



Evaluation Summary



International
Labour
Office

Evaluation Unit

Assessing and addressing the Effects of Trade on Employment

Quick Facts

Countries: Benin, Bangladesh, Indonesia, Guatemala

Final Evaluation: 16 October (final report)

Mode of Evaluation: Independent

ILO Office Administratively backstopping the Project: ILO HQ and CO's in Jakarta, Dhaka, Dakar and San Jose.

ILO Technical Backstopping Office: Trade and Employment Programme

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Project Period: 2009 – July 2013

Project Code: INT/07/14/EEC

Donor & Project Budget: European Commission (EUR 3,397,590 of which EC contribution is €3,227,710)

Keywords: trade, balance of trade, trade negotiation, employment creation

Background & Context

Summary of the project purpose, logic and structure

The overall objective of the ETE project is “to support the analysis of effective and coherent trade and labour-market policies that address the adjustment challenges faced by workers and employers and expand opportunities for the creation of decent employment in developing countries”.

Two specific objectives were derived from this overall objective:

Specific objective 1: Develop global knowledge tools that can support the formulation of coherent trade and labour market policies at the national level, based on sound data and diagnosis, with the involvement of the social partners.

Specific objective 2: Enable the design of effective and coherent trade and labour market policies that maximize employment-related opportunities created by trade, while minimizing the adjustment costs of trade-induced economic restructuring.

The ETE project is implemented with research and development actions at the central level and research and actions on the ground in four pilot-countries: Bangladesh, Benin, Guatemala and Indonesia.

The total budget of the ETE project is 3,397,590 Euro for the total period of 4.5 years. The own contribution of ILO to this project is 5%, amounting to 169,880 Euro and the EC contributing with 3,227,710 Euro.

After a preparation and inception phase in 2008 and 2009, the project is characterised by four overlapping phases with specific focuses in interventions and lines of action:

- Phase 1 (2009-2010): academic research and studies on employment effects of trade by international experts under the supervision of ILO headquarter staff. This resulted in a set of approaches and tools that can be used by policy makers and

social partners to assess employment effects of trade;

- Phase 2 (2010-2011): development and delivery of training modules and assessment tools for the partners in the ETE pilot countries. This phase involved intensive collaboration with the ILO's International Training Centre (ITC) in Turin;
- Phase 3 (2011-2012): assessment of the employment effects of trade in the four pilot countries. These assessments implied a significant amount of fieldwork. In this phase a start was made with the meetings of national "Policy Working Groups" (PWG) as a forum to discuss and share research and training activities and results;
- Phase 4 (2013): insights from national studies were disseminated in the pilot countries in national seminars and in country reports on trade and employment. During this final phase, national governments and social partners were invited and stimulated to make use of the knowledge gained by the project in processes of policy and strategy formulation and in developing programmes to tackle trade adjustment challenges posed by trade reform.

The ETE project is a centrally managed project with a small team of a CTA in the ILO Headquarters in Geneva, assisted by a financial and administrative assistant. At the country level there are national ETE project coordinators also assisted by financial and administrative assistants.

Present Situation of the Project

The ETE project has ended on July 2013 and at this stage all activities planned were realised.

Purpose, scope and clients of the evaluation

The objectives of the final independent evaluation are to:

- Assess results and impact against the project objectives in the logical framework;
- Assess the ETE intervention, focussing on what has worked, what has not worked, and why this was the case;

- Examine if the best approach was taken, and if it was optimally executed;
- Assess current impacts and the sustainability of the project's activities and where possible, identify evidence of pathways and indicators of long-term impact.

The final independent evaluation was expected to result in the following outcomes:

- Recommendations to support ILO's expansion of its employment policy activities based on the assessment of the key success factors, best practices and constraints faced by the project;
- A clear articulation of the 'lessons learned' and identification of good practices to inform future project development and to contribute to knowledge development of the ILO and project stakeholders.

The evaluation considered the entire project-period from 2009 to 2013 and all central and country-level actions. However, the field-work was done in only three pilot-countries: Bangladesh, Benin and Indonesia, because Guatemala was already covered by field-work in the Mid Term Review in 2011.

This evaluation and its report are servicing the following clients:

- The European Commission as the donor of the ETE project;
- The ETE project management team, ILO Country Office Directors and other field and headquarter staff;
- Tripartite members of the Policy Working Groups and partner organisations in the four pilot countries.

Methodology of evaluation

This evaluation has looked systematically at the following performance criteria of the ETE project:

- Relevance and strategic fit;
- Validity of intervention design;
- Intervention progress and effectiveness
- Efficiency of resource use;
- Effectiveness of management arrangements, and;

- Impact orientation and sustainability of the intervention.

