercise comprising relevant Recipient UN organizations (RUNOs) to assess the impact of COVID-19 in the Pacific. It had three immediate outcomes:

(i) Improve the institutional capacities of national service providers to deliver innovative and sustainable COVID-19 safe BDS and social security/pension options to vulnerable groups to support recovery and income generation; (ii) Improve productivity and spur innovation in the creative and culture and agricultural sectors; and (iii) Monitor, document and evaluate progress, share lessons learned, and contribute to recovery policy development and review. The project did not have an explicit theory of change but the outcome, outputs, and activities were narrated in the project document and treated as a results framework. In addition, UNESCO had commissioned an internal evaluation of its contribution to ensure accountability, learning, project improvement, and to build organizational knowledge for potential upcoming projects in the region.

PURPOSE OF EVALUATION

The final evaluation was conducted for the purpose of accountability, learning, project improvement and for building organizational knowledge. It aimed to improve the project relevance and the efficiency of the implementation mechanism of the project. The evaluation was also conducted to provide an independent assessment of the progress to date, through an analysis of the criteria of project relevance, efficiency and effectiveness, which have been affected by the Coronavirus emergency.

EVALUATION OBJECTIVES AND SCOPE

ILO commissioned the final independent evaluation of the project on 17 March 2022 with four specific objectives: (i) review the institutional setup, the capacity for project implementation, coordination mechanisms, and the use and usefulness of management tools including the project monitoring tools and work plans to understand the project implementation efficiency, and its effectiveness in achieving the stated results; (ii) analyse the planned implementation strategies of the project and the ones adopted as a reaction to the COVID-19 pandemic about their potential effectiveness in achieving the project objectives; including unexpected results and factors affecting project implementation (positively and negatively/intended and unintended); (iii) identify lessons and potential good practices for the users of the evaluation to improve the project implementation; and (iv) provide strategic recommendations for the different users of the evaluation to understand the project development and implementation. The evaluation covers the entire project duration and activities implemented by ILO, UNDP, and UNESCO in Fiji, Palau, Tonga, and Vanuatu that were supported by the multi-partner trust fund (MPTF). The activities financed by IFAD are being implemented in Fiji, Tonga, and Vanuatu using government mechanisms.

METHODOLOGY AND DATA

It was a joint evaluation led by ILO in consultation with UNESCO, UNDP and IFAD, and it is guided by the terms of reference for evaluation prepared by ILO according to the ILO Evaluation Policy. The evaluation applied OECD-DAC evaluation criteria of relevance, coherence, efficiency, effectiveness, impact, and sustainability. Cross-cutting issues were internalized within the six evaluation criteria. It adhered to United Nations Evaluation Group (UNEG) Norms and Standards, UNEG Code of Conduct for Evaluation in the UN System, and UNEG Guidance on Integrating Human Rights and Gender Equality in Evaluations. The evaluation adopted a mixed-method approach and utilized a combination of qualitative and quantitative data collection tools. The evaluation passed through three phases: (i) inception, (ii) data collection, and (iii) analysis and reporting. The inception phase involved a briefing from the Evaluation Manager and project coordinator to the evaluator, in-depth document reviews, and initial interviews with the project technical team and the Chair of the project steering committee. Due to travel restrictions associated with COVID-19, primary data collection was done remotely, and it involved sourcing additional data and information on project performance and project finance, video or telephone interviews with 38 key informants associated with the project in Fiji, Palau, Tonga, and Vanuatu, and two focus group discussions in Fiji with the project beneficiaries. For the agricultural entrepreneurship outputs, gender-disaggregated data was not available for the evaluation.

EVALUATION FINDINGS

Relevance: The project was broadly relevant in all four countries. It aimed to serve the left-behind group, that is, those in the informal economy. The project incorporated the use of ILO training materials including C-BED. The evaluation, however, considers that given the geographical spread of the project in four countries and isolated communities in each country, the scope of the project was overambitious, particularly in the context of the ongoing pandemic, participatory planning processes for IFAD activities, with some lag as compared to deployment of MPTF resources, and weak institutional capacity at the country and local levels. The e-platform needed adequate due diligence for its feasibility in the project countries.

Coherence: The project had good synergies among ILO, IFAD, UNDP, and UNESCO. Clear roles and responsibilities of the partner agencies supported the undertakings of the respective agency's planned project activities. Good coordination and close consultation during the COVID-19 pandemic were very important. There was no duplication of efforts among the partner agencies. It was challenging to coordinate remotely with the national and private sector partner agencies but synergies with relevant institutions at the country level helped the project with work planning and execution. Only UNESCO had an in-country presence of consultants which proved helpful in ensuring project implementation. However, synergies with IFAD for agricultural entrepreneurship activities are delayed.

Efficiency: The external factors adversely impacted project efficiency. The external factors included the prolonged threat of the COVID-19 pandemic (including three waves in Fiji) and natural disasters in Fiji, Tonga, and Vanuatu. Internal factors were delayed recruitment and mobilization of the project team and difficulties in sourcing qualified consultants during the pandemic. The project, however, was able to work with the national partners and selected consultants (e. g. UNESCO) locally. The mobility restrictions during COVID-19 hampered the delivery of services with low internet penetration as well as on topics requiring hands-on practical aspects of training (e. g. agricultural entrepreneurship). The project was granted a 5-month no-cost extension.

Effectiveness: The project was successful in organizing two creative and cultural industries (CCI) groups in formal associations in Fiji and seven artists' associations in Tonga, which provided a previously non-existent voice for the informal economy in government's employment and MSME policies. The members of the associations also felt empowered as a collective voice for their groups. The MSMEs spoke highly of the values associated with BDS provided under the project to the informal economy. The individuals and MSMEs who received BDS appreciated the value and quality of new knowledge received through training, mentoring, and advisory services. The CCI benefitted from specialized skills transfer in addition to BDS in the project countries offered by ILO and UNESCO. The livelihood outcomes from the informal agricultural economy continue to be pursued with 3-year funding from IFAD that began late in the project cycle. Movement restrictions during the pandemic limited the scope and effectiveness of joint monitoring, documentation, and evaluation processes.

Impact: The project has had a positive impact on the CCI in project countries because it provided confidence to the informal artists in pursuing sustainable livelihoods as documented in ResiliArt debates and feedback reports. Data limitation did not permit the evaluation to assess the quantitative impact on income and employment but the beneficiaries expressed a positive outlook going forward as a collective organization. About 75% of project beneficiaries were women and 60% were youth. These were two segments of the population that had experienced significant negative impact due to COVID-19 and lost or had a significant reduction in livelihood income and or employment. Limited resources and a short implementation period did not permit the project to address the needs of persons with disabilities. The project contributed to SDG 8 and Outcome 3 of the UN Pacific Strategy and informed government strategy in addressing challenges faced by the informal economy. The project also informed inputs made by countries in the regional consultations in preparation for the World Conference on Cultural Policies – MONDIACULT 2022 as well as statements during the 2022 Pacific meeting of Ministers of Culture led by the Pacific Community (SPC).

Sustainability: The evaluation considers that the initiatives introduced by the project are likely to be sustainable. The merits of BDS have been recognized by the participants who benefitted from training, mentoring, and advisory services. However, willingness to pay for such services tend to vary by the size of MSMEs, with micro-enterprises less willing to do so without realizing substantial benefits. The two CCI associations are likely to sustain the organization and will be guided by continued dynamic leadership and guidance. Within a short implementation period, the project has influenced government policy for MSMEs in favor of the informal economy, particularly in Fiji and Tonga. The project brought attention to an often overlooked segment of the economy such as CCI that globally holds great potential for socio-economic development.

Crosscutting issues: The project has been successful in promoting social dialogue with the governments for creating enabling environment for the informal economy including social protection. The issue of gender equality and youth economic empowerment has remained at the core of project design and implementation. There had not been any issues associated with environmental sustainability. The project has remained consistent with ILO Recommendation 204, ILO Convention 98, and ILO Convention 1952 (No. 102).

CONCLUSIONS

The project had been relevant for all four project countries, and it has lifted the profile of the informal economy at the national level. Overall, the project is assessed as relevant, coherent, less than efficient, modestly effective, with some impact, likely sustainable, and satisfactory in addressing cross-cutting issues except for persons with disabilities.

RECOMMENDATIONS

The evaluation offers six recommendations:

Recommendation #1 (addressed to all relevant partner UN agencies): Address the challenges holistically faced by the informal economy. Project finance and technology need to be an integral part of the support structure. This is going to require the agencies to work across their boundaries for a common goal of helping the informal economy. Technical specialized agencies can bring in expertise and innovation while financing institutions could consider establishing a revolving fund to finance viable projects proposed by the informal economy. The effort should be complementary in directly addressing challenges faced by the informal economy such as access to finance and technology; economic empowerment of youth; gender equality and social inclusion; governance; and climate change. Informality should be treated as a common agenda for joint programming by UN agencies based on operational flexibility.

Recommendation #2 (addressed to ILO Office for Pacific Island Countries): Conduct rigorous due diligence at the time of project preparation and ensure that all requirements are met before approval. There should not be any short-cut in project preparation. While emergency projects may demand a speedy approval process, the due diligence requirements can be met with adequate desk research. This avoids the inclusion of infeasible project interventions. In this project, the electronic platform for marketing was not adequately thought through. Similarly, there was also a shortcoming in the assessment of the availability of national consultants and institutional capacity. For effective and efficient project implementation, a local interlocutor is a must, particularly when projects are expected to be coordinated and managed remotely. The project was designed during the pandemic, and there was no expectation that this would end soon. The Pacific countries are known for natural disasters, and when such need would arise remains unpredictable.

Recommendation #3 (addressed to ILO Office for Pacific Island Countries): Take stock of BDS and technical training providers in each country and introduce a rating matrix based on their experience and competencies. While BDS is an important intervention from ILO in MSME development, the quality of the BDS providers varies widely within and across the countries in the Pacific region. However, BDS needs to go hand-in-hand with required technical upskilling. A roster of qualified entities in each country can help to speed up the engagement process. Ideally, these entities can be recruited on a non-committal retainer basis.

Recommendation #4 (addressed to ILO Office for Pacific Island Countries): Continue to remain engaged with relevant government agencies and continue to influence national employment policy and social protection policy by ensuring and the formalization of the informal economy. Limited resources from ILO cannot address informality challenges at the national level and hence ILO must have the government on its side and consistent with the tripartite arrangement. Efforts should be invested in ensuring that successful initiatives introduced by ILO (e. g. partnering with the private and public sector in this project) are taken up and mainstreamed in the government's regular development programmes.

Recommendation #5 (addressed to all relevant partner UN agencies): Prepare project documents based on firm financial commitments from partner agencies to ensure timely execution of project activities. Project planning based on predictable resources helps to keep beneficiaries' and stakeholders' expectations realistic and does not create false hope. The project design should be amenable to modifications if additional resources become available. In this project, since expected funding for the IFAD component was not approved at the same time as MPTF, the agricultural entrepreneurship-related activities under component 2 were launched behind the schedule of other activities (and continue to be implemented). Also, project design should give due consideration to the implementation modalities of the agencies involved. In this project, ILO, UNDP, and UNESCO implemented project activities directly while IFAD had to work through respective government mechanisms.

Recommendation #6 (addressed to all relevant partner UN agencies): Strengthen monitoring and evaluation in projects to ensure timely flow of information for decision-making and ensure availability of data for evaluation. The project missed out on key indicators of economic and social empowerment. Also, in a multi-partner project, commitment to timely input into the monitoring and evaluation system is critical. In the case of this project, there had been long lags in getting data and information thereby causing scope for ad hoc decisions. The data and information flow through management information systems using appropriate monitoring and evaluation tools should be a priority for all agencies.

LESSONS AND EMERGING GOOD PRACTICE

The evaluation offers three lessons and highlights one emerging good practice.

Lesson #1: Flexibility in project delivery is essential if and when uncertainties occur.

The project quickly adapted to gathering and movement restrictions imposed during the COVID-19 outbreak or when it was expected to arrive on the shore. Also, some of the training could be offered remotely while others were delivered to trainers under the training of trainer arrangement and the trainers, in turn, trained the beneficiaries. However, since the target group is the informal economy, it is important to ensure that the trainers are locally recruited as possible who understand the local language and changing dynamics. Trainers engaged in the project were knowledgeable and could relate new knowledge to the participants.

Lesson #2: It is important to have a project design based on the latest facts and figures as the project design made use of findings from the country level Rapid Assessments and UNSEIA. However, due diligence needs to be exercised to ensure that the project design does not include interventions not suitable for the local context. For example, electronic platforms were not feasible in the project.

Lesson #3: Training, mentoring, and advisory services are necessary but not sufficient for MSMEs' development. Access to innovation and finance is equally important. The MSMEs, particularly during the COVID-19 pandemic, suffered from liquidity problems. The project would have been more effective if these were linked and properly coordinated among the project partners and implementing agencies.

Emerging good practice: It is essential that the project partners (and stakeholders) define and agree on their respective roles and responsibilities for efficient project outcomes. The project document becomes richer with such provisions and also it avoids any misunderstanding or miscommunication. In this project, the roles and responsibilities of

ILO, UNDP, UNESCO, and IFAD were clear from the outset which helped the project execution. Also, during implementation, there needs to be adequate complementarity in project activities implemented by different agencies, although this was somewhat challenging in this project.

I. INTRODUCTION

A. Socioeconomic conditions

1. Pacific Island countries have substantial natural resources and are rich in cultural diversity and are rapidly increasing their trade and digital links with global markets.¹ They are characterized by small size and the population is spread across many islands. Most of these countries depend on agriculture, fisheries, tourism, and cultural industries. They are also vulnerable to external shocks. The Pacific region is also one of the most vulnerable to climate change and natural disasters.² Vanuatu and Tonga were identified as the top two most at-risk countries in 2020.³

2. Many of the Pacific Island countries averted the onset of coronavirus disease (COVID-19) in 2020 due to their geographical isolation and closed international borders. However, 2021 saw the outbreak of disease, and it threatened economic and social wellbeing. A World Bank report (footnote 1) noted that Pacific countries are facing prolonged health and economic impacts that are stifling growth and creating new development challenges. The Joint UN Socio-Economic Impact Assessment (SEIA) also reported widespread unemployment and loss of income due to mass redundancies and reduced hours, closure of businesses, particularly women and youth-owned micro-enterprises, and lack of social security across the Pacific region. The tourism and allied businesses came to a grinding halt, and the lack of reliable livelihood and employment opportunities forced many redundant workers to transit from formal to informal economy, primarily agriculture production in rural areas. At the same time, new challenges emerged including skills gap, changing market structure, and weak agricultural value chains. The assessment also found that the pandemic and border closures had resulted in a decline in remittances, loss of tourism earnings, lack of social security, reduced livelihood opportunities, high rate of unemployment, supply chain disruptions, and high risk of business failures. Furthermore, micro, small and medium enterprises (MSMEs) operated by the vulnerable groups faced an imminent risk of distress sales and decapitalization. Also, women faced disproportionate impacts of the pandemic, and those working in the informal sub-sectors faced higher vulnerability to the socio-economic impacts of the pandemic given the low protection and flexibility granted to them as compared to their formal sector counterparts.

3. A heavy toll on the tourism sector has had a widespread impact also on those engaged in the CCI sector. Furthermore, employers and self-employed workers in the informal economies and hardest-hit sectors faced a high risk of business failure, particularly in micro, small and medium enterprises (MSMEs) operated by vulnerable groups, who faced imminent risk of distress sale and decapitalization.⁴ The International Labour Organization (ILO) took note of the situation analysis commissioned by the Pacific Community (SPC) about the limited education and training as well as professional development opportunities within the Pacific. More importantly, the institutional capacities of national service providers extending business development services (BDS) and social security/pension were very low and fell short of delivering adequately for the informal economy. Furthermore, there was no business

¹ <https://www.worldbank.org/en/country/pacificislands/overview#1> accessed 10 May 2022).

² Tropical cyclone Harold in 2020 impacted all four countries at the start of COVID-19; tropical cyclone Winston in 2016 accounted for 30% of the reduction in Fiji's GDP, and tropical cyclone Pam in 2015 was responsible for a 60% reduction in the GDP of Vanuatu.

³ https://cpbrd.congress.gov.ph/images/PDF%20Attachments/Facts%20in%20Figures/FF2021-20_World_Risk_Index_2020.pdf (accessed 10 May 2022).

⁴ https://www.ilo.org/global/about-the-ilo/WCMS_738753/lang-en/index.htm

association or unions to protect the rights of informal workers and amplify their key priorities at the local or national level. Similar adversities have affected youth employment, who also risk losing on-the-job training and vocational training opportunities, placing major obstacles in future labour market placement and job mobility. The assessment concluded that the detrimental economic impacts of COVID-19 were exacerbating poverty and inequality, including gender inequality, and it was very likely to compromise the region's ability to sustain progress towards Agenda 2030.⁵

4. The pandemic further exposed the plight of those involved in informal employment, which accounted for more than half of the employment in Fiji, Palau, Tonga, and Vanuatu. The Rapid Assessments (RAs) in these countries highlighted the likely impact on traditional informal economy businesses and workers, including women, youth, persons with disabilities (PWD), and those traditionally engaged in the CCI sector. The majority of the informal workers and businesses could not take advantage of the government-led assistance because they did not have registered businesses. Up until early 2020, informal workers and businesses also were not able to derive benefits from other upskilling and capacity development activities offered by government training institutions that had operated with the support from the governments' internal as well as external resources from development partners. There was a clear need for the public and private sectors to support informal workers and businesses in enhancing their human capacity and business skills on a path to sustainable employment and livelihood. The informal economy remains a key driver for economic recovery for all Pacific countries and presents the first opportunity to address pre-existing challenges in its structure and mechanisms.

B. The Project

5. The Inclusive Economic Recovery through Sustainable Enterprises in the Informal Economies of Fiji, Palau, Tonga, and Vanuatu (RAS/20/53/UND), hereafter referred to as the "project" was formulated and approved with the support of the International Labor Organization (ILO), United Nations Educational, Scientific and Cultural Organization (UNESCO), and United Nations Development Program (UNDP). As an implementing partner, the International Fund for Agricultural Development (IFAD) participated in the project design process. The project was funded by the UN Secretary General's multi-partner trust fund (MPTF) for the implementation of project activities by ILO, UNDP, and UNESCO in Fiji, Palau, Tonga, and Vanuatu. IFAD had envisaged bringing its fund for agricultural entrepreneurship activities in Fiji, Tonga, and Vanuatu. The project was designed to support informal sub-sectors of informal economies, CCI, and the agriculture sector and mobilize stakeholders in the labour market to address unemployment, underemployment and business deficits and fundamental flaws of informal economies to improve resilience and employment, production, and income recovery from impacts of coronavirus (COVID-19) pandemic.⁶ The project's partnership with IFAD was expected to contribute to its longer-term investment and expand BDS, market access, and other outcomes in the agriculture sector. In the meantime, the project support focused on the core strengths of the three agencies – ILO for workers' organization and business development services (BDS), UNDP for the business continuity plan (BCP), and UNESCO for supporting CCI. The original project duration was 13 months (1 October 2020- 1 November 2021), but it was extended to 31 March 2022 to complete some of the planned activities affected by the pandemic.

⁵ The project document noted that informal employment accounted for more than half of the employment in Fiji, Palau, Tonga, and Vanuatu. Although the informal sector was contributing significantly to total employment (Fiji – youth, and persons with disability lacked adequate and equal access to decent employment and social protection. 66.2%, Tonga – 78%) and Vanuatu - 80%), the traditional informal sector business workers, including women,

⁶ Project document.

