



# Evaluation Summaries

## Danish support to the Employment-Intensive Investment Programme (EIIP) 1996-2004

### Quick Facts

**Countries:** *Inter-regional*

**Final Evaluation:** *June 2004*

**Mode of Evaluation:** *independent*

**Technical Area:** Labour-intensive employment

**Evaluation Management:** *EMP/INVEST*

**Project Code:** *INT/03/04/DAN*

**Donor:** *Denmark*

### Background & Context

The Employment-Intensive Investment Programme (EIIP) was created in the mid 1970's as part of the ILO's response to the deteriorating employment situation in developing countries. Since then the Programme has assisted ILO's member States in setting up and implementing labour-based work schemes as a major means of employment promotion and income generation. The Programme has grown over the years and taken on added dimensions. EIIP has evolved from carrying out relief, emergency and "special" public works programmes to a long-term employment generation programme. While the programme might still intervene in response to emergencies, linked to man-made or natural disasters, it focuses on introducing employment concerns into mainstream investment policies.

In October 2003 the Permanent Mission of Denmark to the United Nations, Geneva, informed ILO that Danish support to the ILO would be reduced and in particular that support to Employment Promotion would be discontinued. This took effect by the end of March 2004 and the support was thereby prematurely stopped as the programme period included the whole of 2004. The present evaluation is thus also a final one. The present evaluation is an update and expansion of an evaluation undertaken in 2000: *The DANIDA Support to the Employment-Intensive Investment Programme*. SETP 8, ILO 2001. This evaluation covered the period 1996-2000 and the emphasis in the present evaluation will be on the period 2001-2004.

The objective of this evaluation is to assess how, and to which degree the DANIDA-funded Employment Intensive Programme (EIP) projects under the ILO/DANIDA Framework Agreement on Employment Promotion (1996-2004) contribute to the implementation and progress on the overall ILO Employment Intensive Investment Programme.

### Main Findings

The downscaling of the EIIP, which took place from the early 1990's to 1998, was followed by reinforcement. However, EMP/INVEST is in danger of losing 2 out of 4.5 staff position. At the regional level, the situation varies greatly. The EIIP is particularly strong in Anglophone Africa,

primarily because of ASIST. ASIST has also managed to establish a firm presence in Asia-Pacific, particularly due to initial DANIDA support. In the other regions, Latin America and Francophone Africa, the EIIP relies on the established ILO structures for support, presently in Francophone Africa without relevant professional staff. If EIIP is not allocated sufficient staff resources, the future of the programme is at stake since a minimum critical mass of staff is required to develop the programme further. Methodological development is an absolute requirement without which the programme will lose its dynamism and effectiveness.

Strong links have been established with many Governments in the regions involved, however the links to the equal-minded development agencies and donors seem to be of a more sporadic nature. Presence in international meetings and bodies seem also be at a lesser scale than before. The EIIP seems to be limited in its capacity to market its approach, with the ASIST being the best agent. Other agencies are looking for trendsetters, which can help solve problems and develop their approach. The EIIP might need to consider more carefully the composition of its programme with a view to focus it even more on the areas, where it is – or wants to become - trend setting.

#### Relations inside ILO

One major outcome of the strategies has been the establishment of linkages to other ILO programmes; PPP and LED have been mentioned but reference might also be made to STEP and decent working conditions. With respect to the DANIDA programme, the collaboration with PPP seems to have been profitable. With the limited resources available with EMP/INVEST, a stronger prioritisation with regard to internal partnerships may be required. Such a prioritisation may need to be made jointly with the analysis of the interest of external partners; i.e. other development agencies. It is doubtful

whether the external partners see more particular ILO objectives as having high priority.

The programme approach introduced in 1996 meant that the annual DANIDA contribution to the EIIP was reduced. It has now been completely stopped and alternative sources of financing from other donors, including DANIDA's bilateral programme, should be pursued. The existing programme structure, with one central component and 4 regional, is appropriate and the best possible within the resources presently available.

#### Relations with DANIDA

The cut in Danish support for EIIP should be seen as rationalisation of the reduction in the Danish contribution to the ILO. A reduction was political in nature and also affected a number of other UN institutions. The technical staff of DANIDA was apparently not consulted before the cut. The cut should therefore not be seen as a conscientious rejection of further collaboration between DANIDA and the EIIP. However, collaboration will in the immediate future have to be made through the bi-lateral programme of DANIDA rather than the multilateral wing. The present government appears unlikely to change its policies and level of finance towards the ILO. Only a change in policies might lead to renewed collaboration with the multilateral programme of DANIDA.

Technical contacts between the EIIP and DANIDA are nearly nonexistent at the central level. The technical staff of DANIDA feel that EIIP is less central in the development of approaches than before and believe that they receive less information from EMP/INVEST. Collaboration is welcome but there should be benefits for the Danish side involved. This implies that common areas of interest may need to be defined. Historically training has been an area, where ILO has collaborated with DANIDA but presently the larger Danish consultancy companies

have taken over. Community contracting and tendering, specific studies and evaluations might be another area where collaboration could develop.

DANIDA's bilateral assistance is given on a sector basis, besides the transport sector programme there may be other sector programmes, where collaboration might be mutually beneficial. This goes for the environmental programme, which may have a strong emphasis on urban infrastructure and services, and the agricultural programme, which may include rural infrastructure.

The Danish embassies have since the beginning of 2004 full responsibility for the development programmes, while DANIDA, Copenhagen only is involved in appraisals and annual reviews of the programmes. The responsibility involves substantial financial independence. Contacts exist at the country level with individual DANIDA advisers, consultants and embassy staff. It is important that these contacts be reinforced with the new Embassy autonomy.

Cooperation with the Danish bilateral development programme is complicated as procedures and time schedules follow their own routines. Most DANIDA development interventions are subcontracted to consultancy companies. Yet, it would be important that ways and means are sought that would enable EIIP to provide its technical and policy advisory services to DANIDA's bilateral programmes. However, ASIST might be engaged contractually with DANIDA.

## **Recommendations & Lessons Learned**

- EMP/INVEST should be reinforced staff-wise at the central level and at least maintain the present staffing of 4.5 professional positions.
- The establishment of a core group of like-minded agencies might be a first step to open-up for more formal cooperation with other development agencies and donors.
- EIIP should focus the programme on areas, where it is –or wants to become – trend setters
- EIIP should reconsider its internal ILO collaboration with its limited staff and the demand for trend-setting from external partners.
- EIIP should pursue collaboration with DANIDA's bilateral programmes.
- Continued efforts should be made to establish contacts with DANIDA officials- in particular the internal DANIDA consultants. The focus should be on areas, where both parties may profit. Contacts should in particular be reinforced at the country level with the Danish Embassies.
- The EIIP may, through ASIST or directly, offer services to DANIDA in return for consultancy fees. Such services might include expert participation in formulation, appraisal, monitoring, review and evaluation missions. It might include supervisory tasks or other longer term involvement.