The steps and activities in the evaluation process are presented below:

1. Desk study (July – September 2013):
2. Interviews with key informants (August 2013):
3. Country Visits (August 2013)
4. Survey among ETE stakeholders at country level (August 2013):
5. Draft Evaluation Report (1-14 September, 2013)
6. Skype debriefing with ILO and with the EC (26 September, 2013)
7. Final ETE Project Evaluation Report (26-3 October, 2013)

Main Findings & Conclusions

The ETE project is highly appreciated by the Ministries of Labour and Trade and the social partners in the ETE countries.

The issue of trade and employment is highly relevant for developing countries. A better understanding of the effects of trade on employment requires continued and more focused approach on competitiveness of specific sectors and sub-sectors, specific target-markets, specific regional economic communities.

The ETE project has chosen a theoretical and technical perspective on trade and employment. While the technical contents of the ETE project is used by technical staff in Ministries, this contents was less used by Trade Unions and Employer's Organisations;

The ETE project has been well aligned with policy priorities of pilot countries and strategies of development partners. The combination of quantitative and qualitative perspectives on the effects of trade on employment is considered important to achieve coherent policies and strategies and resulting trade and partnership agreements.

The Policy Working Groups were embraced by the partners and the meetings have provided a constructive and effective

environment for practicing social dialogue, often in a general context where social dialogue was not yet well established.

At its start the ETE project was focusing on quantitative and economic aspects of trade and employment, but along the road social aspects have been increasingly integrated in project activities and research.

The multi-country nature of the ETE-project was not well developed. The choice of countries in the ETE project did not enabling international exchange, considering the different contexts, languages and insertion in international trade of these countries.

The ETE project has achieved its first objective but it was less effective in reaching the second objective. While technical insights obtained in the ETE project are implemented at the technical level in the Ministries of Employment and Trade, the use of results at the policy level and in trade-negotiations is not yet secured by the project and partners indicate that more efforts and support in this area is still needed.

Social partners indicate that they have more difficulties in using the insights of the project effectively and they also indicate that they face many challenges in being better prepared for social dialogue on trade and employment issues and are in need of more comprehensive and more practical and applicable tools and instruments

The planning, realisation and publication of research in the framework of the ETE project has been effective and timely thanks to a sound management and coordination by the ETE team.

The intervention logic and the monitoring framework of the ETE project, in spite of repeated recommendations in the Monitoring and MTR reports, have not dealt with the lack of the outcome level in the project design and this has created difficulties in assessing the project's progress and results against outcomes.

In spite of the active involvement of the Ministries of Labour and Trade and the social partners during the process of realising the

PWG meetings, the sustainability and continuity of this important instrument at the end of the ETE project is not secured.

Recommendations & Lessons Learned

Main recommendations and follow-up

ILO's Trade and Employment programme, the EC and local partners in the ETE project are recommended to:

1. Continue the dialogue and cooperation in the area of trade and employment;
2. Develop research and training interventions that allow a more specific and focused approach to allow acquiring a deeper insights in specific relations between trade and employment issues;
3. Provide tailored capacity development support in the area of research and particularly training to the different partners in tri-partite social dialogue;
4. Continue to explore possibilities for capacity development interventions in the area of trade and employment that can provide a more direct good quality input in the development of coherent trade policies and in dialogue and negotiation around FTA's and EPA's;
5. Continue with the design and implementation of projects that combine the components of research and generation of knowledge, training and (tri-partite social) policy dialogue;
6. Explore possibilities to continue the practice of meetings of the PWG's as a constructive and safe environment for social dialogue around concrete issues of common interest, even in otherwise not conducive environments;
7. Explore possibilities to develop thematic and multi-country projects (in trade and employment, but also other themes) that include cross-country, regional and international exchange and joint learning between countries;
8. Review the approach under the second objective of the ETE project to ensure that outcomes for effective use of results of the project are included in the project as well

- as to ensure that activities are added to project to work on policy development;
9. Explore possibilities to offer more comprehensive capacity development packages to target-groups that are tailored to their needs and based on proper needs-assessment, instead of the more standardised approach that was followed in the ETE project;
 10. Provide access to recent and good quality statistical data to ensure that research and training in can be better focused on future trends and developments in trade policies and trade negotiations;
 11. Include in the design and implementation of follow-up projects and programmes more possibilities of joint management and implementation of activities in the projects to ensure that capacities can be transferred to local counterparts;
 12. Improve the quality of the intervention logic in follow-up projects on ETE by including a clear results/outcome level with corresponding indicators;

Important lessons learned

The following good practices and lessons learned in the ETE project were identified:

- Policy Working Groups are a good instrument to promote tri-partite social dialogue around trade and employment issues;
- Bringing more ministries together in a project is positive for inter-ministerial coordination and more coherence in trade and employment policies and strategies;
- Branding of activities and products in the ETE project has increased the visibility of the project and ILO;
- Capacity development interventions in the area of Trade and Employment need to combine quantitative and qualitative research perspectives;
- An international project needs to be more than only a collection of countries to ensure exchange of knowledge and learning across countries;
- Social partners need more practical and applicable knowledge and skills to effectively deal with their specific challenges in trade and employment.