6. The project aimed to create an enabling and inclusive business and employment environment to address business/employment deficits and challenges by the COVID-19 pandemic on women, youth, and persons with disabilities operating in the informal economy. It also envisaged like-minded United Nations agencies to introduce social security mechanisms for informal workers and legally empower the informal economy by working with national and regional institutions as well as the formal private sector, national trade unions, national training institutions, CCI associations, and producer organizations. A reconstructed project theory of change is depicted in Figure 1. The project was also designed to apply a human rights-based approach to developing appropriate livelihoods and income-generating activities and will apply the concept of building back better in terms of ensuring that the identified business models are environmentally friendly and inclusive of vulnerable groups including women, youth, and people with disabilities.

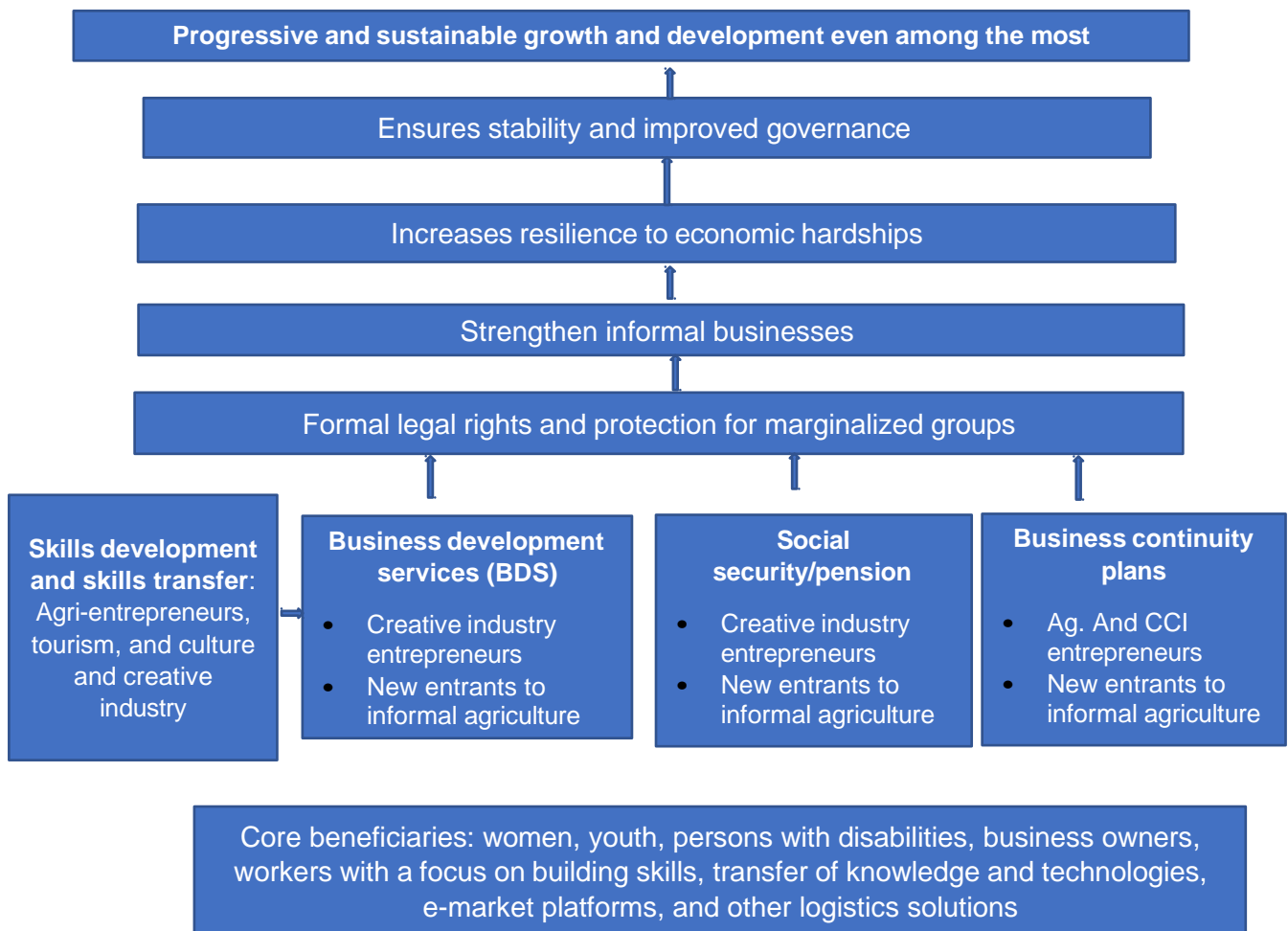


FIGURE 1: THEORY OF CHANGE: A CONCEPTUAL FRAMEWORK

7. The project had three immediate objectives, each linked to a set of outputs (Figure 2).

- (i) Improve the institutional capacities of national service providers to deliver innovative and sustainable COVID-19 safe BDS and social security/pension options to vulnerable groups to support recovery and income generation.
- (ii) Improve productivity and spur innovation in the creative and agricultural sectors.
- (iii) Monitor, document and evaluate progress, share lessons learned, and contribute to recovery policy development and review.

FIGURE 2: PROJECT OUTCOMES AND OUTPUTS (OCTOBER 2020 – MARCH 2021)

Outcomes/Output/ Agency Responsibility	Description
Outcome 1: Improved employment and business environment in the informal sector through sustainable businesses, access to social security, and organising by November 2021	
Output 1 (ILO)	Capacities of BDS providers to deliver innovative and relevant support to informal economy women and youth-led creativepreneures and agri-preneures strengthened.
Output 2 (ILO, UNDP)	COVID-19 and disaster-resilient incubator and accelerator programmes targeting informal economy women and youth-led creative-preneures and agri-preneures launched.
Output 3 (ILO)	Digital platform for ease of social security access for informal economy workers and women and youth-led creative-preneures and agri-preneures established.
Output 4 (ILO)	Representative informal economy workers and women and youth-led creative-preneur and agri-preneur groups with links to national workers and employer organisations established.
Outcome 2 (a) Creation of market linkages and specialized skills transfer in the cultural and creative industry sector to improve productivity and innovation in Fiji, Vanuatu, Palau and Tonga (b) Improved livelihood outcomes from informal agriculture economy in Fiji, Vanuatu and Tonga	
Output1 (UNESCO)	A master-apprentice scheme is re-established in Fiji, Vanuatu, Palau and Tonga to enable specialized skills transfer in the cultural and creative industry sector
Output2 (IFAD)	At least 500 persons, including agri-preneures trained in agricultural production in Fiji, Vanuatu, and Tonga
Output3 (UNESCO)	Cultural and creative industry entrepreneurs, particularly women and youth, have improved capacity in developing narratives, labeling and packaging for their products and services to achieve improved market linkages
Output4 (UNESCO)	On-line platforms for e-commerce are harnessed to enhance business development and South to South knowledge exchange is facilitated
Output5 (UNDP, IFAD)	E-platform for agricultural sales rolled out in Fiji, Tonga and Vanuatu
Output6 (IFAD)	Provision of tools and inputs to family farms
Output7 (IFAD, ILO)	Safety and Health awareness and improved practices communicated to targeted family farms in Fiji, Vanuatu and Tonga
Output8 (IFAD)	Knowledge sharing on food preservation and trainings in processing methods provided in Fiji, Vanuatu and Tonga
Outcome 3: Effective joint project monitoring, documentation and evaluation processes put in place	
Output1 (All PUNOs)	Audio-visual knowledge tools developed for sharing experience with non-project countries
Output2 (All PUNOs)	Study elaborated on the contribution of informal creative industries and agriculture to economic recovery
Output3 (All PUNOs)	Knowledge sharing of good practices and lessons learned through social media and webinars with project and non-project countries and development partners
Output4 (All PUNOs)	Measures and tools established for effective project management, coordination and reporting support

Source: Terms of Reference for the project final evaluation.

C. Implementation Arrangements

8. A technical committee comprising the UN agencies (ILO, UNDP, IFAD, and UNESCO) implemented the project, and each agency had a nominated focal person. ILO was represented by a Project Coordinator, UNESCO by a Cultural Advisor, UNDP by a Deputy Team Leader (Inclusive Growth), and IFAD by a Programme Manager. ILO focal point served as a Project Coordinator, and he was tasked to implement ILO-tagged tasks (e.g. BDS, workers' organizing), overall project coordination, and reporting. ILO Project Officers for Fiji and Tonga, Palau, and Vanuatu along with specialists from Suva and Bangkok Regional Office provided technical backstopping. ILO did not have an in-country presence in Palau, Tonga, and Vanuatu, and hence most of the field activities related to ILO were conducted by local partners in coordination with the Project Coordinator. The UNESCO focal point managed CCI activities including training with the support of locally recruited consultants in the four project countries, including a lead consultant based in Fiji to ensure coherence. UNDP focal point implemented BCP. In addition, the Pacific Secretariat also served as a project partner and IFAD national partners took part in the delivery of some of the project activities. Other implementing partners in each of the four countries are listed in Table 1.

Table 1: Implementing Project Partners in Fiji, Palau, Tonga, and Vanuatu

Country	Government Agencies, Tripartite Organizations, and Training Providers	
Fiji	<ul style="list-style-type: none"> Ministry of Trade, Commerce and Tourism Ministry of Agriculture Fiji Commerce & Employers Federation Fiji Trades Union Congress Fiji Islands Dance Association Viti Association of Visual Arts (VAVA) Fiji Art Council (FAC) 	<ul style="list-style-type: none"> Greenhouse co-working Fiji Enterprise Engine iTaukei Trust Fund Board National Provident Fund, Fiji Pacific Island Farmers Organisation Network Asian Farmers Association
Palau	<ul style="list-style-type: none"> Palau Chamber of Commerce Consultant and member of Palau Chamber of Commerce Belau National Museum 	<ul style="list-style-type: none"> Small Business Development Center
Tonga	<ul style="list-style-type: none"> Labour Division, Ministry of Trade & Economic Development Ministry of Tourism Ministry of Agriculture and Food, Forests and Fisheries 	<ul style="list-style-type: none"> Tonga Public Service Association Mainstreaming of Rural Development Innovation of Tonga Trust
Vanuatu	<ul style="list-style-type: none"> Ministry of Agriculture, Livestock, Forestry, Fisheries, and Biosecurity Commissioner of Labour, Ministry of Internal Affairs Vanuatu Public Service & Employees Union Vanuatu Chamber of Commerce & Industry Vanuatu Cultural Centre (VCC) 	<ul style="list-style-type: none"> Vanuatu Business Resilience Council Vanuatu National Provident Fund Vanuatu Council of Trade Unions V-Lab Youth Challenge Vanuatu World Vision New Zealand

9. The Country Director, ILO Country Office for Pacific Island Countries led a project steering committee comprising UNDP Representative (Suva), the Director of UNESCO Office for the Pacific States, and the IFAD Country Director for the Pacific States. The committee provided overall guidance to the project technical team. Each agency managed the share of its project finances. ILO engaged both public and private BDS providers. ILO also mobilized tripartite partners in addressing the needs of the informal economy. ILO and UNDP were to lead the first and UNESCO in partnership with IFAD to lead the second outcome. All agencies were expected to contribute to the third outcome. The project had

envisaged that IFAD and UNESCO would provide technical training in agricultural and CCI entrepreneurship and ILO and UNDP would provide BDS and BCP. However, due to tight scheduling challenges, the project was not able to maintain sequencing.

D. Source of Project Finance

10. The project had a total budget of USD 1,530,003 from the multi-partner trust fund (MPTF), of which USD 765,002 (50%) was allocated to ILO, USD 255,000 (16.7%) to UNDP, and USD 510,001 (33.3%) to UNESCO. At project closing, total expenditure amounted to USD 1,431,741, which is approximately 93.6% of the MPTF approved amount. The agency-wise expenditure was USD 732,136, USD 444,605, and USD 255,000 by ILO, UNESCO, and UNDP, respectively.⁷ As stated earlier, IFAD used its fund for implementing planned activities and these are continuing.

E. External Factors

11. The project partners organized an inception meeting on 10 December 2020 but several events have adversely impacted project delivery at its completion. Two notable events during the project implementation period include tropical cyclone Ana impacting Fiji (and other Island countries) in late January 2022, an undersea volcanic eruption and ensuing tsunami drastically impacting Tonga in January 2022, and flooding as a result of tropical cyclone Dovi in Vanuatu in February 2022. Similarly, Fiji experienced three waves of the COVID-19 pandemic. In April 2021, Fiji was hit by the second wave of COVID-19 which led to curfews, lockdowns, and meeting restrictions; and whole government efforts focused on addressing the pandemic emergency response and the tropical cyclone Ana recovery. Likewise, the third wave of the virus commenced in Fiji in early January 2022. Similarly, Tonga also faced a national lockdown in November 2021 (after March 2020) and experienced a community outbreak in February 2022 shortly after the undersea volcanic eruption and ensued tsunami. Also, Vanuatu encountered a community outbreak in March 2022 and restrictions on movements and business operations. Likewise, Palau also experienced COVID-19 restrictions on movements. These events influenced the conduct and delivery of project activities and services. As a result, the project deployed a hybrid model by combining virtual training for trainers and small group training to beneficiaries by the trainers where feasible.

⁷ The actual expenditure amount from UNDP was not available to the evaluation, and hence the figure assumes that 100% of UNDP's share (US\$255,000) had been utilized in project activities.

II. EVALUATION PURPOSE, OBJECTIVES, SCOPE AND EVALUATION QUESTIONS

A. Evaluation Purpose

12. The purpose of the evaluation was to assess accountability and learning along with improvement and for building organizational knowledge consistent with ILO Evaluation Policy.⁸ It aimed to improve the project relevance and the efficiency of the implementation mechanism of the project. The evaluation was also conducted to provide an independent assessment of the progress to date, through an analysis of the criteria of project relevance, coherence, efficiency and effectiveness, impact, and sustainability which have been affected by the Coronavirus emergency. The findings from the evaluation also generate organizational learning to inform future programming of similar projects and establish decent work conditions in the subregion and worldwide according to the ILO and UN mandates.

B. Evaluation Objectives

13. The evaluation had four specific objectives as outlined in the terms of reference for the evaluation (Appendix 1):

- (i) Review the institutional setup, the capacity for project implementation, coordination mechanisms, and the use and usefulness of management tools including the project monitoring tools and work plans to understand the project implementation efficiency, and its effectiveness in achieving the stated results.
- (ii) Analyse the planned implementation strategies of the project and the ones adopted as a reaction to the COVID-19 pandemic about their potential effectiveness in achieving the project objectives; including unexpected results and factors affecting project implementation (positively and negatively/intended and unintended).
- (iii) Identify lessons and potential good practices for the users of the evaluation to improve the project implementation.
- (iv) Provide strategic recommendations for the different users of the evaluation to understand the project development and implementation.

F. Evaluation Scope

14. The final evaluation covered the entire project duration (October 2020 – March 2022) and included all project components and activities implemented in Fiji, Palau, Tonga, and Vanuatu by three key project partners – ILO, UNDP, and UNESCO supported by the MPTF. It has taken into consideration the changing implementation challenges including the prolonged nature of the COVID-19 pandemic and natural disasters such as tropical cyclones and the undersea volcanic eruption in Tonga in January 2022. The IFAD-supported project activities were funded by IFAD independent of MPTF, and these were outside the scope of the evaluation. These activities had commenced with delay and were ongoing at the time of this evaluation. The evaluation adopted the physical progress reported in the agency update. The evaluation also integrated ILO's cross-cutting issues, including norms and social dialogue, gender equality, disability inclusion, other non-discriminatory concerns, and medium and long-term effects of capacity development initiatives throughout the evaluation

⁸ ILO. 2021. ILO policy guidelines for evaluation: Principles, rationale, planning and managing for evaluations, 4th edition, Geneva. [wcms_571339.pdf \(ilo.ch\)](#).

methodology and all deliverables. However, the final project report in full form was not available at the time of evaluation.

G. Evaluation Questions

15. Table 3 contains a list of evaluation questions, and these reflect some refinement of the questions contained in the terms of reference for the evaluation.

Table 3: Evaluation Questions by Assessment Criteria

Evaluation Parameter	Evaluation Question
A. Relevance	<ol style="list-style-type: none"> 1. To what extent did the project objectives and design respond to the needs of the tripartite constituents, beneficiaries, and recipients in the participating countries? 2. How relevant was the project in supporting the 2030 Agenda for Sustainable Development, the UN Pacific Strategy (UNPS), ILO Programme and Budget, and UN Social and Economic Impact Assessment (UNSEIA)? 3. To what extent did the project adhere to decent work principles including International Labour Standards (ILS), a human rights-based approach, and gender equality and non-discrimination? 4. How did the project partners plan to mitigate implementation challenges during the COVID-19 pandemic? What safeguard measures did the project design incorporate to keep the project relevant during the pandemic? 5. How robust were the synergies across outcomes and outputs for maximum impact? 6. How relevant were the project strategies and deliverables to the national development and recovery plans of each country? 7. How relevant were the project strategies and deliverables to beneficiaries of each participating country?
B. Coherence	<ol style="list-style-type: none"> 1. How coherent was the results chain in project design? 2. To what extent was the project design compatible and interlinked with other UN projects (including ILO) in the four participating countries? 3. To what extent was the project design compatible and interlinked with other interventions carried out by governments and other partners in the participating countries? 4. Did the project design demonstrate coherence/synergies in planned activities to achieve project objectives across ILO, UNESCO, IFAD, and UNDP)? 5. To what extent did the project maximize synergies and improve collaboration with new and existing actors? 6. Was there an adequate arrangement for avoiding duplication of efforts and resources across partner agencies? 7. To what extent did UN agencies work with their respective internal departments to contribute to the delivery of the project objectives?
C. Efficiency	<ol style="list-style-type: none"> 1. Did the project complete on time as planned? 2. What factors (internal and external) impacted the timely completion of planned activities under the project? 3. Were there any financial consequences of the COVID-19 pandemic on the project implementation? 4. How did the implementing partners address unforeseen financial burdens? 5. How did the project address unforeseen challenges during implementation including various waves of COVID-19 and natural disasters? 6. How did the project address geographical and logistical challenges?
D. Effectiveness	<ol style="list-style-type: none"> 1. To what extent did the project achieve planned outcomes and outputs in the

	<p>participating countries?</p> <ol style="list-style-type: none"> 2. What were the success factors in achieving outcomes and outputs? 3. What were the challenges confronting the achievement of outcomes and outputs? 4. How satisfied are the project beneficiaries with the level of project services received? 5. How satisfied are the project beneficiaries with the quality of services received from the project? 6. To what extent the beneficiaries are adopting new practices in their tasks?
E. Impact	<ol style="list-style-type: none"> 1. To what extent the project has been able to increase the employment and income of the beneficiaries? 2. To what extent the project has been able to increase the capacity of national institutions for business development services (BDS) involved in the project? 3. To what extent the project has been able to benefit young women and men with economic empowerment? 4. To what extent the project has been able to benefit persons with disabilities (PWD)? 5. Have project interventions made a difference to specific SDGs and UNPS it is linked to?
F. Sustainability	<ol style="list-style-type: none"> 1. To what extent the benefits of the project are likely to continue after its completion? 2. To what extent sustainability considerations were taken into account in the project interventions? 3. Has the project developed and integrated an exit strategy in its work?
G. Crosscutting Issues	<ol style="list-style-type: none"> 1. To what extent the project has further enhanced the social dialogue among the constituents and partners of the participating countries? 2. To what extent the social dialogue has contributed to achieving the project objectives? 3. How successful the project has been in promoting gender equality? 4. How successful the project has been in promoting the inclusion of persons with disabilities (PWD)? 5. To what extent the project has promoted environmental sustainability? 6. To what extent the project activities, outputs, and outcomes are consistent with relevant normative instruments formally embraced through ratification or expressions of endorsement by stakeholders?

Source: Adapted from the terms of reference for the final evaluation.

III. EVALUATION METHOD AND DATA

16. The evaluation was guided by ILO Evaluation Policy and OECD-DAC evaluation criteria of relevance, coherence, efficiency, effectiveness, impact, and sustainability.⁹⁹ Cross-cutting issues were internalized within the six evaluation criteria. It adhered to United Nations Evaluation Group (UNEG) Norms and Standards,¹⁰ UNEG Code of Conduct for Evaluation in the UN System,¹¹ and UNEG Guidance on Integrating Human Rights and Gender Equality in Evaluations.¹² The evaluation adopted a mixed-method approach and utilized a combination of qualitative and quantitative data collection tools.

17. The evaluation was conducted in three phases: (i) inception, (ii) data collection, and (iii) analysis and reporting. During the inception phase, the evaluator received a briefing from the Evaluation Manager and project coordinator, undertook an in-depth review of relevant documents, and conducted initial interviews with the project technical team and the Chair of the project steering committee. Due to travel restrictions associated with COVID-19, primary data collection was done remotely, and it involved sourcing additional data and information on project performance and project finance, video or telephone interviews with 38 key informants associated with the project in Fiji, Palau, Tonga, and Vanuatu, and two focus group discussions in Fiji with the project beneficiaries. These interviews covered a wide range of stakeholder groups including representatives of the beneficiaries, government agencies and training providers, national provident funds, trade unions, employer organizations, BDS providers, and key partner institutions present in-country and at the regional/headquarter (IFAD, ILO, UNDP, and UNESCO). The evaluator also virtually attended selected presentations at the project completion workshops held in Nandi, Fiji during 23-25 March 2022. The project coordinator shared a list of stakeholders with the evaluator and facilitated setting up interviews with selected individuals representing all groups of stakeholders in Fiji, Palau, Tonga, and Vanuatu on the recommendation of the evaluator. However, the project coordinator did not participate in any of the interviews in line with avoiding conflict of interest in evaluation. The data analysis of the information gathered during evaluation follows (i) content analysis of interview notes, reports, and documents which tend to be mostly qualitative, and (ii) descriptive statistical analysis of progress data and financial records covering the entire project implementation period. A bibliography of documents reviewed and a list of persons interviewed for the evaluation are in Appendix 2 and Appendix 3, respectively. Appendix 4 contains a list of guiding questions used to facilitate discussions with relevant stakeholders.

18. The travel restrictions imposed by prolonged COVID-19 did not permit the evaluator's visits to the project sites and hence data collection process relied on remote interviews with logistic support from the project coordinator. Some of the interviews had to be rescheduled due to the unavailability of the interviewees and/or poor internet connection. The evaluator benefitted from his participation in selected sessions of the project completion workshop organized by the project team. The evaluation takes note of limited project activities in Tonga due to the volcanic eruption in January 2022 which led to the declaration of a state of emergency. Also, project delivery was affected by the prolonged pandemic limiting the project team's direct interactions with the project beneficiaries. While the project intended the inclusion of persons with disabilities, it was not feasible due to the limited project

⁹ <https://www.oecd.org/dac/evaluation/daccriteriaforevaluatingdevelopmentassistance.htm> (accessed 15 April 2022)

¹⁰ <http://www.unevaluation.org/document/detail/100> (accessed 15 April 2022).

¹¹ <http://www.unevaluation.org/document/detail/1914> (accessed 15 April 2022).

¹² <http://www.uneval.org/document/detail/980> (accessed 15 April 2022).

implementation period and difficulties with logistical arrangements for their participation. Furthermore, the project could not launch the agricultural entrepreneurship-related activities at full speed until the second half of 2021 as a result of a delay in access to IFAD funds. IFAD did not draw funds from the UN MPTF and implemented planned activities under Outcome 2 in Fiji, Tonga, and Vanuatu.

IV. MAIN FINDINGS

19. The main findings are organized by evaluation questions under each assessment criteria and reflect findings from document and data review, interviews with project stakeholders representing beneficiaries, implementation partners, and tripartite constituents.

A. Relevance

1.1 To what extent did the project objectives and design respond to the needs of the tripartite constituents, beneficiaries, and recipients in the participating countries?

20. The project design responded to the needs of the informal economy in Fiji, Palau, Tonga, and Vanuatu. The sector accounted for two-thirds to four-fifths of employment in traditional informal businesses and workers, including women, youths, and persons with disabilities. These workers are socially and economically disadvantaged and have no access to social protection and decent employment. They also tend to be on the frontline facing the direct impact of climate change and climate-induced disasters. The workers in the informal economy also lacked a voice in policy dialogue without any representation. Furthermore, the subregion is also heavily dependent on the tourism sector for livelihoods and employment, but the sector is also vulnerable to disasters and disease outbreaks.

21. The onset of the COVID-19 pandemic around the globe brought almost an instant halt to tourism in the subregion as countries introduced border closures and movement restrictions. This followed disruptions in the supply chain. The results from the Rapid Assessment (RA) on the impact of COVID-19 in the Pacific indicated that a large number of workers and micro-business owners affected by the pandemic transitioned to the informal economy for livelihoods.¹³ For many, entry into the agriculture sector was an obvious choice. However, the workers lacked adequate technical and management skills to derive potential income from their new ventures. Similarly, the impact of tourism had created livelihood challenges for individuals and households engaged in arts, crafts, and cultural products and services. Since these were not organized, they also lacked avenues to seek support from concerned agencies in marketing their products and services. Support and guidance to the informal economy workers in the agriculture and cultural industry was the need of the hour. There was also a need to strengthen the link between formal and informal economies through BDS to enable a greater voice and agency on the part of informal workers and micro, small, and medium enterprises (MSMEs). A recent situation analysis commissioned by the Pacific Community (SPC) on the CCI noted that there was very limited education and training as well as few professional development opportunities within the Pacific.

¹³ Based on the project document, in June 2020 Fiji had announced that 115,000 workers in the formal and informal economy had lost their jobs or had their hours cut (with an expectation of continued job losses in the tourism sector). The Fiji Trades Union Congress (FTUC) rapid assessment reported that of the 50% surveyed redundant members, 46% had ventured into self-employment in the informal economy. The Vanuatu National Tourism Impact Survey conducted in April 2020 reported a 70% fall in full-time employment and a fall of 33% in part-time employment. Also, in August 2020, the Commissioner of Labour in Vanuatu had indicated more job losses are expected in the coming months. Transition to the informal economy was also observed in Tonga and the socioeconomic impact assessment carried out by UNESCO in Tonga had noted the impact suffered by the CCI entrepreneurs because of the cancellation of the many cultural events such as the cultural weeks and festivals that annually take place across the country. In Palau, although the government introduced a series of measures to assist artists and artisans, the 40% drop in GDP was a result of a complete halt in tourism.

22. The project design addressed these gaps by defining clear roles and responsibilities for the partner agencies. Based on their core strengths, IFAD (in conjunction with UNDP for business continuity plans) was to support agricultural entrepreneurship with a focus on efficient marketing of agricultural produce, UNESCO for cultural entrepreneurship, and ILO for BDS and workers' organization. The evaluation assesses the engagement of both public and private BDS providers in the project as flexible and appropriate. The project design focus on business and climate resilience to both agricultural and cultural enterprises was also timely and responded to the informal economy. Likewise, support in the form of a business continuity plan to the enterprises had the potential to attract and retain quality workers and sustain business enterprises, including during challenging times.

23. The project design was aligned with the 2020 Pacific Forum Economic Ministers' (FEMM) outcome statement to focus on "economic recovery and informal sectors" and expressed concern on the impact of COVID19 "particularly for vulnerable groups, including women and girls, youth, and persons with disabilities". It envisaged working with workers and employers' organization to facilitate and create opportunities for those in the informal economy. The strategy to engage and partner with chambers of commerce, national provident funds, public service and employers' organizations, and trade unions was appropriately envisaged.

24. Interviews with the project stakeholders suggested that the project had planned to address the needs of the informal individuals in enhancing their ability to generate sustainable income through self-employment by establishing or strengthening their MSMEs. Also, the BDS service providers had expected to access and use ILO training materials including C-BED in their service delivery to MSMEs. However, several interviewees felt that the consultation process during the project design stage was not clear and probably rushed. Some even thought that the project tried to do too many activities in the four countries with the limited resources available. Nevertheless, there was overall satisfaction among the respondents with the project design because it addressed their prime concerns of livelihood during the pandemic.

25. The project design responded to the broad recommendation of UNSEIA, although the assessment was specific to Fiji. In addition, ILO also conducted Rapid Assessments (RAs) in Fiji, Palau, Tonga, Vanuatu, and additional Pacific Island countries. The project design responded to the specific needs of constituents and beneficiaries in the project countries with a focus on women and youth in the informal economy. It carved niche areas for supporting sustainable enterprises, accessing social protection and social security, and engaging in COVID-19 recovery policies.

1.2 How relevant was the project in supporting the 2030 Agenda for Sustainable Development, the UN Pacific Strategy (UNPS), ILO Programme and Budget, and UN Social and Economic Impact Assessment (UNSEIA)?

26. The project was aligned with the 2030 Agenda for Sustainable Development, more specifically with the Sustainable Development Goal 8 (Promote sustained inclusive and sustainable growth, full and productive employment, and decent work for all).¹⁴ The project was closely linked to three key targets under this Goal: (i) promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity, and innovation, and encourage the formalization and growth of MSMEs, including through access

¹⁴ United Nations. 2015. *Transforming Our World: The 2030 Agenda for Sustainable Development* A/RES/70/1, https://www.un.org/ohrls/sites/www.un.org.ohrls/files/2030_agenda_for_sustainable_development_web.pdf

to financial services (Target 8.3); (ii) by 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value (Target 8.5); and (iii) by 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products (Target 8.9).

27. The project was also aligned with Outcome 3 (Sustainable and Inclusive Economic Empowerment) of the United Nations Pacific Strategy 2018-2022.¹⁵ The outcome emphasized delivering benefits to the youth, women, and vulnerable groups by creating jobs, reducing multi-dimensional poverty and inequalities, and promoting economic empowerment. It envisaged supporting MSMEs development through policies, skills development, and incentives to strengthen informal businesses and facilitate their formation and by supporting the development of entrepreneurial culture among traditionally disadvantaged workers, including youth women, and POD. The strategy also foresaw links between agriculture and CCI and tourism. The support for the informal economy to increase employment opportunities, income generation, investment in social enterprises, and access to finance were considered priority areas. Among other initiatives, the outcome under the strategy also had identified potential areas of joint programming by including youth and women's entrepreneurship and skills development, and programming priorities that addressed the informal economy and financial inclusion.

28. The ILO Programme and Budget for the biennium 2021-22 recognizes the critical role played by the informal economy and documents significant challenges.¹⁶ ILO resolution concerning efforts to facilitate the transition from the informal to the formal economy has been integrated into three policy outcomes: (i) Outcome 3: Economic, social and environmental transitions for full, productive, and freely chosen employment and decent work for all, (ii) Outcome 4: Sustainable enterprises as generators of employment and promoters of innovation and decent work, and (iii) Outcome 7: Adequate and effective protection at work for all. The Program and Budget document recognizes that "equally important for realizing decent work is the protection of those who work in the informal economy, by facilitating their transition to the formal economy and promoting sustainable enterprises.

29. The project was also consistent with the overall finding reported by the UN Socio-economic Impact Assessment of COVID-19 in Fiji which found that the pandemic had caused a devastating impact.¹⁷ At the onset of the disease in March 2020, Fiji Hotels and Tourism Association had announced that 93% of its 279 members had closed down due to the drastic decline in tourists. Pre-pandemic, tourism contributed 40% of Fiji's gross domestic product and directly employed 40,000 people and nearly 100,000 additional indirectly in both formal and informal economies. Also, the unemployment rate had spiked and the economy was expected to contract by 21.7% in 2020. Similarly, the study also indicated that 76% of the informal economy businesses surveyed had said that they were operating partially.

30. In summary, the evaluation assesses that the project has been well-aligned and relevant in supporting the 2030 Agenda for Sustainable Development, UN Pacific Strategy, and the UN Socio-economic Impact in Fiji.

¹⁵ United Nations. 2017. *United Nations Pacific Strategy 2018-2022 A Multi-Country Sustainable Development Framework in the Pacific Region* https://unsdg.un.org/sites/default/files/2019-12/UNDP_WS_FINAL_UNPS_2018-2022.pdf

¹⁶ International Labour Organization. 2020. *Programme and Budget for Biennium 2020-21*, Geneva. https://www.ilo.org/wcmsp5/groups/public/---ed_mas/---program/documents/genericdocument/wcms_736562.pdf

¹⁷ UN Pacific. 2020. *Socio-Economic Impact Assessment of COVID-19 in Fiji*, Suva.

1.3 To what extent did the project adhere to decent work principles including International Labour Standards (ILS), a human rights-based approach, and gender equality and non-discrimination?

31. The project adhered to relevant decent work principles particularly freedom of association, skills development training, and social security in line with the International Labour Standard (ILS). The project was designed to support informal economy enterprises and workers who would not have any prior affiliation with any interest group(s). They would not have had access to formal skill training or market-relevant business development skills. The project intended to support organizing such individual workers and entrepreneurs initially informally leading to formalization so that they could access financial, technical, and business development services from relevant agencies. The project aimed to take a step-wise progression approach to formalization based on enhanced capacity and willingness to enter the formalization. The project design did not explicitly require prior business registration or enrolment in any trade unions either. There was, however, provision for accessing BDS and technical training in agribusiness, arts, handicrafts, and culture. The underlying assumption was that over time the individuals or entrepreneurs would join hands together and establish a business entity and complete registration as a step towards formalization.

32. The project's partnership with the national provident fund was expected to pave the way toward building social security. Similarly, the project's linkages with employers and workers organizations of 13 informal economy organizations were designed to represent the voice of informal workers in policy dialogue in line with ILO Convention 98 on the right to collective bargaining. Likewise, the development of business advisory notes (to complement business training) included mechanisms for formalizing enterprises. This was consistent with ILO Recommendation 204 on the transition from the informal to the formal economy. The project also adhered to the human rights-based approach and included the provision for the participation of lesbian, gay, bisexual, and transgender (LGBT) in relevant activities. Furthermore, additional focus was on ensuring the participation of women and the youth population in all four countries. Adequate measures were planned to ensure gender equality and social inclusion and avoidance of any form of discrimination.

1.4 How did the project partners plan to mitigate implementation challenges during the COVID-19 pandemic?

33. The project was designed during the COVID-19 pandemic, and it was difficult to predict when would the pandemic end. It required a pragmatic approach to conducting planned project activities, and a blended approach to service delivery was considered to mitigate challenges. It required ensuring access to online platforms for training using available training packages and delivering training (e. g. BDS) using a training of trainers (ToT) model. The project was to train trainers at the country level and the trainers (after receiving training online) would train local beneficiaries. The project ensured that the trainers were sourced in the participating countries. By design, the emphasis was on using ILO's Community-Based Enterprise Development (C-BED) tools which trainers would have ready access to the training resources.¹⁸ With in-built flexibility, the project design had provision for engaging public and private entities to provide blended training comprising online, in-person and mentoring services to selected MSMEs. There was also provision for relevant advisory information for MSMEs on national online portals and promoting social security on a digital platform in some countries. Additional provisions included virtual exhibitions and national

¹⁸ https://learninghub.ilo.org/program/Community-Based_Enterprise_Development_C-BED

trade shows. Given that the situation on the ground was fluid, the project had to remain flexible in its service delivery. However, not all planned activities could be delivered remotely due to low digital penetration and not having a replacement for hand-on practice in delivering training. The design of project activities ensured a high degree of COVID-19 compliance for MSMEs. The project developed and supplied COVID-19-related signages. It was also important for the project to remain engaged in the policy dialogue space to ensure that the interests of MSMEs and workers in the informal economy were not overlooked.

34. The project design envisaged the project coordinator working with the national partners in the case of ILO and UNDP as they did not have an in-country presence outside Fiji. UNESCO on the other hand, while it was managed from Samoa, had planned provisions for recruiting national consultants in each of the four countries.

1.5 How robust were the synergies across outcomes and outputs for maximum impact?

35. The evaluation found good synergies among the four UN implementing partners (IFAD, ILO, UNDP, and UNESCO) in the areas of BDS and skills training for the CCI and agricultural entrepreneurship sectors. The project design had high-impact features relevant to all four project countries including support for the agriculture sector from IFAD UNDP including e-commerce platforms. The evaluation noted differing perspectives on the foundation for e-commerce platforms. For example, the IFAD representative considered that there was a strong foundation for launching e-commerce in agriculture, while the ILO representative opined that the prerequisites were inadequate to launch these platforms. Support for agriculture through IFAD was highly relevant for rural households in Fiji, Tonga, and Vanuatu as they depended on it for their food security and livelihoods.

1.6 How relevant were the project strategies and deliverables to the national development and recovery plans of each country?

36. The project design was in response to the emerging threat from COVID-19, and at the time of the project, preparation countries were in the process of preparing their pandemic response plans. All four countries were significantly affected by the adverse impact on tourism and the wider economy dependent on allied industries and services. Fiji had formulated the Fijian COVID Safe Economic Recovery Framework which outlined a three- phased approach to a COVID-safe economic recovery based on the core principles of stopping the importation of the virus, ensuring health system readiness, and COVID-proofing Fijian businesses and society at large.¹⁹ The framework called for basic hygiene and infection controls in places of work and communal activity minimized social interactions, physical distancing, and adherence to COVID-safe operational plan in businesses, schools, houses of worship, and other venues. The project aligned with the government's framework. While the framework did not specifically mention the informal economy, it was embedded into the government's response. The original intent of the project to support agricultural and CCI entrepreneurs continued to remain relevant.

37. Palau saw the first two cases of the virus at its border in May 2021 but its GDP had contracted by 9.7% in 2020 and by 17.1% in 2021 largely due to a slump in tourism. It sought support from development partners.²⁰ For example, the Asian Development Bank (ADB) has

¹⁹ https://www.mcttt.gov.fj/doc_uploads/Fijian%20COVID%20Safe%20Economic%20Recovery%20Framework.pdf (accessed 10 May 2022).

²⁰ <https://www.adb.org/countries/palau/main> (accessed 10 May 2022).

provided \$40 million in loans and \$4.7 million in grants to address COVID-19, including a \$3.7 million social protection grant for vulnerable groups. Budget support under a health and livelihoods program of a \$20 million loan helped mitigate COVID-19 impacts on health, tourism, and social protection; while a \$1 million COVID-19 emergency response grant provided life-preserving goods and services to communities affected by the pandemic.²¹ The vulnerable groups included individuals and MSMEs in the informal economy as well. Hence the project had the potential to link up with the government's response programme.

38. Tonga remained insulated from COVID-19 for a long time, and with donor support, the country was successfully minimizing some of the worst impacts on the vulnerable communities. The recovery of Tonga's tourism sector has been protracted. The government had announced Tongan Pa'anga 60 million (US\$25 million equivalent approximately) social and economic stimulus package (78% funded by Australia, New Zealand, World Bank, and ADB). One-third of the funding was allocated to health preparedness, including equipment, supplies, and health promotion. The package prioritized social welfare support to the elderly, POD, unemployed, and MSMEs.²²

39. The Vanuatu Recovery Strategy 2020-2023 launched in July 2020 addressed the twin challenge of COVID-19 and the tropical cyclone (TC) Harold.²³ Both had crippled the country's economy and hindered humanitarian response causing an estimated economic cost of US\$850 million. The impacts of COVID-19 in Vanuatu were significant. A halt in tourism revenues, reduced remittances, and rising unemployment have weakened Vanuatu's growth and undermined development gains. However, swift border closures and the enactment of a State of Emergency enabled Vanuatu to remain COVID-19 free for a long time. At the same time, COVID-19 highlighted key gaps in Vanuatu's health security: an outbreak would easily overwhelm the health system. Isolation facilities were limited, contact tracing capability is low, clinical management capacity is limited and in-country testing was dependent on global supply chains.²⁴ ILO's support was aligned with the government's recovery strategy 2020-2023, specifically Objective 2 (Enhancing lives and livelihoods).²⁵

40. Broadly, the project was relevant to the project governments' strategies and action plans in addressing national COVID-19 recovery plans. However, there was no direct link established in the project document with the governments' specific action programs. This was a reflection of limited consultations undertaken with the government entities in preparing the project proposal within a limited time.

1.7 How relevant were the project strategies and deliverables to the beneficiaries in each participating country?

41. The project flexibility and adaptability to each country's context served the project design very well to the beneficiaries. Often informal workers and MSMEs tend to have no access to technical assistance and BDS unless they come through a formal channel. Given the fluidity on the ground due to evolving nature of COVID-19, the project adopted a blended delivery model for delivering training and capacity development support to the actors in the

²¹ <https://www.adb.org/sites/default/files/publication/27787/pal-2021.pdf> (accessed 10 May 2022).

²² <https://www.dfat.gov.au/sites/default/files/covid-response-plan-tonga.pdf> (accessed 10 May 2022).

²³ <https://reliefweb.int/report/vanuatu/vanuatu-recovery-strategy-2020-2023-tc-harold-covid-19-vanuatu-july-2020> (accessed 10 May 2022).

²⁴ <https://www.dfat.gov.au/sites/default/files/covid-response-plan-vanuatu.pdf> (accessed 10 May 2022).

²⁵ https://www.ilo.org/suva/public-information/WCMS_837361/lang-en/index.htm (accessed 10 May 2022).

informal economy. The option to engage both public and private BDS providers complemented service delivery. Although, it would have been more relevant if the project had been able to fully cater to the needs of the individuals and aspiring entrepreneurs involved in the agricultural production, marketing, and value chain.

Summary: The project was broadly relevant in all three countries. It aimed to serve the left-behind group, that is, those in the informal economy. The project incorporated the use of ILO training materials including C-BED. The evaluation, however, considers that given the geographical spread of the project in four countries and isolated communities in each country, the scope of the project was overambitious, particularly in the context of the ongoing pandemic, differing timing of resource availability for IFAD activities, and weak institutional capacity at the country and local levels. The e-platform needed adequate due diligence for its feasibility in the project countries.

H. Coherence

1.2 How coherent was the results chain in project design?

42. The project document contained a results chain that outlined three immediate outcomes and associated objectives and activities. These were broadly coherent and indicated responsible agencies or agencies for each UN agency responsible for implementing the project. The project design would have benefitted from further clarity in the scope of work for each agency in each of the four project countries. Also, a proper theory of change would have been useful thereby demonstrating inter-dependence across the three outcome areas. Furthermore, it would have been useful to include resource mapping against each planned activity in each country. In the current form, the results chain appeared somewhat abstract because the planned activities proposed lacked adequate due diligence for successful implementation. It would have been desirable to focus on selected commodities for agricultural entrepreneurship with key actors involved in the value chain including processing and marketing for sustainable value addition. The evaluation did not come across a background analysis for setting up e-commerce platforms in terms of prevailing capacity assessments including gaps in specific focus areas doable with project resources.

2.2 To what extent was the project design compatible and interlinked with other UN projects (including ILO) in the four participating countries?

43. The project design was aligned with the ongoing programme of work of respective UN agencies. It had expected to leverage the results of the UNDP pilot project "The Pacific Response Challenge" implemented in Fiji and Vanuatu and provide financial and technical support to empower local implementing partners to develop and implement innovative and sustainable solutions that support vulnerable communities and households to adapt to the economic and social impacts of COVID-19. Also, using the Disaster Recovery and Micro Enterprise canvas mapping approach UNDP was to conduct an assessment to determine available resources, skill sets, and market access within the identified communities with

livelihood and income generation opportunities. The project was also linked with the UNDP-supported Rights, Empowerment and Cohesion (REACH) Project for rural and urban Fijians and UN Women-supported Market for Change Project to deliver services to rural and maritime communities.

44. The project benefitted from UNESCO's advocacy leadership for the potential of CCI worldwide. UNESCO had launched the global ResiliArt movement in response to the COVID-19 pandemic to raise awareness about the impact of the pandemic across the sector and the need to support emerging as well as established artists. In the Pacific, the agency was already collaborating with cultural institutions and brokers of the CCI and maintaining an active network of cultural focal points in the relevant national governments.²⁶²⁶

45. IFAD's experience in supporting smallholder food systems in the Pacific small island developing states strengthened the project's intended focus to support agricultural production systems, marketing, and agribusiness development. IFAD brought important partnerships and experience in Fiji, Tonga, and Vanuatu through regional efforts to promote Participatory Guarantee Schemes with the Pacific Community (SPC). Through this programme, IFAD had supported several farmer organizations in enabling their members to capitalize on the organic nature of traditional agriculture, transforming raw produce into non-perishable organic products at standards suitable for international markets.

46. ILO's strength in working with tripartite constituents had an added impetus to support workers in the informal economy. The project had an opportunity to collaborate with the ILO-supported Child Labour Project to develop COVID-19 signages and distribute them to informal economy enterprises including those working from their homes. Likewise, the project also worked with the ILO Bureau for Workers Activities (ACTRAV) and shared technical and financial resources in organizing informal workers and imparting training for national trade unions, research, and funding support to organizing activities.

2.3 To what extent was the project design compatible and interlinked with other interventions carried out by governments and other partners in the participating countries?

47. The evaluation found that the project design was compatible and inter-linked with other interventions carried out by governments and other partners in the participating countries. The planned project activities occupied the space of the informal economy untapped by other programmes or activities. In some cases, the project complemented government programmes (e. g. COVID-19 signages in Fiji for distribution to MSMEs). Strategically, the project planned to mobilize tripartite partners (government, workers, and employers) to harness their knowledge and expertise and extend to the informal economy. The plan to engage both public and private sector organizations for BDS as well as deployment of ILO's business training packages through the training providers was well-conceived. Also, the involvement of women and youth arms of the national private sector

²⁶ UNESCO supports the CCI through normative frameworks that include the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions (2005). This Convention defines the regulatory frame of the CCI, including laws, strategies, policies, and measures that contribute to an enabling environment for the sector. UNESCO adopted 1980 the Recommendation concerning the Status of the Artist that calls for improved professional, social and economic status of artists through the implementation of policies and measures related to training, social security, employment, income and tax conditions, mobility, and freedom of expression. It also recognizes the right of artists to be organized in trade unions or professional organisations that can represent and defend the interests of their members.

organizations in project implementation was appropriate in the context of the project countries. There was no duplication of efforts, but rather complementarity. The capacity of the national governments was stretched out in planning and responding to the threat of the pandemic. According to the ILO project officers, there was good collaboration between the project coordinator and them in furthering the delivery of project activities.

48. The project preparation time was too short and the consultation with the government agencies and in-country implementation partners was limited. The project design could have benefitted from a mapping exercise in determining critical gaps for project support.

2.4 Did the project design demonstrate coherence/synergies in planned activities to achieve project objectives across the four participating UN agencies (ILO, UNESCO, IFAD, and UNDP)?

49. There were good synergies in the planned activities of ILO, UNDP, and UNESCO. However, the expected logical sequencing of project activities did not follow due to difficulties associated with the recruitment of qualified trainers (in the case of the cultural industry). However, since the IFAD-tagged project activities commenced only in the second half of 2021 due to delay in accessing funds, the national implementing partners of IFAD projects as well as staff and consultants attended some of the project activities, and synergies were established. The agriculture-related activities including marketing and agribusiness were a critical component of the project and these activities were ongoing at the time of evaluation as a part of longer-term IFAD projects. In the interim, IFAD's country programmes catered for technical support, and hence some of the intended project beneficiaries in Fiji, Tonga, and Vanuatu have benefitted. Nonetheless, synergy was observed particularly in the delivery of Outcome 1 on skills, business development, and business resilience, where MPTF funding was directed.

2.5 To what extent did the project maximize synergies and improve collaboration with new and existing actors?

50. The project document contained selected partners to work with, but a majority of them were based in Fiji. The adequate flexibility in the design allowed the project to work with a wide range of partners, including private and national actors. The collaboration was prominent in the area of strengthening MSMEs through BDS. For example, it collaborated with the Market Development Facility (MDF) supported by the Australian government in Fiji and Tonga. Also, the skills training for rural women and business continuity planning (BCP) provided by the iTaukei Trust Fund Board was reported to be useful by selected participants. The Tonga Ministry of Trade and Economic Development and ILO signed a Memorandum of Understanding for mutual participation in the planning and implementation of the activities to enable MSMEs, particularly the informal economy to access business training, advisory services, and mentoring.²⁷ Similarly, in Palau the project partnered with the Palau Chamber of Commerce for delivering BDS. In Vanuatu, it received support from the Labour Commissioner, Ministry of Internal Affairs, and Vanuatu National Provident Fund. The project also collaborated with the Pacific Community (SPC) in selected activities. Furthermore, the project and implementing partners actively exchanged knowledge and shared it with the

²⁷ https://www.ilo.org/suva/public-information/press-releases/WCMS_809348/lang--en/index.htm (accessed 5 May 2022).

beneficiary groups.

51. The degree of collaboration was somewhat restricted due to ongoing lockdowns and movement restrictions. The project could have benefitted from a stakeholder and partner mapping exercise to further its activities and diversity support to the target groups in the informal economy. Also, clarity in the linkages between the MPTF-funded project activities and IFAD-funded activities with specific reference to relevant projects in terms of complementarity would have been desirable. According to the representatives of the Pacific Islands Farmers Organization Network (PIFON), the collaboration between activities implemented by them with the MPTF-supported activities remained limited.

2.6 Was there an adequate arrangement for avoiding duplication of efforts and resources across partner agencies?

52. The evaluation did not find any duplication of efforts and resources across the partner agencies. The roles and responsibilities were clearly stated in the results framework which helped the conduct of various activities. Each agency also managed its share of the project budget. The partner agencies expressed their satisfaction with the implementation arrangements.

2.7 To what extent did UN agencies work with their respective internal departments to contribute to the delivery of the project objectives?

53. The project received support from the ILO's Enterprise Development Specialists of the Enterprise Department, Senior Social Security Specialist (Decent Work Technical Support Team), Employment Specialist (Bureau for Employers Activities (ACTEMP)), Workers Specialist (Bureau of Workers Activities (ACTRAV)), and Employment Specialist (ILO CO-Suva). The ILO project officers (Programmes Unit) responsible for the project countries (based at ILO CO-Suva) also extended their support to the project based on needs, including cost-sharing arrangements where needed. Similarly, the project also benefitted from support from the Communications Officer with the profiling and dissemination activities. Also, collaboration with ACTRAV involved cost-share and technical assistance to trade unions in supporting organizing activities of the informal economy. UNDP-Suva supported the BCP component of the project. Likewise, UNESCO Cultural Advisor supervised field consultants based in Fiji, Palau, Tonga, and Vanuatu and she also received full-fledged support from the UNESCO Office for Pacific States, Apia.

Summary: The project had good synergies among ILO, UNDP, and UNESCO. Clear roles and responsibilities of the partner agencies supported the undertakings of the respective agency's planned project activities. Good coordination and close consultation during the COVID-19 pandemic were very important. There was no duplication of efforts among the partner agencies. It was challenging to coordinate remotely with the national and private sector partner agencies but synergies with relevant institutions at the country level helped the project with work planning and execution. Only UNESCO had an in-country presence of consultants which proved helpful in ensuring project implementation. However, synergies with IFAD could have been further stronger for the agricultural entrepreneurship activities if its funding would have come through on time as planned in the project proposal.

I. Efficiency

1.3 Did the project complete on time as planned?

54. The project commenced on 1 October 2020, and it was expected to complete after 13 months on 1 November 2020. However, due to prolonged COVID-19 and disruptions to facilitate the completion of some of the planned activities, the project received a no-cost extension until 31 March 2022.

3.2 What factors (internal and external) impacted the timely completion of planned activities under the project?

55. The timely completion of the project was affected by several factors:

- (i) The project staff recruitment took a longer time. The positions were advertised in December 2020, and the ILO recruitment was finalized in mid-March 2021, leaving only 7.5 months for project implementation including internal consultation with specialists and project partners, reassessment of the COVID-19 situation, and identification of beneficiaries and potential project implementation partners in four countries. It required staff resources from another project to be deployed for the official launch of the project in December 2020, organizing country-level inception meetings to introduce the project to the partner countries, and arranging two technical meetings for BDS and social security, respectively. Also, UNESCO faced similar challenges in mobilizing implementing partners.
- (ii) The project could not commence due to movement restrictions and flight cancellations thereby further delay in project implementation. As a result, communication with national partner agencies became challenging. Since the project did not have an in-country presence in Palau, Tonga, and Vanuatu (by design), starting project activities became further complicated. Moreover, local consultants could not be recruited quickly due to their shortage in the countries.
- (iii) Fiji experienced three waves of COVID-19 during the project MSMEs could not properly operate and the businesses faced fines and imprisonments for non-compliance with restrictions imposed.
- (iv) The government resources were stretched to the limit for project activities due to overriding priorities associated with managing closed borders, contact tracing, and vaccination campaigns.
- (v) Most of the partner agency staff from ILO, UNDP, UNESCO, and IFAD had to work from home (Fiji) over six months (April – October 2021).

56. These external factors required the project to reorganize its activities around compliance requirements and downscale some of the key planned BDS and BCP activities. Even after the project was granted an extension until March 2022, natural disasters like tropical cyclones, floodings, the undersea volcanic eruption, and subsequent tsunami significantly affected the already pandemic affected activities in Fiji, Tonga, and Vanuatu.

3.3 Were there any financial consequences of the COVID-19 pandemic on the project implementation?

3.4 How did the implementing partners address unforeseen financial burdens?

57. No additional financial resources were deployed for further strengthening or scaling up MPTF-supported activities. However, the project had to reprioritize feasible activities and drop some of the activities, particularly those that were planned for in-person delivery. The national project partners collaborated with the project, particularly in the areas of BDS and

social security for the informal economy. and can provide financial support to the project partners to deliver services, based on their experience. According to the IFAD representative, the agency has substantial additional internal funding and Australian resources focused on the agricultural activities which continue beyond the MPTF support.

3.5 How did the project address unforeseen challenges during implementation including various waves of COVID-19 and natural disasters?

3.6 How did the project address geographical and logistical challenges in delivering the project?

58. For the most part, the project staff had to work from home and communicate with the national project partners virtually. Training activities were conducted using either online or a blended approach by combining training of trainers and trainers delivering in-person training where feasible. For example, in Fiji, according to the UNESCO representative, most trainings had to be transferred to virtual workshops and training curricula were adapted to the new delivery mode. The budget for implementing partners was revised to include Zoom® licenses for master trainers and stipends for trainees. Face-to-face training related to technical skills was held after the lockdown and was adapted to intensive weekend courses or workshops. Project activities in Tonga could not be scheduled after the undersea volcanic eruption. The project mostly relied on a virtual mode of communication using online platforms such as Microsoft Teams® or Zoom® calls. There was no project staff presence in Palau, Tonga, and Vanuatu, and as a result, the project also faced some misunderstandings and implementation delays. UNESCO had in-country consultants which proved helpful during COVID-19 restrictions. The consultants received their guidance from Apia remotely.

Summary: The project efficiency was adversely impacted by both external and internal factors. External factors included the prolonged threat of the COVID-19 pandemic (including three waves in Fiji) and natural disasters. Internal factors were delayed recruitment and mobilization of the project team and difficulties in sourcing qualified consultants during the pandemic. The project, however, was able to work with the national partners and selected consultants (e. g. UNESCO) locally. The mobility restrictions during COVID-19 hampered the delivery of services with low internet penetration as well as on topics requiring hands-on practical aspects of training (e. g. agricultural entrepreneurship). The project was granted a 5-month no-cost extension.

J. Effectiveness

4.1 To what extent did the project achieve planned outcomes and outputs in the participating countries?

Outcome 1: Improved employment and business environment in the informal economy through sustainable businesses, access to social security, and organizing by November 2021.

59. The outcome was planned to be achieved by attaining four specific outputs. The achievement of outputs is derived from the updates provided by project partner agencies. The achievements are summarized as follows:

- (i) The project completed inception and technical workshops to understand COVID-19 in the MSME sector, and identify BDS providers and beneficiary needs to inform the work plan. Technical training covered ILO's Enterprise tool kits, including online

C-BED imparted to BDS providers. It also completed training trainers on BCP training in Fiji, Palau, and Vanuatu and developed business advisory materials on various topics for Fiji and Vanuatu. It offered Business Accelerator Programme comprising business training, advisory, and mentoring as well as BCP. The project had planned to engage at least 3 BDS providers in delivering innovative, including virtual services to informal economy women and youth-led CCI and agricultural entrepreneurs per country. At project completion, 7 BDS providers took part in Fiji, 8 in Palau, 5 in Tonga, and 5 in Vanuatu.²⁸

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- (ii) The project delivered Business Accelerator Programme in Fiji and Palau under a blended delivery model. It supported the review and revision of the regional BCP guide and incorporated lessons from COVID-19 into BCP contingencies as a preventive measure for future pandemic events. It also conducted BCP training of trainers for BDS providers in Fiji, Palau, Tonga, and Vanuatu and rolled out BCP training for smallholder farmers and CCI entrepreneurs. Furthermore, it developed, printed, and distributed COVID-19 signages to 3,000 MSMEs in Fiji. The Viti Association of Visual Arts (VAVA) organized a virtual art exhibition participated by 45 artists who displayed 190 artworks valued at F\$138,000. They were able to sell products equivalent to approximately F\$20,000. In Palau, 34 artists and producers including 20 project beneficiaries participated in a market event and achieved sales of over US\$8,100.²⁹ In Vanuatu, the project supported the launch of an online marketplace for job creators, job providers, and job seekers in which about 1,000 job seekers had registered and 200 potential entrepreneurs had accessed the business advisory guides.³⁰ Also, the project supported the development and piloting of a Business Awareness Package for Seasonal Workers used by 80 workers and organized two training events in 2021 in Pentecost. The first training covered agriculture, value addition, and financial literacy, while the second training focused on fisheries. Similarly, in Tonga, the project also supported the first informal economy trade show to sell its products online to the Tongan diaspora. The event was successful and 545 women artisans from 34 villages received orders equivalent to T\$260,000. Also, the project trained 50 smallholder farmers in Nukualofa on financial literacy and basic business management skills in partnership with ANZ banking corporation.
- (iii) The project had envisaged supporting 300 informal women and youth-led CCI and agricultural entrepreneurs in accessing innovative and relevant BDS and at least 50% of them would adopt disaster resilience strategies as part of their business plan. A total of 45 artists in Fiji and 20 in Palau directly benefited from BDS. In Vanuatu, as stated above, 200 potential entrepreneurs had accessed business advisory guides, 80 seasonal workers benefitted from Business Awareness Package for Seasonal Workers, 155 smallholders received financial training (including 54 females), and 33 (all males) had received fisheries training in

²⁸ The BDS providers were: **Fiji:** MSME Fiji, iTaukei Trust Fund Board (Govt), Fiji Enterprise Engine, Greenhouse Co-working, VOU Fiji, The Spot, LeNiu Art; **Palau:** Palau Chamber of Commerce, Palau Small Business Development Center, Billsoil Business Services, Doureor Incubator Space, Octo8 Consulting, Eskiik INK Consulting, Integral Palau, Ms. Victoria Maui; **Tonga:** Ministry of Trade & Economic Development, 4 local private sector trainers; and **Vanuatu:** Ministry of Commerce, Department of Labour, Chamber of Commerce & Industry, Youth Challenge Vanuatu, V-Lab.

²⁹ <https://willbsoil-business-services.constantcontactsites.com/projects-?fbclid=IwAR2AHzXSv2pYyI6-SsBZroeuJT-gRiA6mrZNSmF3FKpcwSmaP0JXevjJEPo>

³⁰ <https://employmentvanuatu.gov.vu/>

partnership with Market for Change. Likewise, in Tonga, 545 women artisans participated in the informal economy trade show and 50 smallholders received financial literacy and business management skills training.

- (iv) The project worked with the UNCDF/UNDP Pacific Digital economy project to identify existing aggregate e-commerce platforms and built their capacity to help transition local micro and small enterprises to take their business online and increase their chances of making sales and generating revenue. Fiji selected two partners (cyber food and Solved Fiji), Vanuatu (sky eye), and Tonga (Digicel). In Fiji, the project organized a technical workshop on extending social security to informal economy workers in February 2021 and finalized terms of reference for rebranding Fiji National Provident Fund's (FNPF) voluntary scheme, followed by a technical workshop in December 2021. The Social Security outreach with FNPF was conducted with members of the Young Entrepreneurs Council, Women Entrepreneur Business Council, Viti Visual Arts Association, Fiji Islands Dance Association, Rakiraki Market Vendors Association, and 4 villages in Nadroga province. As a result, nearly 300 new members joined the scheme. In Vanuatu, a technical meeting on extending social security to the informal economy was held in April 2021, and terms of reference to support the development of digital platforms and promotion were finalized. In November 2021, the government launched a payment gateway of two mobile phone applications Vodafone M- VATU and Digicel's MyCash, and one mobile wallet Vanuatu Post's KwickPay. It is estimated that approximately 6,000 new members had registered, of which 2,000 were making contributions. Similarly, in Tonga, a technical meeting on extending social security to the informal economy was held in May 2021. However, the only mobile phone service provider Digicel did not see a business case to develop a payment gateway due to a small number of private-sector workers. Also, the private sector pension fund did not have a specific product for the informal economy at the time. No activity was pursued in Palau.

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- (v) The project supported the training of 17 informal economy organizers from the Fiji Trade Union Congress (FTUC), and it was successful in seeing through two CCI associations linked to the employers' organization. These two associations also signed a memorandum of understanding with the Fiji Commerce and Employers Federation (FCEF) for mentoring. The partnership with FCEF contributed to the identification of 12 COVID-19 policy recovery priorities and facilitated dialogue between the two CCI associations and the government on COVID-19 recovery policy priorities in June 2021 and January 2022. In Palau, an agreement was signed with the Palau Chamber of Commerce to establish the Youth and Women Creative Council under the Chamber. In Vanuatu, the project organized sessions with three informal economy associations/groups on Tanna for discussion on policy recovery priorities. Similarly, in Tonga, the project supported organizing seven informal (3 CCI and 4 agricultural) associations and linked them to workers' organizations. It also documented 7 COVID-19 policy recovery priorities and presented them to the government for consideration and inclusion in the drafting of the National Employment Policy.

Outcome 2:

- (a) Creation of market linkages and specialized skills transfer in the cultural and creative industry sector to improve productivity and innovation in Fiji, Vanuatu, Palau, and Tonga**
- (b) Improved livelihood outcomes from informal agriculture economy in Fiji, Vanuatu, and Tonga**

60. Outcome 2 (two parts) was to be achieved through a set of eight (8) outputs. At project completion, the achievements have been as follows:

- (i) Under the project, UNESCO had planned to re-establish a master-apprentice scheme in the four project countries to enable specialized skills transfer in the CCI. A total of 20 master-apprentice collaborations were expected to be created with the participation of 450 beneficiaries in the four project countries. In Fiji, the training covered dance, visual arts, crafts, and design. A total of 88 direct beneficiaries/apprentices received the training. In Palau, the training covered arts and fashion, handicrafts (weaving, pottery, and carving), and music, and 45 beneficiaries/apprentices received the training. In Vanuatu, 39 beneficiaries/apprentices were expected to receive training in music and traditional crafts. However, according to UNESCO, due to administrative challenges with its national counterpart followed by COVID-19 related restrictions, the project could not offer the planned training. Likewise, training in Tonga covered fine design handicrafts, wood carving design, performing and visual arts, and directly benefitted 30 beneficiaries/apprentices. Overall, the project created collaborations with 202 master apprentices who were trained, and a total of 420 indirect beneficiaries including dance groups in Fiji and handicraft associations in Palau.
- (ii) The project had expected IFAD to train at least 500 agricultural entrepreneurs in agriculture production in three of the four countries (Fiji, Tonga, and Vanuatu). As of December 2021, 291 farmers in Fiji had received training in agricultural production covering land management, pest and disease management, and agronomical practices. By end of March 2022, IFAD also had trained 2,335 agricultural entrepreneurs on improved agricultural methods, market value chains, food processing, and food preservation. Initial work in Tonga included digitization of agricultural extension materials, preparation of post-harvest handling manual, and training of trainers' curriculum design.
- (iii) UNESCO had planned to train 300 CCI entrepreneurs, particularly women and youth in the four project countries with improved capacity in developing narratives, labeling, and packaging for their products and services to achieve improved market linkages. Also, it was expected that 200 women and youth entrepreneurs would have improved capacity to engage with a target market and ability to define their business venture course of action. At the end of December 2021, the project had trained 187 CCI entrepreneurs in Fiji (73), Palau (45), Tonga (30), and Vanuatu (39), and 202 women and young entrepreneurs were able to engage with the target market and able to better define their business venture course of action. The training covered branding, product development, and supply chain management. The project developed training material packages and made them available for dissemination.
- (iv) UNESCO and UNDP were expected to support the availability of eight (8) cultural products and services on e-commerce platforms in the four project countries, and 300 beneficiaries were expected to have developed skills in using existing e-commerce platforms. In Fiji, VAVA organized a virtual exhibition displaying 190 artwork. In Palau, 20 CCI entrepreneurs received training in digital literacy including the use of Google marketing platforms by the Palau Chamber of Commerce. An informal economy trade show in Tonga enticed 545 women artisans from 34 villages who received online orders worth T\$260,000 equivalent. Furthermore, UNESCO assessed the existing e-commerce platforms available for CCI entrepreneurs, and tailored training was delivered in Fiji and Palau in 2022. However, this training was not accessible to the beneficiaries in Tonga and Vanuatu due to COVID-19 lockdown and movement restrictions. Nevertheless, a

training package was developed and disseminated.

- (v) The project envisaged 500 new users of agricultural e-commerce platforms. IFAD had completed a due diligence assessment for the digital payment system trial based on prior work including (i) learning from the 'Unblocked Cash' model; (ii) feedback from communities and household surveys undertaken under the Pacific Islands Rural and Agriculture Stimulus Facility; (iii) participatory payment chain analysis; and (iv) information collected from wholesalers and suppliers, as well as mobile, transport and financial service providers. It was expected that 654 users and 30 vendors would be registered for the digital payment system during the first quarter of 2022. However, this had not been accomplished during the MPTF funding period. According to the IFAD representative, following a revision in implementation strategy, exposure and training will be provided in the near future instead.
- (vi) IFAD had planned to provide 250 family farms with inputs and tools. By the end of December 2021, 622 Fijian family farms had received (a) planting materials for vanilla, turmeric, ginger, *voivoi* (Pandanus), and tapa (*Broussentia papyrifera*), (b) farming equipment including weeding knives, igging forks, and others, (c) fertilizer, and (d) food processing equipment such as dehydrators and blenders. As of 31 March 2022, an additional: (i) 2,000 farmers had been provided with over 3,000 vegetable seed packs and seedlings for breadfruit, fruit trees, turmeric, and vanilla; (ii) 400 farmers were provided with high-quality fruit and vegetable seedlings through the newly established 7 nurseries; and (iii) 400 farmers received fertilizer and tools for weeding and soil cultivation. Preparatory works were undertaken in Vanuatu and Tonga with delivery delayed by the volcanic eruption and it is expected to be completed by the third quarter of 2022.³¹
- (vii) Under the project, IFAD had also planned to train 600 persons from family farms in safe post-harvest and handling and COVID-19 compliant supply chain management. ILO shared technical materials on safety and health in the agriculture sector with IFAD, which was distributed to nine farmers' organizations for dissemination to the Pacific Islands Rural Agriculture Stimulus Facility beneficiaries. As of 31 March 2022, IFAD trained: (i) 120 farmers on safe post-harvest handling; and (ii) 723 farmers on COVID-19 compliant supply chains management.
- (viii) Sixty individuals were also planned to be trained in food processing and preservation techniques. As of 31 March 2022, 673 trainees have been reached by IFAD.

Outcome 3: Effective joint project monitoring, documentation, and evaluation processes put in place

61. Outcome 3 had four specific outputs. Progress against the targets at project completion is as follows:

- (i) The project design considered that 1,200 people would access audio-visual knowledge tools developed by the team. However, the nature of these tools remained unclear. The progress report shared by the project suggests that ILO posted 63 activities (including 5 videos) on social media with a total viewership of 136,000 viewership and the five videos had a total of 700 views. The project also published six electronic newsletters and shared these on social media. It is,

³¹ The project did not collect gender-disaggregated data or agricultural entrepreneurship outputs.

however, not clear the extent to which these knowledge materials reached the intended beneficiaries and informal economy actors in particular. There was no country-specific target. The project had planned to produce project impact stories in the four project countries during the first quarter of 2022. The project produced a video on the outcomes of the ResiliArt series that was held online in March 2022. All three debates are accessible online at the UNESCO Apia webpage.

- (ii) The project had planned to produce and disseminate four studies (one per country) on the contribution of informal economy to economic recovery. The project has not achieved it. An analysis of the informal economy in Vanuatu with a brief regional perspective particularly for project countries was planned for the first quarter of 2022 but the evaluator has not come across the subject document. However, the assessment of the existing e-commerce platforms provides a good starting point for future interventions to link CCI with alternative sustainable markets.
- (iii) The project also envisaged producing three stories and lessons learned knowledge products and share with a wider audience through diverse channels. As stated above under (i), ILO posted 63 activities (including 5 videos) on social media with a viewership of 136,000 and 700 views of the five videos. It also shared six electronic newsletters via social media as well as an email to contacts on the project database. In addition, the project also completed research on the use of online tools for trade union outreach. Also, prepared and shared business awareness training materials for seasonal workers in Vanuatu. Furthermore, during the first quarter, it had planned to prepare a guide on formalizing association based on experience from Fiji and Tonga, a guide on operating a BDS under COVID-19 based on experience from Fiji and Palau, lessons and best practices on the use of digital platforms to extend social security to the informal economy in Vanuatu, and ResiliArt debates planned in partnership with national counterparts and one regional event. At the end of the project, five ResiliArt debates took place: one series of three debates that has a regional scope and reach including all project countries, and two Resiliart debates focused on Fiji.
- (iv) The project design included the development of four project management tools to ensure timely and efficient implementation. The progress update suggests that the project had adopted an outcome-based project budget, formulated project and individual plans, prepared a monitoring and evaluation framework, and conducted project technical team and steering committee meetings. It also produced a draft communication strategy.

4.2 What were the success factors in achieving outcomes and outputs?

62. Key factors that contributed to the achievement of outcomes and outputs included:

- (i) The commitment of the staff from IFAD, ILO, UNDP, and UNESCO in ensuring strong coordination during the COVID-19 period characterized by lockdowns and movement restrictions helped to streamline coordination across agencies and partners. The technical committee and steering committee comprising representatives from all four UN agencies actively participated in the discussions.
- (ii) The clarity in roles and responsibilities of the partner agencies facilitated their work plan implementation smoothly.

- (iii) Flexibility in project design permitted engagement of both public-private BDS providers so that training could be delivered as planned. Also, it was helpful to organize activities around changing situations on the ground due to COVID-19 as well as natural disasters.
- (iv) Access to the BDS providers for the training participants outside the formal training period helped them to remain engaged and improve their MSME performance.
- (v) Access to ILO and UNESCO tools and training materials supported the execution of project activities.
- (vi) Guidance on COVID-19 compliance for MSMEs (particularly home-based micro) facilitated conducting business/income generating activities safely and without being subjected to fines and imprisonment.
- (vii) The national coordinators fielded by UNESCO in each of the four countries contributed to the contextualization of the project in each country for UNESCO's activities.

4.3 What were the challenges confronting the achievement of outcomes and outputs?

63. Key challenges confronting the project implementation and achievement included:

- (i) Loss of time due to a significant delay in recruiting and fielding project staff and mobilizing implementation partners in a short duration (13 month) project;
- (ii) The unpredictability of COVID-19 positive cases and three waves of the virus in Fiji along with uncertainties surrounding the imposition of curfews, lockdowns, and movement restrictions;
- (iii) The undersea volcanic eruption and subsequent tsunami limited the conduct of project activities in Tonga;
- (iv) Inadequate due diligence was conducted at the project design stage, including a question on the feasibility of the electronic commerce platform as it required a strong alliance with banks and financial institutions;
- (v) The limited pool of experts in the Pacific resulted in lengthy re-advertisement periods and contracting experts from abroad that required more guidance on contextualization;
- (vi) Limited availability of national consultants particularly for technical training;
- (vii) Expected IFAD financial resources for agricultural entrepreneurship training activities not coming through; and
- (viii) The geographical spread of project countries and potential beneficiaries within the countries coupled with travel restrictions limited the undertaking of activities that required human interaction.

4.4 How satisfied are the project beneficiaries with the level of services received from the project?

4.5 How satisfied are the project beneficiaries with the quality of services received from the project?

64. Overall, feedback from the stakeholders during the project completion workshops as well as during interviews for the evaluation suggested a high degree of satisfaction with the project implemented by ILO, UNDP, and UNESCO. Most of the trainers who had received training of trainers expressed satisfaction with the quality of trainers fielded by the project. Some of the comments from the stakeholders included supportive, helpful, hand-holding, ensuring learning, etc. as key attributes along with the utility and relevance of training offered.

65. Several stakeholders also felt that the training was packed heavy and not all of them were able to catch up. This comment was a reflection of diversity in the composition of the participants for the training. Some stakeholders felt that the training duration was too short and they would have preferred to have training spread over a longer duration by permitting enough time for self-reflection, self-application, and seeking mentoring; although the trainers were flexible and were available for mentoring after the training if required. For some participants, not being able to recoup lost income after training was somewhat disappointing. Incentives were uneven across the agencies. For example, consistent with the project design, UNESCO offered grants for all beneficiaries based on participation to ensure that their livelihoods were not affected and that they could fully commit to the training. The compressed project implementation period as a result of the challenges stated above under 4.3 provided limited flexibility to address some of the key concerns of the project stakeholders including beneficiaries.

66. Some participants expressed that the skills development and access to finance need to go hand-in-hand. One of the major challenges for MSMEs was cash flow. One key informant opined that access to finance for the informal economy lacked MSME policy. There was also another observation that the quality of BDS providers varied significantly and there was no established BDS standard to follow.

4.6 To what extent the beneficiaries are adopting new practices in their tasks?

67. The anecdotal evidence suggests that the BDS providers are using the business accelerator model. However, the uptake of BDS based on payment of fees is still not fully convincing for MSMEs. In the end, they need to realize the economic benefit of adopting the new practices. The two associations formed in the CCI are encouraging but they comprise only a small number. These associations have demonstrated that as an organized group they can engage with the policymakers for lifting the profile of actors in the CCI including a large number in the informal economy. The trade unions are also their new knowledge to help the informal group organize themselves or provide them a secondary platform for organizing. The engagement of Vanuatu Provident Fund with the project has also opened up an opportunity for providing digital platforms to reach out to the informal economy individuals and entities. There is also an increasing understanding among the government agencies that the informal economy has the potential to be responsible taxpayers if their interests are protected.

Summary: The project was successful in organizing two CCI groups in a formal association which provided a previously non-existent voice for the informal economy in government's employment and MSME policies. The members of the associations also felt empowered as a collective voice for their groups. The MSMEs spoke highly of the values associated with BDS provided under the project to the informal economy. The individuals and MSMEs who received BDS appreciated the value and quality of new knowledge received through training, mentoring, and advisory services. The CCI benefitted from specialized skills transfer aside from BDS in the project countries. The livelihood outcomes from the informal agricultural economy were delayed due to the late release of funds from IFAD. Movement restrictions during the pandemic limited the scope and effectiveness of joint monitoring, documentation, and evaluation processes.

K. Impact

5.1 To what extent the project has been able to increase the employment and income of the beneficiaries?

68. The effective implementation period became short (less than one year) to meaningfully ascertain the impact of the project on employment and income. Moreover, the project activities and training in particular were conducted during the lull period of COVID-19. Also, the results framework did not include targets for the two indicators. However, the interviews with key informants suggested that after receiving training the beneficiaries were relatively more confident that they were in a better position to leverage higher income when COVID-19 returns to a new normality.

69. In partnership with the Palau Chamber of Commerce, the project supported training in business development services advisory and mentorship in the CCI fields. After completing 10 workshops, a group of artists is well-positioned to explore opportunities for sustainable employment and income in the coming months and years. At this stage, it is premature to determine the quantitative impact on employment and income. The participants at the events confirmed the utility of the project support summarized in a video publicly accessible at <https://www.youtube.com/watch?v=mTKzf3r8D1U>.

5.2 To what extent the project has been able to increase the capacity of national institutions for business development services (BDS) involved in the project?

70. The main beneficiaries of the project had been the BDS providers who have had access to ILO training modules such as C-BED that they adopted in remote delivery of training. The formalization of two associations of informal workers (FIDA and VAVA) as well as the trade unions working in the interest of the informal economy were able to bring the voice of informal stakeholders to the table. Engagement with policymakers, for example, in Fiji is expected to influence the government's MSME Act currently under preparation. Given the size of the project and limited engagement, the influence on the increasing capacity of the national institutions for BDS has remained limited, particularly in Palau and Vanuatu.

5.3 To what extent the project has been able to benefit young women and men with economic empowerment?

71. Women and youth in the informal economy have been at the front and centre of the project as these groups are the ones most affected by the pandemic and lost their employment or livelihoods. The project's focus on them is deemed timely and appropriate. Both FIDA and VAVA comprise youth and women. Also, a significant share of individuals who lost their jobs in the hospitality sector tended to be in these two groups, and they needed guidance with new livelihood options and in most cases away from their original place of employment or businesses.

72. A set of 10 case studies developed by the Enterprising Pacific Consultancy in collaboration with one of the project partners, Greenhouse Coworking, with technical assistance from ILO and guidance from the Ministry of Commerce, Trade, Tourism and Transport (MCTTT) and iTaukei Trust Fund Board in May 2022 highlighted key benefits the beneficiaries of training and workshops on formalizing informal enterprises. These have ranged from learning to run a business, benefitting from financial institutions and other agencies offering technical services, and marketing products, learning about financial management and tax matters, and other entrepreneurial skills.

5.4 To what extent the project has been able to benefit persons with disabilities (PWD)?

73. The persons with disability (PWD) did not feature in the project design. Given the limited scope of the project and implementation period, the project did not address the PWD issue.

5.5 Have project interventions made a difference to specific SDGs and UNPS it is linked to?

74. The evaluation takes note of the project has contributed to SDG 8: *Promoting inclusive and sustainable economic growth, employment, and decent work for all* and Outcome 3 of the UN Pacific Strategy, Sustainable and Inclusive Economic Empowerment. It also contributed to the UN Socio-Economic Impact Assessment of COVID-19.

Summary: The project has had a positive impact on the CCI in project countries because it provided confidence to the informal artists in pursuing sustainable livelihoods. Data limitation did not permit the evaluation to assess the quantitative impact on income and employment but the beneficiaries expressed a positive outlook going forward as a collective organization. About 75% of project beneficiaries were women and 60% were youth. These were two segments of the population that had experienced significant negative impact due to COVID-19 and lost or had a significant reduction in livelihood income and or employment. Limited resources and a short implementation period did not permit the project to address the needs of persons with disabilities. The project contributed to SDG 8 and Outcome 3 of the UN Pacific Strategy and informed government strategy in addressing challenges faced by the informal economy.

L. Sustainability

6.1 To what extent the benefits of the project are likely to continue after its completion?

75. There are several indications that the project benefits are likely to be sustainable:
- (i) The BDS providers have demonstrated flexibility beyond project completion by offering support for additional three months even after training, mentoring, and advisory roles.
 - (ii) MSMEs can access ILO learning hub and national portals based on their requirements.
 - (iii) The digital platforms in Vanuatu for promoting and boarding social security have been mainstreamed beyond project completion.
 - (iv) The memorandum of understanding between ILO and the Government of Tonga remains valid well beyond the project completion date. It allows mutual participation in the planning and implementation of the activities that will enable micro and small enterprises, particularly the informal economy to access business training, advisory services, and mentoring.³²
 - (v) The interviews with stakeholders suggested that the workers' organizations are likely to continue to advance the agenda on behalf of informal workers and these organizations are likely to continue to support groups of informal workers with their skills and knowledge and support them in the process of organizing.
 - (vi) Also, the employers' organizations that have provided BDS training trainers are likely to continue to provide their services to the MSMEs informal economy.

6.2 To what extent sustainability considerations were taken into account in the project interventions?

76. The evaluation found that the project interventions remained pragmatic and flexible in responding to changing on the ground situations in the four project countries. It was designed taking into consideration the maximum use of available national and private competencies in supporting the individuals and MSMEs in the informal economy. The project was designed while countries were preparing or finalizing their COVID-19 recovery plans, and it was based on information/data available from UNSEIA and the country-level Rapid Assessments conducted by ILO. It was expected that the project activities would contribute to the national recovery plans.

77. The project focused on building partnerships with a range of partners and provided needed options to provide technical services and BDS. These included ILO tripartite constituents (workers' and employers' organizations and government entities), private BDS providers, and CCI associations, with a focus on using the training of trainer model for wider outreach to the beneficiaries. The evaluation considers that the online platforms such as Employment Vanuatu, support for the development of payment gateways for mobile applications and mobile wallets, production of online training modules, and video impact stories were steps in the right direction in enhancing sustainability. Similarly, engagement with

³² [The informal economy: Strengthening & Promoting Business Development Services \(BDS\) for COVID-19 Recovery in Tonga \(ilo.org\)](#)

UN Capital Development Fund, Market for Development, the Pacific Community, and other bilateral and multilateral development partners have provided the impetus to sustaining project interventions.

78. The new Pacific Regional Cultural Strategy acknowledges the project's contribution. The project also has informed the Bill associated with Fiji's MSME Act (under preparation) and it provided an update of activities and its alignment to the recovery plan to the Vanuatu Recovery Committee. Furthermore, the recovery assessments and policy priorities developed by ILO social partners in countries with informal economy workers are expected to inform the consultation process in the preparation of National Employment Policies in Fiji, Tonga, and Vanuatu.

6.3 Has the project developed and integrated an exit strategy in its work?

79. By design, the project was of limited duration and served as a pilot in the four Pacific Island countries in response to the COVID-19 pandemic. The project partners had expected that once the countries had finalized their pandemic recovery plan, the project activities will transit into these plans. There was no explicit exit strategy per se. However, there was an expectation that the initiatives introduced by the project would be integrated into the respective agency's regular or special work programmes.

Summary: The evaluation considers that the initiatives introduced by the project are likely to be sustainable. The merits of BDS have been recognized by the participants who benefitted from training, mentoring, and advisory services. However, willingness to pay for such services tend to vary by the size of MSMEs, with micro-enterprises less willing to do so without realizing substantial benefits. The two CCI associations are likely to sustain the organization and will be guided by continued dynamic leadership and guidance. Within a short implementation period, the project has influenced government policy for MSMEs in favor of the informal economy, particularly in Fiji and Tonga.

M. Crosscutting Issues

1.4 To what extent the project has further enhanced the social dialogue among the constituents and partners of the participating countries?

1.5 To what extent the social dialogue has contributed to achieving the project objectives?

80. The project has enhanced the social dialogue among the tripartite constituents in all four countries. Organizing informal workers and MSMEs and their protection have frequently featured in the broader dialogue associated with social protection for the vulnerable population including youth, women, and other disadvantaged groups. The project has furthered the agenda of supporting the workers and MSMEs in the informal economy including decent jobs, fair market wages, and employment conditions. While the avenues for negotiation are clearer for the formal sector, it is somewhat indirect and has required the support of formal organizations. Nevertheless, the project work in responding to the COVID-19 pandemic challenges has lifted the profile of the informal economy in all four countries. Also, refer to 6.2 above.

81. The project has actively supported social dialogues in Fiji and Tonga. In Fiji, for

example, the project held two dialogues with the government and presented 12 policy priorities. In August 2021 (first dialogue), the project team met with Fiji's Minister of Commerce and Trade, Tourism, and Transport during which the Minister spoke about the government's national budget and how it was designed to support COVID-19 recovery in the informal economy.³³ The budget had focused on recovery and rebuilding based on the principles of vaccination rates; recovery of businesses particularly MSMEs; and future-proofing Fiji against pandemic and natural disasters. The second dialogue with the government-held in February 2022 culminated in the lifting of the almost two-year-long curfew, which was identified by many cash-flow struggling MSMEs, including those in the informal economy, as a barrier to generating income and sustaining their enterprises.³⁴ In Tonga, the representatives of seven informal economy organizations met with the government for the first time for dialogue and presented their six policy priorities.

7.3 How successful the project has been in promoting gender equality?

82. The project data suggests that women and youth accounted for 75% and 60% of project beneficiaries, respectively. There had been a strong emphasis on the inclusion of women and youth in project activities. By all accounts, it is considered an exemplary achievement.

7.4 How successful the project has been in promoting the inclusion of persons with disabilities (PWD)?

83. The project could not cater to PWD for two reasons. First, movement of restrictions due to COVID-19 limited identification and access to PWD. Second, given the restricted project implementation period, setting up access to online services became very challenging.

7.5 To what extent the project has promoted environmental sustainability?

84. Environmental sustainability did not feature significantly in the project activities. Movement restrictions were favourable in reducing carbon footprints. None of the project activities involved environmental degradation.

7.6 To what extent the project activities, outputs, and outcomes are consistent with relevant normative instruments formally embraced through ratification or expressions of endorsement by stakeholders?

85. The project remained consistent with three ILO normative instruments – ILO Recommendation 204 on Transition from the Informal to the Formal Economy, ILO Convention 98 on the Right to Organize and Collectively Bargaining, and the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102). Also, the project contributed to

³³ National Budget prioritizes Informal sector recovery in Fiji https://www.ilo.org/suva/public-information/WCMS_818301/lang-en/index.htm

³⁴ 2nd Dialogue between MSMEs and Government contributes to a breakthrough https://www.ilo.org/suva/public-information/WCMS_836486/lang-en/index.htm

mobilizing interests and enhancing awareness around the CCI. This was visible through the demonstrated interest by Fiji, Tonga, and Vanuatu to ratify the 2005 Convention on the Protection and Promotion of the Diversity of Cultural Expressions and the 1980 Recommendation concerning the Status of the Artists.

Summary: The project has been successful in promoting social dialogue with the governments for creating enabling environment for the informal economy including social protection. The issue of gender equality and youth economic empowerment has remained at the core of project design and implementation. There had not been any issues associated with environmental sustainability. The project has remained consistent with ILO Recommendation 204, ILO Convention 98, and ILO Convention 1952 (No. 102).

V. CONCLUSIONS

86. Overall, the project has served the needs of one of the most neglected groups in Fiji, Palau, Tonga, and Vanuatu – that is, the informal economy. The project was relevant at the time when countries were devising mechanisms to respond to the COVID-19 pandemic, and those in the informal economy had no fallback position for livelihood or job. Opportunities were limited with existing skill sets. While the needs of a large number of existing and new entrant informal workers in the agriculture sector were not met by the project, it equipped those in the CCI with selected technical and business management skills. It rightly focused on women and youth artists. However, due to limited time and project staff capacities, the project could not serve persons with disabilities. The successful formation of two associations in CCI sector informal workers and their deployment for BDS and technical training in the form of training of trainers further enhanced the merit of the project. The participation of private sector entities in providing BDS also complemented services tapped from the public training institutions. The project also helped particularly Fiji to address the needs of the informal economy through legislation.

87. The collaborative project design and implementation with clear roles and responsibilities of the UN agencies avoided duplication of efforts and maximization of resource use. The project beneficiaries have been satisfied with the support received under the project, although there exists a need for expansion of coverage, both in terms of communities as well as an array of topics covered in technical and business management training. Mentoring and advisory services by BDS providers are also well received by the beneficiaries.

88. The project encountered challenges from both external and internal sources – some outside the control of the project management. With better planning and scheduling internal challenges could have been managed by timely recruitment of project staff and commencing work efficiently. While training and other activities supported by IFAD were delayed, linkages were established and available to engage farmer organizations and their members.

89. The project has remained relevant during its design, implementation, and completion. It has maintained satisfactory coherence and synergies among the project partners as well as the national implementation partners. Time slippage and external factors have led to the project becoming somewhat less than efficient. Also, the project effectiveness is considered satisfactory for the CCI sector, but less than effective for the agriculture sector. There are positive indications that the benefits delivered by the project can be sustained as the project has planted the seeds and there is enough interest from ILO's tripartite constituents and private sector to carry forward the agenda of formalizing the informal economy. The project has had a modest impact, particularly in strengthening the capability of informal workers, trainers involved in the training of trainers, and the MSME informal subsector at large. The COVID-19 pandemic has lifted the game and it has created significant opportunities for improving working conditions, creating decent jobs, and strengthening social security, particularly for the vulnerable and disadvantaged population.

VI. RECOMMENDATIONS

90. The evaluation offers six recommendations for the project partners and other agencies committed to promoting the progress in the informal economy.

Recommendation #1 (addressed to all relevant partner UN agencies): Address the challenges holistically faced by the informal economy. Project finance and technology need to be an integral part of the support structure. This is going to require the agencies to work across their boundaries for a common goal of helping the informal economy. Technical specialized agencies can bring in expertise and innovation while financing institutions could consider establishing a revolving fund to finance viable projects proposed by the informal economy. The effort should be complementary in directly addressing challenges faced by the informal economy such as access to finance and technology; economic empowerment of youth; gender equality and social inclusion; governance; and climate change. Informality should be treated as a common agenda for joint programming by UN agencies based on operational flexibility.

Responsibility	Priority	Time Implication	Resource Implication
<i>All partner UN agencies</i>	<i>High</i>	<i>Immediate</i>	<i>Low</i>

Recommendation #2 (addressed to ILO Office for Pacific Island Countries): Conduct rigorous due diligence at the time of project preparation and ensure that all requirements are met before approval. There should not be any short-cut in project preparation. While emergency projects may demand a speedy approval process, the due diligence requirements can be met with adequate desk research. This avoids the inclusion of infeasible project interventions. In this project, the electronic platform for marketing was not adequately thought through. Similarly, there was also a shortcoming in the assessment of the availability of national consultants. For effective and efficient project implementation, a local interlocutor is a must, particularly when projects are expected to be coordinated and managed remotely. The project was designed during the pandemic, and there was no expectation that this would end soon. The Pacific countries are known for natural disasters, and when such need would arise remains unpredictable.

Responsibility	Priority	Time Implication	Resource Implication
<i>ILO Office for Pacific Island Countries</i>	<i>High</i>	<i>Immediate</i>	<i>Low</i>

Recommendation #3 (addressed to ILO Office for Pacific Island Countries): Take stock of BDS providers in each country and introduce a rating matrix based on experience and competencies. While BDS is an important intervention from ILO in MSME development, the quality of the BDS providers varies widely within and across the countries in the Pacific region. A roster of qualified entities in each country can help to speed up the engagement process. Ideally, these entities can be recruited on a non-committal retainer basis.

Responsibility	Priority	Time Implication	Resource Implication
<i>ILO Office for Pacific Island Countries</i>	<i>High</i>	<i>30 September 2022</i>	<i>Low</i>

Recommendation #4 (addressed to ILO Office for Pacific Island Countries): Continue to remain engaged with relevant government agencies and continue to influence national employment policy and social protection policy by ensuring support for the informal economy

and the formalization of the informal enterprises. Limited resources from ILO cannot address informality challenges at the national level and hence ILO must have the government on its side and consistent with the tripartite arrangement. Efforts should be invested in ensuring that successful initiatives introduced by ILO (e. g. partnering with the private and public sector in this project) are taken up and mainstreamed in the government's regular development programmes.

Responsibility	Priority	Time Implication	Resource Implication
<i>ILO Office for Pacific Island Countries</i>	<i>High</i>	<i>Ongoing</i>	<i>Low</i>

Recommendation #5 (addressed to all relevant partner UN agencies): Prepare project documents based on firm financial commitments from partner agencies. Uncertainties in funding can drive project design to become overambitious. Project planning based on predictable resources helps to keep beneficiaries' and stakeholders' expectations realistic and does not create false hope. The project design should be amenable to modifications if additional resources become available. Also, project design should give due consideration to the implementation modalities of the agencies involved. In this project, ILO, UNDP, and UNESCO implemented project activities directly while IFAD had to work through respective government mechanisms. In this project, since expected funding for the IFAD component was not approved at the same time as MPTF, the agricultural entrepreneurship-related activities under component 2 were launched behind the schedule of other activities. Notwithstanding the financing delay, linkages with implementing partners were established and pursued, particularly in Fiji and Tonga, and farmers attended training delivered under other components. According to the IFAD representative, agricultural entrepreneurship activities will continue to be implemented over the next three years beyond MPTF programming.

Responsibility	Priority	Time Implication	Resource Implication
<i>All partner UN agencies</i>	<i>High</i>	<i>Immediate</i>	<i>Low</i>

Recommendation #6 (addressed to all relevant partner UN agencies): Strengthen monitoring and evaluation in projects to ensure timely flow of information for decision-making and ensure availability of data for evaluation. The project missed out on key indicators of economic and social empowerment. Also, in a multi-partner project, commitment to timely input into the monitoring and evaluation system is critical. In the case of this project, there had been long lags in getting data and information thereby causing scope for ad hoc decisions.

Responsibility	Priority	Time Implication	Resource Implication
<i>All partner UN agencies</i>	<i>High</i>	<i>Immediate</i>	<i>Low</i>

VII. LESSONS

91. The evaluation offers the following lessons from the design, implementation, and completion of the project:

- (i) Flexibility in project delivery is essential if and when uncertainties occur. The project quickly adapted to gathering and movement restrictions imposed during the COVID-19 outbreak or when it was expected to arrive on the shore. Also, some of the training could be offered remotely while others were delivered to trainers under the training of trainer arrangement and the trainers, in turn, trained the beneficiaries. However, since the target group is the informal economy, it is important to ensure that the trainers are locally recruited as possible who understand the local language and changing dynamics. Trainers engaged in the project were knowledgeable and could relate new knowledge to the participants.
- (ii) It is important to have a project design based on the latest facts and figures as the project design made use of findings from the country level Rapid Assessments and UNSEIA. However, due diligence needs to be exercised to ensure that the project design does not include interventions not suitable for the local context. For example, electronic platforms were not feasible in the project.
- (iii) Training, mentoring, and advisory services are necessary but not sufficient for MSMEs' development. Access to innovation and finance is equally important. The MSMEs, particularly during the COVID-19 pandemic, suffered from liquidity problems. The project would have been more effective if these were linked and properly coordinated among the project partners and implementing agencies.

VIII. EMERGING GOOD PRACTICE

92. It is essential that the project partners (and stakeholders) define and agree on their respective roles and responsibilities for efficient project outcomes. The project document becomes richer with such provisions and also it avoids any misunderstanding or miscommunication. In this project, the roles and responsibilities of ILO, UNDP, UNESCO, and IFAD were clear from the outset which helped the project execution.

APPENDIX 1

TERMS OF REFERENCE FOR THE EVALUATION

The External Collaborator will perform for the ILO the work described in detail below (including project code, dates of travel, countries of travel, as necessary) in accordance with the specifications and within the time-limits set out:

ILO TERMS OF REFERENCE (TOR)

MPTF COVID: Inclusive Economic Recovery through Sustainable Enterprises in the Informal Economies of Fiji, Palau, Tonga and Vanuatu (commonly known as the Informal Economies Recovery Project)

Project Title Inclusive Economic Recovery through Sustainable Enterprises in the Informal Economies of Fiji, Palau, Tonga and Vanuatu

Project Symbol RAS/20/53/UND

Administrative Unit CO-Suva

Funder Secretary General's Multi Partner Trust Fund (MPTF)

Development Partners Multi Partner Trust Fund Office, UNDP, ILO, IFAD, UNESCO

P&B Outcome(s) • Improved employment and business environment in the informal sector through sustainable businesses, access to social security and organising

- Creation of market linkages and specialized skills transfer in the cultural and creative industry sector to improve productivity and innovation in Fiji, Vanuatu, Palau and Tonga
- Improved livelihood outcomes from informal agriculture economy in Fiji, Vanuatu and Tonga
- Effective joint project monitoring, documentation and evaluation processes put in place

SDGs

SDG 8: decent employment and economic growth;

SDG 1: No poverty;

SDG 5: gender equality

Budget: US\$1,530,003

Implementation Period: October 2021 – March 2022

Type of evaluation: Independent evaluation

Timing of evaluation: Final Evaluation

Period of evaluation: March 2022 – May 2022

Date of evaluation: May 2022

Evaluation Manager: Maria Vittoria Franceschelli (ITCILO)

1. Background information

1.1 Background of the project to be evaluated:

In the context of the actual crisis, with the project Inclusive Economic Recovery through Sustainable Enterprises in the Informal Economies of Fiji, Palau, Tonga and Vanuatu the ILO wants to support national service providers to deliver innovative, sustainable, and COVID-19 safe business development services and social security/pension options to vulnerable groups to support recovery and income generation.

Activities include Capacity building of BDS providers, establishing business incubators, institutionalizing business continuity plans, extension of social protection floor, organizing MSEs and workers. The ILO aims also to contribute to the increase of labour productivity and safety on family farms and support coordination, evaluation, reporting, communication, knowledge-creation, facilitation of good practices and project management.

The recent rapid assessments (RAs) of the impact of COVID-19 on employment and enterprises and the Social and Economic Impact Assessment (UNSEIA) of COVID-19 in the Pacific

suggests, have both acknowledged the existence of a large informal sector prior to COVID-19, but have also highlighted a growing thriving informal sector.

In order to earn an income, many workers laid off from the formal sector are moving into the informal sector. Enterprises in the informal sector, particularly those linked to the tourism industry and trade, including the creative industries and agriculture, face significant challenges in sustaining their businesses, not only as a result of the global pandemic, but also of recent and ongoing regional/national disasters.

For those in the creative sector, the effects have been widespread as a direct result of a highly affected tourism sector. SEIA pointed to the return of city dwellers to rural areas which led to an increase in agricultural activities. This contributed to increasing the resilience of vulnerable populations during the pandemic, providing a diversified livelihood strategy and a meaningful coping strategy, as well as the gradual reduction of the region's dependence on imported products.

The project has three immediate objectives:

1. Immediate Objective 1: Improve the institutional capacities of national service providers to deliver innovative and sustainable and COVID-19 safe business development services (BDS) and social security/pension options to vulnerable groups to support recovery and income generation.
2. Immediate Objective 2: Improve productivity and spur innovation in the creative and agricultural sectors.
3. Immediate Objective 3: Monitor, document and evaluate progress, share lessons learned and contribute to recovery policy development and review.

For each immediate objectives several outputs have to be implemented. The Agency that is responsible for the outputs of the immediate objectives are mentioned below.

Immediate Objective 1: Improve the institutional capacities of national service providers to deliver innovative and sustainable and COVID-19 safe business development services (BDS) and social security/pension options to vulnerable groups to support recovery and income generation.

- Output 01.01: Capacities of BDS providers to deliver innovative and relevant support to informal sector women and youth led creative-prenures and agri-prenures strengthened (ILO)
- Output 01.02: COVID-19 and disaster resilient incubator and accelerator programmes targeting informal sector women and youth led creative-prenures and agri-prenures launched. (ILO, UNDP)
- Output 01.03: Digital platform for ease of social security access for informal sector workers and women and youth led creative-prenures and agri-prenures established. (ILO)
- Output 01.04: Representative informal sector workers and women and youth led creative-prenures and agri-prenures groups with links to national workers and employer organisations established. (ILO)

Immediate Objective 2: Improve productivity and spur innovation in the creative and agricultural sectors.

- Output 02.01: A master-apprentice scheme is re-established in Fiji, Vanuatu, Palau and Tonga to enable specialized skills transfer in the cultural and creative industry sector (UNESCO)
- Output 02.02: At least 500 persons, including agri-prenures trained in agricultural production in Fiji, Vanuatu and Tonga (IFAD)
- Output 02.03: Cultural and creative industry entrepreneurs, particularly women and youth, have improved capacity in developing narratives, labelling and packaging for their products and services to achieve improved market linkages (UNESCO)
- Output 02.04: On-line platforms for e-commerce are harnessed to enhance business development and South to South knowledge exchange is facilitated (UNESCO)
- Output 02.05: E-platform for agricultural sales rolled out in Fiji, Tonga and Vanuatu (UNDP, IFAD)
- Output 02.06: Provision of tools and inputs to family farms (IFAD)
- Output 02.07: Safety and Health awareness and improved practices communicated to

- targeted family farms in Fiji, Vanuatu and Tonga (IFAD, ILO)
- Output 02.08: Knowledge sharing on food preservation and trainings in processing methods provided in Fiji, Vanuatu and Tonga (IFAD)

Immediate Objective 3: Monitor, document and evaluate progress, share lessons learned and contribute to recovery policy development and review.

- Output 03.01: Audio-visual knowledge tools developed for sharing experience with non-project countries (All PUNOs)
- Output 03.02: Study elaborated on the contribution of informal creative industries and agriculture to economic recovery (All PUNOs)
- Output 03.03: Knowledge sharing of good practices and lessons learned through social media and webinars with project and non-project countries and development partners (All PUNOs)
- Output 03.04: Measures and tools established for effective project management, coordination and reporting support (All PUNOs)

1.2 Links with other projects: The project is linked to:

- The Markets for Change (M4C) project in Fiji is a UN Women project in partnership with the UN Development Programme. It is a six year initiative aimed at ensuring that marketplaces in rural and urban areas in Fiji, Solomon Islands and Vanuatu are safe, inclusive and non-discriminatory environments, promoting gender equality and women's empowerment .
- The REACH Project (UNDP): The REACH Project aims to promote peace building, social cohesion and inclusiveness .
- Labour Migration Project (ILO).

1.2 Project management arrangements (Multi Partner Trust Fund Office, UNDP, ILO, IFAD, UNESCO) and oversight (steering committee)

- As the project had a short time-frame, there was no national structure established, except for Tonga who had established a National Project Coordination Committee. This committee was adhoc.
- A Project Technical Team (PTT) was established, chaired by the ILO Project Coordinator. Each agency was represented by their respective focal points. The PTT tried to meet every two months.
- A Project Steering Committee (PSC) was established, chaired by the ILO Director. Each agency was represented by the Head of Agency. A representative from the RCO was also part of the PSC. The PSC tried to meet every quarter.

2. Purpose, objectives and scope of the final evaluation

2.1 ILO evaluations: Policy guidelines for results-based evaluation

The project MPTF COVID: inclusive Economic Recovery through Sustainable Enterprises in the Informal Economies of Fiji, Palau, Tonga and Vanuatu is going to an end.

The ILO is systematically evaluating its training and capacity building activities in order to:

- Learn from the experience, and improve such activities and the achievement of the results for which these are conceived;
- For accountability reasons, mainly in relation to the donors and other institutions which are contributing to the ILO activities and projects;
- For establishing decent work conditions worldwide according to the ILO mandate.

For these reasons the evaluation practices follow the ILO policy guidelines for results-based evaluations.

In general, evaluations in the ILO are carried out for the purpose of accountability, learning, project improvement and for building organizational knowledge. Evaluations, such as this final review, are conducted in the context of criteria and approaches for international development assistance as

established by the OECD/DAC and the UNEG Code of Conduct for Evaluation in the UN System.

Its focus is the understanding of the changing conditions /difficulties that have affected the original plans for the capacity building delivery mainly due to the Coronavirus emergency around the components of the project under the responsibility of the ILO.

2.2. Purpose, objectives and clients of the mid-term evaluation

With the purpose of accountability, learning, project improvement and for building organizational knowledge this final review aims to improve the project relevance and the efficiency of the implementation mechanism of the Project. The evaluation is also conducted to provide an independent assessment of the progress to date, through an analysis of the criteria of project relevance, efficiency and effectiveness, which have been affected by the Coronavirus emergency.

The specific objectives of the evaluation are the following:

1. Review the institutional set-up, the capacity for project implementation, coordination mechanisms and the use and usefulness of management tools including the project monitoring tools and work plans in order to understand the project implementation efficiency, and its effectiveness in achieving the stated results.
2. Analyse the planned implementation strategies of the project and the ones adopted as a reaction to the COVID-19 pandemic with regard to their potential effectiveness in achieving the project objectives; including unexpected results and factors affecting project implementation (positively and negatively/intended and unintended).
3. Identify lessons and potential good practices for the users of the evaluation to improve the project implementation.
4. Provide strategic recommendations for the different users of the evaluation to understand the project development and implementation.

2.3 Scope of the evaluation

The final evaluation will cover the whole project duration and all geographical area. Due to the Vulcan Eruption in

Tonga, on Sunday 16 Jan 2022 Tonga was declared as a State of Emergency (SOE) for the Hunga Tonga Hunga Ha'apai volcanic eruption that triggered tsunami waves on Sat 15th Jan 2022. This situation of emergency can affect the independent evaluation of this geographical area.

The evaluation will cover all project components and activities, with particular attention to the project implementation arrangements and mechanisms and to the effects of COVID-19 on the project implementation and on the remaining part of the project to implement.

The evaluation should help to understand how and why the project has obtained or not the specific results from outputs/deliverables foreseen in the project document and work plans.

The evaluation integrates ILO's cross-cutting issues, including norms and social dialogue, gender equality, disability inclusion, other non-discrimination concerns, and medium and long-term effects of capacity development initiatives throughout the evaluation methodology and all deliverables, including the final report.

3. Review criteria and key evaluation questions

The evaluation should address the relevance, coherence, efficiency, effectiveness, impact, sustainability and cross-cutting issues.

Relevance

1. The extent to which the project's objectives and design respond to the need of the tripartite constituents, beneficiaries and recipients in the Fiji, Palau, Tonga and Vanuatu.
2. The relevance of the project in support of the goals outlined in the 2030 Agenda for Sustainable Development, the UN Pacific Strategy (UNPS), and ILO Programme & Budget and UN Social & Economic Impact Assessment (UNSEIA).

3. The extent to which the project adheres to decent work principles including International Labour Standards, human rights-based approach and gender equality and non-discrimination.
4. What the project partner organizations have implemented in order to cope with the COVID-19 pandemic and particularly with the measures constraining physical meetings?
5. How far is the project impacted by the COVID-19 pandemic and to what extent was the project able to remain relevant and adapt in response to the COVID-19 crisis as well as the local context?
6. To what extent were there synergies across outcomes and outputs of the project for maximum impact?
7. How relevant was the project strategies and deliverables to the national development and recovery plans of each country?
8. How relevant was the project strategies and deliverables to beneficiaries of each country?

Coherence

1. How the project has been design and how the team can track the coherence of the activities implemented during the project in respect with the project design framework?
2. Assess the extent of compatibility of interlinkages between the project interventions and other UN projects (including other ILO projects) in the 4 countries, other interventions carried out by Governments, social partners and other partners in the 4 countries.
3. Has the four UN agencies (ILO, UNESCO, IFAD, UNDP) involved in this project worked in a coherent manner and worked together to contribute to the delivery of the project objectives?
4. Has the project maximized synergies and improved collaboration with new or existing actors? Has there been a duplication of efforts/resources?
5. To what extend did UN agencies work with their respective internal departments to contribute to the delivery of the project objectives?

Efficiency

1. Is the project on time? If yes, what has been the factors helping the project to stay on track. If no, what have been the main internal and external factors delaying project activities.
2. What are the financial consequences of the COVID-19 pandemic on the remaining part of the project to be implemented? If there are negative financial consequences how implementing partner organizations will support this unforeseen financial burden?
3. What were some of the geographical and logistical challenges of delivering the project, considering most of the UN agencies has no physical presence in most of the project countries? How did the project mitigate the challenges?
4. What were some of the challenges posed by COVID-19 (including the various waves), natural disasters (cyclones, flooding) and geological occurrences (volcanoes, Tsunami)

Effectiveness

1. To what extent the project has achieved its planned objectives? What are the factors affecting the achievement (or not achieved) of the project objectives.
2. Are beneficiaries adopting new practices and behaviours in carrying out their tasks in their respecting organizations?
3. Are the deliverables transferred to local beneficiaries of quality? How can the quality be maintained in a context Fiji, Palau, Tonga and Vanuatu?
4. Are stakeholders and project beneficiaries satisfied with the services received from the project implementer and the subcontractor?

Impact

5. Has the intervention made a difference to specific SDGs, UN Pacific Strategy that the project is linked to? If so, how has the intervention made a difference? (explicitly or implicitly)
6. What are the evidence of broader and longer-term effect that the project has contributed that benefit young women and men and people with disabilities? And whether the COVID-19 pandemic has affected the possible impact of the project?

Sustainability

1. The extent to which the benefits of the project are likely to continue after the project has ended
2. To what extent sustainability considerations were taken into account in the project interventions? Has the project developed and integrated an exit strategy in its work?

Cross-cutting issues

1. The evaluation will integrate cross-cutting drivers, a) gender equality, b) disability inclusion, other c) non-discrimination concerns, d) environmental issues, including norms and social dialogue, and medium and long-term effects of capacity development initiatives throughout the evaluation methodology and all deliverables, including the final report.
2. International Standards: The degree to which intervention activities, outputs, and objectives are consistent with prescriptions in relevant normative instruments where they have been formally embraced through ratification or expressions of endorsement by stakeholders. What UN and ILO normative framework (Conventions, Recommendations, operational guidelines, agreed policy instruments etc.) that forms the basis of this project?
3. Social dialogue: To what extent the project has further enhanced the social dialogue among the constituents and partners in Indonesia? And the extent that the social dialogue has contributed to achieving the project objectives?
4. Gender equality and non-discrimination: To what extent were the intervention results defined, monitored and achieved (or not), and what was their contribution (or not) towards: i) Gender equality and non- discrimination; and ii) Inclusion of people with disabilities?

4. Final evaluation methodology

The final evaluation will be conducted in English through different methods and multiple sources of information, combining quantitative and qualitative data, in order to collect reliable evidence for answering the evaluation questions. The main methods to be used will be:

- a. Examining the intervention's Theory of Change, with particular attention to the identification of assumptions, risk and mitigation strategies, and the logical connect between levels of results and their alignment with UN Pacific Strategy and ILO's strategic objectives and outcomes at the global and national levels, as well as with the relevant SDGs and related targets.
- b. Interviews with key informants
- c. Desk review mainly on the following sources of information:
 - UN Pacific Strategy
 - COVID Rapid Assessment
 - UN COVID Recovery Plan
 - Project documents
 - Agreement
 - Inception reports
 - tracking reports
- d. Observation, Virtual Interviews and/or focus group discussion (FGD) with key stakeholders and beneficiaries

More insights on the ways to collect the evidence needed will be prepared by the evaluator in his/her inception report.

- The data and information should be collected, presented and analysed with appropriate gender disaggregation even if project design did not take gender into account.
- To the extent possible, the data collection, analysis and presentation should be responsive to and include issues relating to ILO's normative work, social dialogue, diversity and non-discrimination, including disability issues.
- The methodology should clearly state the limitations of the chosen evaluation methods, including those related to representation of specific group of stakeholders.
- The detail approach and methodology, including the workplan should be part of the inception report. Criteria for selecting key informants for interviews, survey, or selected

areas/units for in-depth assessment must be elaborated in the inception report.

- The methodology should ensure involvement of key stakeholders in the implementation as well as in the dissemination processes (e.g. stakeholder workshop (virtual), debriefing of project manager, etc.).
- The evaluator may adapt the methodology, but any fundamental changes should be agreed between the evaluation manager and the evaluator, and reflected in the inception report.

5. Main deliverables

Deliverable 1: Inception report (meeting notes)

It should be prepared on the basis of mapping of reviewed documents and reports as well as of the initial discussion with the Evaluation Manager and Project coordinator. The Evaluation Manager will review and approve the inception report before the commencement of the field data collection. In line with the ILO EVAL Checklist 3, it should include:

- a. Examining Theory of Change underlying the project to be evaluated
- b. Description of the evaluation methodology and evaluation instruments to be used in data collection and analysis and the data collection plan mentioned above. Evaluation instrument (matrix) should comprise evaluation criteria, evaluation questions and guided sub-questions for interview and focus group discussions, and who are the target audience for each questions/sub-questions.
- c. Detailed calendar and fieldwork plan for the field trip (if applicable), or draft agenda for the interview/Focus group discussions with key stakeholders.
- d. A proposed report outline structure.

Deliverable 2: Stakeholders consultation workshop.

After the evaluator has completed data collection, initial findings should be presented to all key stakeholders for validation. The stakeholders' workshop maybe organized after the draft report has become available. Timing of stakeholders' workshop should be clearly specified in the inception report. Findings of the preliminary findings should be specific, clear, concise and combined with qualitative and quantitative information.

Deliverable 3: Evaluation report.

- In line with the ILO EVAL Checklist 5, the draft report should include:
 - an Executive summary with the methodology, key findings, conclusions and recommendations; o purposes, scope, and methodology of the evaluation (including limitations);
 - an analysis of the findings and a table presenting key outputs delivered under each immediate objective; o identified findings, conclusions and recommendations ;
 - lessons learned and good practices;
 - annexes, including data files, including survey data, case studies and focus group discussions transcribes, etc.;
- Lessons learnt and good practices including ILO standard template for lessons learnt and good practices to be annexed;
- The Evaluation manager will do a quality standard review of the draft report before circulating the draft report to all key stakeholders, the project staff for their review. Evaluation Manager will collect all comments and forward the consolidated comments to the evaluator.

Deliverable 4. Final evaluation report with evaluation summary (using the relevant templates for the Title Page, the Executive Summary and Annexes including lessons learned and emerging good practices in the ILO Template).

Report is considered final only when it is approved by ILO Evaluation Office.

Evaluation report format: The report will be in English following the structure of ILO evaluation report preparation guidelines. The report should be maximum of 35 pages excluding annexes (innovative ways are welcome to add life story on project impact or demonstration of results). The quality of the

report will be assessed against the relevant EVAL

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

The Evaluation Manager will review the final version and submit it to ILO Regional Evaluation Officer to review. Evaluation Office (EVAL) will do the final approval. Once approved, the evaluation report, good practices, and lessons learned will be uploaded and stored at ILO i-eval Discovery as to provide easy access to all development partners, to reach target audiences and to maximize the benefits of the evaluation.

6. Management arrangements and work plan

The evaluation will be managed and coordinated by Dr. Maria Vittoria Franceschelli, Junior Programme Officer, ITCILO, who has no prior direct involvement in the project. Her management will consist in the following main tasks:

- Draft and finalize the evaluation TOR with inputs from key stakeholders;
- Develop the Call for expressions of interest and select the independent evaluator in collaboration with the Evaluation Officer and in consultation with the UN implementing partners (Evaluation Reference Group);
- Brief the evaluator on ILO evaluation policies and procedures;
- Initial coordination with the project team on the development of the evaluator schedule of meetings and the preliminary results online workshop;
- Circulate the first draft of the evaluation report for comments by key stakeholders;
- Ensure the final version of the evaluation report address stakeholders' comments (or an explanation why any has not been addressed) and meets UNEG and ILO requirements.

Evaluator

The evaluator is responsible for:

- Conducting the evaluation: collecting, analysing and processing data to define the evaluation findings, conclusions and recommendations.
- Coordinate with evaluation manager, project team and stakeholders to conduct the entire evaluation process.
- Proceed to a desk review of all relevant documents and conduct online interviews and focus groups to meet main project stakeholders.
- Elaborate the inception report (incl. methodological elaboration), the first version and final report in deadlines and in conformity with ILO and UNEG standards.
- Conduct an online stakeholder's workshop at the end of the data collection and analysis phase to test preliminary findings and conclusions before writing the complete report.
- Participate to debriefings with main stakeholders on the main results and recommendations of the evaluation.

Qualifications

1. Proved experience on M&E of development projects and programmes.
2. Excellent English knowledge
3. Have substantial experience about the requirement for M&E of the ILO and good knowledge of the ILO Policy on Evaluation
4. Have proficiency in use of office and mobile tools including virtual meeting applications, text.
5. Have significant documented experience working in multidisciplinary teams with members having diverse perspectives, backgrounds, and objectives. This includes a demonstrated ability to respect the views and values of others, adapt to the needs of the team, work toward collective goals and team consensus, and exhibit professional behaviour in every circumstance.
6. Have experience and knowledge about enterprises practices.
7. Have proven experience and knowledge of the pacific context, including enterprise development, disaster recovery, creative industries and agricultural development.

7. Timeframe

The project management team will provide logistical support to the evaluator and will assist in organizing a detailed evaluation schedule (online interviews and online meetings). The projects will also ensure that all relevant documentation are up to date and easily accessible (in electronic form in a space such as Google Drive) by the evaluator from the first day of the contract (desk review phase).

The final evaluation will be conducted from March to May 2022.

Tasks Responsible Time line Proposed workdays

Selection of the consultant and contract signing Evaluation manager Mid February

Discussion with the Consultant (online) on the Project and the TOR Evaluation manager Late February

Desk review of project background documents (PRODOC, Work plans and Progress Reports, etc. Evaluator Early March 3

Submission of draft Inception report including design of evaluation instrument Evaluator Mid March

Feedback on inception report Evaluation manager Late March

Finalization of the inception report Evaluator Late March Online focus groups and interviews Evaluator Early April 3 Analysis of information/data collected and preparation of the draft report Evaluator Mid April 2

Review of the Zero Draft evaluation report and adjustments by the evaluator Evaluation manager Late April 12 Circulate draft report among key

stakeholders including donor and receive feedback Evaluation manager Early May Consolidate feedback and share with the consultant. Evaluation manager Early May

Finalize the report–final version– Evaluator Mid May 2

Submit Final Report to the evaluation manager Evaluator Mid May Review for approval of Final Report by EVAL EVAL Late May

8. Budget

Tasks Responsible Time line Proposed workdays

Desk review of project background documents (PRODOC, Work plans and Progress Reports, etc. Evaluator March 3

Submission of draft Inception report including design of evaluation instrument Evaluator March 1

Finalization of the inception report Evaluator March 1

Online data collection e.g. focus groups and interviews (Fiji) Evaluator

April 5 Online data collection e.g. focus groups and interviews (Palau) Evaluator April 7

Online data collection e.g. focus groups and interviews (Tonga) Evaluator April 3

Online data collection e.g. focus groups and interviews (Vanuatu) Evaluator April 2

Analysis of information/data collected and preparation of the draft report Evaluator April 2

Finalize and submit the Final Report to the evaluation manager Evaluator May 6

TOTAL WORKING DAYS 30

It is estimated that the scope of effort required by the evaluation will be approximately 25-30 days. The successful evaluation consultant or team will be remunerated on an output based total fee.

Legal and Ethical Matters

The evaluation will comply with UN Norms and Standards. The evaluator will abide by the UN Evaluation Group (UNEG) UNEG Ethical Guidelines s will be followed.

The consultant should not have any links to programme management, or any other conflict of interest that would interfere with the independence of the evaluation.

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

Deliverable 2: Stakeholders consultation workshop

After the evaluator has completed data collection, initial findings should be presented to all key stakeholders for validation. The stakeholders' workshop maybe organized after the draft report has become available. Timing of stakeholders' workshop should be clearly specified in the inception report. Findings of the preliminary findings should be specific, clear, concise and combined with qualitative and quantitative information.

Deliverable 3: Evaluation report.

- In line with the ILO EVAL Checklist 5, the draft report should include:
 - an Executive summary with the methodology, key findings, conclusions and recommendations; o purposes, scope, and methodology of the evaluation (including limitations);
 - an analysis of the findings and a table presenting key outputs delivered under each immediate objective; o identified findings, conclusions and recommendations ;
 - lessons learned and good practices;
 - annexes, including data files, including survey data, case studies and focus group discussions transcribes, etc.;
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APPENDIX 2

BIBLIOGRAPHY

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Fiji Commerce & Employers Federation (FCEF), *Impact of COVID-19 on Employment & Business - In-Crisis Rapid Assessment: 13 May-19 June 2020 (Volume 2)*, July 2020.

Vanuatu Council of Trades Unions (VCTU), *Impact of COVID-19 and Tropical Cyclone Harold on Employment and Workers in Vanuatu - In-crisis Rapid Assessment: November – December 2020*, February 2021.

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ILO, *Inclusive Economic Recovery through Sustainable Enterprises in the Informal Economies of Fiji, Palau, Tonga and Vanuatu Project Workplan*, Suva.

ILO, *Project Implementation Note, Immediate Objective 1/Output 3 – Fiji (however can be replicated in Vanuatu and Tonga)*, Suva

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ILO, *Project Implementation Note, Immediate Objective 1/Output 1 and 2: Fiji*, Suva.

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ILO, *Informal economy recovery project, e-newsletter #5*, October 2021, Suva.

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Informal Economy Recovery Project, Agency Update Outcome 3 (ILO and UNESCO), 31 December 2021.

Informal Economy Recovery Project, Agency Update Outcome 1 (ILO and UNDP), May 2022

Informal Economy Recovery Project, Agency Update Outcome 2 (UNESCO, IFAD and ILO), May 2022.

Informal Economy Recovery Project, Agency Update Outcome 3 (ILO and UNESCO), May 2022.

Presentations delivered at the project completion workshops (23-25 March 2022)

Agenda: Workshop on Creative MSME's engaging in COVID-19 recovery policy dialogues
Capturing lessons, best practices and way forward, 23-25 March 2022

BDS journey from beginning to end, ILO

BDS - Capturing lessons, best practices and way forward, Greenhouse Coworking

Tonga Ministry of Trade and Economic Development, Capturing lessons, best practices and way forward

Vanuatu Chamber of Commerce and Industry, Capturing lessons, best practices and way forward

VOU, Capturing lessons, best practices and way forward, BDS Provider.

ILO, Organizing the Creatives through the Enterprise/Employment Lens, SPC/35CPAC/ Working Paper x (draft), April 2022.

Others

Organizing the Creatives through the Enterprise/Employment Lens, virtual presentation delivered at the 35th Meeting of the Council of Pacific Arts and Culture, 13-14 April 2022.

Vanuatu National Provident Fund, Informal presentation, December 2021, Port Vila.

ILO Case studies on Enterprise formalization during the COVID-19 : experience from Fiji (Received on 26 May 2022)

No. 1: Marica Nukutabu Viva's Investments)

No. 2: Katalina Fotofili Mavana

No. 3: Gorgia and Funmike Lilo Sugarbee

No. 4: Jope Buatitu Marinitawa Rise Beyond the Reef Agricultural Cooperative Ltd

No. 5: Matelita Volausivo Tikina Matailobau Cooperative Ltd

NO. 6: Melaia Gonerogo

No. 7: Miriama Likutawake

No. 8: Wainikiti Kemea Nawaqamata Farming Cooperative Ltd

No. 9: Seremaia Bai Eastern Saints Cooperative Ltd

No. 10: Tikosaya Ledua Ledua's Art Collection

APPENDIX 3
LIST OF PERSONS INTERVIEWED

ILO Regional Office (Bangkok)

1. Mr Charles Bodwell, Specialist for Job Creation and Enterprise Development (in-transit to ILO Headquarters) bodwell@ilo.org
2. Mr Ravindra Samithadasa, Specialist for Workers, samithadasa@ilo.org
3. Mr Markus Ruck, Social Protection Specialist, ruck@ilo.org

ILO Pacific Office (Suva)

4. Mr Matin Karimli, CO-Suva Director and Chair of Project Steering Committee, karimli@ilo.org
5. Mr Kinan Albhanasi, Employment Specialist and Project Supervisor albhanasi@ilo.org
6. Ms Surkafa Katafano, Programme Officer and focal point for Fiji and Tonga katafno@ilo.org
7. Mr Bimlesh Raj, Programme Officer and focal point for Vanuatu rajbm@ilo.org
8. Mr Ahmed Ali, Programme Officer and focal point for Palau ahmadali@ilo.org
9. Mr. Edward Bernard, ILO Consultant (former Project Coordinator), brenard@ilo.org

UNESCO

10. Ms Nisha, Director of UNESCO Office for Pacific States nisha@unesco.org
11. Ms Ellen Lekka, Cultural Advisor and project focal point e.lekka@unesco.org
12. Mr. Marcelo Murta, Evaluator of the UNESCO component of the project mlmurta@gmail.com

UNDP

13. Mr Patrick Tuimalealiifano, Deputy Team Leader (Inclusive Growth) and project focal point patrick.tuimalealiifano@undp.org

IFAD

14. Mr Tawfiq El-Zabri, IFAD Country Director for Pacific Islands, t.elzabri@ifad.org
15. Ms Tamara Nicodeme, t.nicodeme@ifad.org
16. Ms Ovini Saviri, ovini.sawiri@gmail.com

SPC

17. Ms Frances K. Vaka'uta, francesv@spc.int

FIJI

18. Mr Faizal Khan, Director MSME Fiji, Ministry of Commerce, Trade, Tourism and Transport faizal.khan@govnet.gov.fj
19. Mr Kameli Batiweti, CEO, Fiji Commerce & Employers Federation, ceo@fcef.com.fj
20. Ms Jotika Goundar Sharma, Executive Officer, Fiji Trades Union Congress, executiveofficer@ftuc.org.fj
21. Ms Sachiko Soro, Director/Owner and Chairperson, Fiji Islands Dance Association (FIDA), VoU Fiji sachiko@voufiji.com
22. Ms Ronna Sekiguchi, Owner/Director, Greenhouse co-working, ronna@greenhousefiji.com
23. Mr Save Baro, Business Accelerator Manager, Fiji Enterprise Engine, bam@fcef.com.fj
24. Mr James McGoon, Business Development Manager, iTaukei Trust Fund Board, james@itaukeitrustfund.com.fj

25. Ms. Lavinia Kaumaitotoya, PIFON, Fiji, pm@pacificfarmers.com
26. Mr. Alipate Waqairawai, General Manager National Provident Fund, Fiji, AlipateW@fnpf.com.fj

PALAU

27. Ms Irene Olkeriil, Vice President, Palau Chamber of Commerce, ireneolkeriil@gmail.com
28. Ms Carolyn Ngiraidis, Consultant and member of Palau Chamber of Commerce, aliibelau@gmail.com
29. Ms Ltelatk Fritz, Board Member of Palau Chamber of Commerce, CEO of Small Business Development Center, ltelatk@willbsoil.com

TONGA

30. Ms Kolotia Fotu, Assistant CEO, Labour Division, Ministry of Trade & Economic Development
31. kolotiaf@mted.gov.to
32. Ms Mele Amenaki, General Secretary, Tonga Public Service Association, tpsa_secretary@yahoo.com
33. Ms Katrina Ma'au Fatiaki, Consultant (coordinator), UNESCO, katrinamau8@gmail.com
34. Mr Soane Patolo, Jr., MORDI, IFAD Focal Point, Tonga, soanejr@morditonga.to

VANUATU

35. Mr Basil Leodoro, President, Vanuatu Public Service & Employees Union, bleodoro@gmail.com
vapseunion@gmail.com
36. Mr Parmod Achary, General Manager, Vanuatu National Provident Fund, Parmod.Achary@vnpf.com.vu
37. Ms Murielle Metsan, Commissioner of Labour, Ministry of Internal Affairs, Vanuatu
38. mmetsan@vanuatu.govt.vu
39. Ms. Sandrine Wallez, National Coordinator/UNESCO Consultant, sandrine.wallez@activassociation.org

APPENDIX 4

LIST OF GUIDING QUESTIONS FOR STAKEHOLDER INTERVIEWS

Part 1 : Beneficiaries

1. Were you consulted in the design of the project?
2. Is the project addressing the needs of the affected groups ? If so, to what extent ?
3. How has the group benefitted from the project ? Please elaborate on the nature of support received/
4. Have you been able to increase your ability to increase employment and earn more income as a result of your participation in the project activities ? (Also, Prob on capacity development).
5. Are you able to organize in a group ? If so, what has been the progress towards registering the organization ?
6. What is your views on quality of trainers involved in the project ?
7. Are you likely to increase your income in the future and sustain a higher level of income for yourself and your households ?
8. How satisfied are you with the project's support ? Did the project meet your expectation ?
9. Is there anything you think that ILO and other partners can do to enhance your capacity to increase employment and income ?
10. Please state any additional thoughts you have, if any.

Part 2 : Business development service providers

1. Were you consulted in the design of the project? If so, do you recall your contribution to the design ?
2. How is the project helping the beneficiaries ? What had been your specific role ?
3. Has there been focus on women, persons with disabilities, and other disadvantaged groups in the project ? If so, please elaborate.
4. What do you think you have done things differently under the project, if nay ?
5. How do you ensure that BDS skills continue after the participants complete the training ? Is there any follow-up support mechanisms ?
6. Could you please explain what kind of BDS services were you able to offer under the project ?
7. Has anyone come back to you for additional training at their own costs ?
8. Where did you source training materials from ? What changes you had to make if any for local context ?
9. What were the challenges in imparting BDS training and support ?
10. Is there something you would have done differently ?
11. How satisfied are you with the project's support ? Did the project meet your expectation ?
12. What is lacking in BDS for the groups you have provided support ? What else need to be done ?
13. Do project participants take part in other training your organization has offered ? Please elaborate, if any.
14. Please state any additional thoughts you have, if any.

Part 3 : Project partner agencies (ILO, UNESCO, UNDP and IFAD)

1. Did your agency participate in rapid assessment of COVID-19 impact ?
2. What was your agency's role in project design ?
3. What was the main challenge in project design ?
4. Looking back, would you have done something differently in designing the project ?
5. Are there any design shortcomings ?
6. How satisfied are you with project implementation arrangements ? Should something have been done differently ? Please discuss.
7. Was there any duplication in ongoing activities of your organization proposed in the project ? If so, how did you manage to avoid any duplication ?
8. How does the project objective resonate with your organization's priorities in the project countries ?
9. Do you have any observation on the project's results framework ?

10. How do you assess inter-agency coordination in the project ? Please comment on implementation of activities and your agency's participation, information sharing, timely availability of project progress reports etc. ?
11. What kind of support were you able to get from your agency's regional or headquarter offices, if any ?
12. What is your views on project duration, country-coverage, and components covered in the project ?
13. Is there something the project did not achieve ? What could have been done differently ?
14. How do you monitor the success of the project ? Is there any follow-up actions from your agency ?
15. How likely the project benefits are sustainable ?
16. How well did the project manage logistical and geographical challenges ?
17. Please elaborate your views on project's success in addressing gender equality and social inclusion, opportunities for the persons with disabilities, initiatives for organizing informal workers ?
18. Had there been positive or negative environmental impacts as a result of project activities ?
19. What is your agency planning to remain engaged in the participating countries and move forward the informality agenda initiated by the project ?
20. To what extent have the countries have benefitted from capacity development interventions including BDS ?
21. Any final thoughts ?

Part D : Government agencies

1. What has been your agency's role in project design ?
2. What are your agency's programme for addressing needs of informal economy ?
3. How useful the project has been for your country in promoting institutionalization of informal economy ?
4. Do you think that the project activities have complemented your agency's activities ? If so, in what ways ?
5. How likely is your agency to carry forward the achievements of the project and sustain the project benefits ?
6. What steps have you taken to increase collaboration with ILO, UNESCO, UNDP and IFAD to address the needs of informal economy?
7. Any final thoughts?

Part E: Project coordinator

1. Did you have any role in rapid assessment of COVID-19 impact in the Pacific? Please elaborate.
2. How did the partner agencies select the participating four countries – Fiji, Palau, Tonga and Vanuatu?
3. What were the defining parameters for determining project scope and coverage?
4. How project is consistent with the 2030 Agenda for Sustainable Development and UN Pacific Strategy, ILO P&B, and UN Social and Economic Impact Assessment?
5. Please elaborate on the coordination mechanism for the project design given that it was accomplished very swiftly. Also, discuss the level of synergies across the agencies.
6. What was done to get buy-ins from the national government for project implementation?
7. What was the level of support the project received from ILO's country programme officers? How was their role defined?
8. What factors influenced timely completion of the project? How did the project manage risks? What was the impact of delayed completion on intended project outcomes and outputs?
9. How did the project manage logistical, geographical, and natural disaster challenges in implementation?
10. To what extent the project achieved its planned objectives? What factors affected the achievement (or not achieved) of the project objectives?
11. How do you measure project success? To what extent project beneficiaries are continuing with the new skills gained under the project?
12. Has the intervention made a difference to specific SDGs, UN Pacific Strategy that the project is linked to? If so, how has the intervention made a difference?

13. What are the evidences of broader and longer-term effect that the project has contributed that benefit young women and men and people with disabilities? And whether the COVID-19 pandemic has affected the possible impact of the project?
14. What initiatives are in place to ensure the sustainability of project benefits? Are there any ILO projects in the pipeline?
15. What is project's achievement towards formalizing informal economy workers?
16. How much appetite is there in formal sector in genuinely addressing the needs of informal economy workers?
17. What has project done to promote gender equality and social inclusion including the inclusion of persons with disabilities?
18. Any additional thoughts?



Inclusive Economic Recovery through Sustainable Enterprises in the Informal Economies of Fiji, Palau, Tonga, and Vanuatu

Project DC/SYMBOL: RAS/20/53/UND

Name of Evaluator: Ganesh P. Rauniyar

Date: 31 May 2022

The following lesson learned has been identified during the course of the evaluation.

LESSON LEARNED ELEMENT	TEXT
<p>Brief description of lessons learned (link to specific action or task)</p>	<p>The evaluation offers three lessons and highlights one emerging good practice.</p> <p><u>Lesson #1: Flexibility in project delivery is essential if and when uncertainties occur.</u> The project quickly adapted to gathering and movement restrictions imposed during the COVID-19 outbreak or when it was expected to arrive on the shore. Also, some of the training could be offered remotely while others were delivered to trainers under the training of trainer arrangement and the trainers, in turn, trained the beneficiaries. However, since the target group is the informal sector, it is important to ensure that the trainers are locally recruited as possible who understand the local language and changing dynamics. Trainers engaged in the project were knowledgeable and could relate new knowledge to the participants.</p> <p><u>Lesson #2: It is important to have a project design based on the latest facts and figures</u> as the project design made use of findings from the country level Rapid Assessments and UNSEIA. However, due diligence needs to be exercised to ensure that the project design does not include interventions not suitable for the local context. For example, electronic platforms were not feasible in the project.</p> <p><u>Lesson #3: Training, mentoring, and advisory services are necessary but not sufficient for MSMEs' development.</u> Access to innovation and finance is equally important. The MSMEs, particularly during the COVID-19 pandemic, suffered from liquidity problems. The project would have been more effective if these were linked and properly coordinated among the project partners and implementing agencies.</p>
<p>Context and any related preconditions</p>	<p>The project was designed under time-pressure to address the prevailing challenges to livelihood opportunities for the workers and enterprises in informal economy. Four UN agencies coming together in preparing project document was unique in the sense that they had delineated their intervention areas under the project. However, the project lacked due diligence and ongoing COVID-19 challenges did not permit adequate consultations with relevant stakeholder, particularly the core beneficiaries. There was a logical sequencing of technical training, business development services, and business continuity plans. Maintaining operational sequencing proved challenging.</p>
<p>Targeted users / Beneficiaries</p>	<p>ILO CO-Suva, UN partner agencies engaged in supporting employment and income generating activities with focus on leaving no one behind, government agencies in the Pacific countries committed to the wellbeing of informal workers and enterprises.</p>
<p>Challenges /negative lessons - Causal factors</p>	<ul style="list-style-type: none"> • The project design and implementation would have benefitted from a rigorous due diligence and close coordination with technical training and access to finance for informal economy dependent workers and enterprises. • Delay in availability of funds for critical project activities limits the desired level of project coverage, timely delivery of services, and achievement of outcomes.

Success / Positive Issues - Causal factors	<ul style="list-style-type: none"> • The availability of local expertise when needed can be challenging. • Joint programming by UN agencies and commitment for active collaboration with well-defined roles and responsibilities. • Project design focus on one of the neglected informal economy area of creative entrepreneurship and added focus on supporting agricultural entrepreneurship.
ILO Administrative Issues (staff, resources, design, implementation)	<ul style="list-style-type: none"> - The project team should have been mobilized on time. - The project document should have been revised in light of delay encountered by IFAD in securing anticipated funding for agriculture-entrepreneurship activities.

ILO EVALUATION



Inclusive Economic Recovery through Sustainable Enterprises in the Informal Economies of Fiji, Palau, Tonga, and Vanuatu

Project DC/SYMBOL: RAS/20/53/UND

Name of Evaluator: Ganesh P. Rauniyar

Date: 31 May 2022

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

GOOD PRACTICE ELEMENT	TEXT
<p>Brief summary of the good practice (link to project goal or specific deliverable, background, purpose, etc.)</p>	<p><u>Emerging good practice:</u> It is essential that the project partners (and stakeholders) define and agree on their respective roles and responsibilities for efficient project outcomes. The project document becomes richer with such provisions and also it avoids any misunderstanding or miscommunication. In this project, the roles and responsibilities of ILO, UNDP, UNESCO, and IFAD were clear from the outset which helped the project execution. Also, during implementation, there needs to be adequate complementarity in project activities implemented by different agencies, although this was somewhat challenging in this project.</p>
<p>Relevant conditions and Context: limitations or advice in terms of applicability and replicability</p>	<ul style="list-style-type: none"> • Continued commitment to a common objective and working as a team by all relevant agencies; • Predictability of funding to support planned interventions; • Strong coordination in design, implementation, data sharing, and joint monitoring and evaluation.
<p>Establish a clear cause-effect relationship</p>	<p>ILO and UNESCO activities were well coordinated and generally synchronized to a large extent. However, delayed availability of funding for IFAD activities meant that the planned activities commenced only in the second half of 2021; although the activities are expected to continue well beyond MPTF funding of the project.</p>
<p>Indicate measurable impact and targeted beneficiaries</p>	<p>The project duration was too short. It is too early to predict impact. Emerging evidence suggests that informal enterprises in creative and cultural industry are likely to sustain the associations formed with project support. Benefits from organizing including formalizing has been well received by micro and small enterprises particularly in Fiji.</p>
<p>Potential for replication and by whom</p>	<p>UN partner organizations in close collaboration with private sector and government agencies.</p>
<p>Upward links to higher ILO Goals (DWCPs, Country Programme Outcomes or ILO's Strategic Programme Framework)</p>	<p>Promoting rights at work, encouraging decent employment opportunities for women and men in conditions of freedom, equity, security and human dignity, and enhancing social protection.</p>
<p>Other documents or relevant comments</p>	<p>None.</p>