



# Evaluation Summary



International  
Labour  
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Office

## Strengthening Labour Inspection System for Promoting Labour Standards and Ensuring Workplace Compliance in Pakistan

### Quick Facts

**Countries:** *Pakistan*

**Final Evaluation:** *November 1 to December 30 2018*

**Mode of Evaluation:** *Independent*

**Administrative Office:** *ILO CO-Islamabad*

**Technical Office:** *DWT/CO-New Delhi, LABADMIN/OSH*

**Evaluation Manager:** *Mr. Prakash Sharma, ILO Kathmandu*

**Evaluation Consultant:** *Mr. Karstein Haarberg*

**Project End:** *June 2019 [Extended to December 2019]*

**Project Code:** *PAK/15/01/NET*

**Donor & Project Budget:** *Ministry of Foreign Affairs of the Netherlands, USD\$ 1,280,663*

**Keywords:** *Labour Inspection, Pakistan*

### Background & Context

#### Summary of the project purpose, logic and structure

The Strengthening Labour Inspection System for Promoting Labour Standards and Ensuring Workplace Compliance in Pakistan (SLISP) project was initiated on July 2015 to support the Government of Pakistan's wider program called "Strengthening National Capacities for ILS Compliance in Pakistan". The major project stakeholders include Ministry of Overseas Pakistanis and Human Resource Development (MOPHRD), provincial labour departments, Employers' Federation of Pakistan (EFP), Pakistan Workers Federation (PWF) and 10 other trade unions and industry associations to deliver its interventions. The Ministry of Foreign Affairs of the Government of Netherlands funded the project with US\$

1,280,663, and the project was expected to end in June 2019.

The project is implemented in coordination with the other activities to promote Labour Inspection as part of the Government of Pakistan's larger programme on "Strengthening national capacities for ILS compliance in Pakistan" i.e. Output 1.3. Labour Inspection system strengthened in terms of outreach and quality (for details, see Annex-C). This strategy is guided by the Labour Inspection Convention, 1947 (No. 81), the Labour Inspection (Agriculture) Convention, 1969 (No. 129), the Labour Administration Convention, 1978 (No. 150), and the resolution and conclusions resulting from the 2011 Conference general discussion on labour administration and labour inspection. Pakistan has ratified Convention 81 on Labour Inspections.

The ultimate beneficiary of this project is the Government of Pakistan and Provincial Governments through a reform of the institutional framework governing labour inspections whereas the direct beneficiaries would be the Labour Inspectorates whose capacity will be enhanced to better perform their responsibilities.

The Labour Inspection system will be aligned with expectations of 'Employers/Industrialists' and Workers. This requires a detailed analysis of existing systems, identify gaps in labour inspection and ultimately create a system which is effective and acceptable to all stakeholders in line with national and international standards. The project would work with all stakeholders (Federal Government, Labour Department, Labour inspectorate, employers, and workers) to assess the current situation and develop a comprehensive, effective, modern and transparent labour inspection system which is free of malpractices and is acceptable to all stakeholders.

This project applied a three-pronged approach with a focus on:

- Developing the capacity of government labour inspection and enforcement institutions;

- Assisting in the design, upgrade and roll out of labour inspection tools and a system that can effectively address disputes, and propose resolutions.
- Creating awareness on Labour Inspections i.e. approaches, relevance and benefits.

The ILO worked with worker and employer organizations to design innovative and complementary approaches to workplace compliance, including those workplaces/enterprises in the informal economy as well as the engagement of the private sector. The intervention follows a systemic approach aimed at demonstrating, mainstreaming and complimenting Governments efforts of improving the Labour Inspection Culture in Pakistan with interventions at the Macro, Meso and Meta level.

The ultimate goal of the project is to promote ‘more respect for labour norms and safer workplaces in Pakistan’. Geographical coverage ranges to 4 provinces – Punjab, Sindh, Khyber Pakhtunwala and Baluchistan.

**Present Situation of the Project** (Key information about the current state of implementation of the project and the project context that the reader needs to know.)

The Strengthening Labour Inspection System for Promoting Labour Standards and Ensuring Workplace Compliance in Pakistan project was started to support Government of Pakistan’s wider program called “Strengthening Institutional Capacity for Increasing Compliance with International Labour Standards in Pakistan”. The program will partner with agencies including, Federal Ministry of Overseas Pakistanis and Human Resource Development (MOPHRD), provincial labour departments, Employers Federation of Pakistan (EFP), Pakistan Workers Federation (PWF) and industry associations to deliver its interventions under funding from the Ministry of Foreign Affairs of the Government of Netherlands. The project will be guided by various ILO instruments on labour inspection, including the Labour Inspection Convention, 1947 (No. 81); the Labour Inspection (Agriculture) Convention, 1969 (No. 129), the Labour Administration Convention, 1978 (No. 150) and the resolution and conclusions from the 2011 International Labour Conference discussions on labour administration and labour inspection.

At time of evaluation, project was nearing completion.

#### **Purpose, scope and clients of the evaluation**

**The purpose of the final evaluation** is to assess the relevance of the intervention objectives and approach; establish how far the intervention has achieved its planned outcomes and objectives; the extent to which its strategy has proven efficient and effective; and whether it is likely to have a sustainable impact. It is an opportunity to take stock of achievements, performance, impacts, good practices and lessons learned from the project towards strengthening labour inspectors in Pakistan and the creation of respect for labour norms and safer workplaces. Knowledge and information obtained from the evaluation will be used to inform the design of future similar ILO activities within countries in similar situations.

#### **Clients and users of the evaluation** are;

ILO CO-Islamabad Director, ILO Decent Work Team, management, programme and finance units Government representative; Worker and employer organization representatives; Representatives of employers’ organization; Relevant country stakeholders; ILO HQ, DWT-New Delhi and CO Islamabad technical and programme backstopping officers. Ministry of Foreign Affairs of the Netherlands as the funding agency

**Scope:** The final evaluation includes all the activities undertaken by the project during the project period across its activity areas within Pakistan. The evaluation was to include all stages of the project - initial project design, work plan, implementation, monitoring and reporting. In process referring to progress reports submitted to the donor, particularly the achieved outcomes and how lessons learned and recommendations were progressively followed up to attain desired results. The evaluation should also present whether actual implementation mechanisms in line with initially planned implementation mechanisms, from the institutional set-up to the implementation plan and budget expenditures. How the strategies and approaches have progressed, changed or evolved over the three-year implementation period shall be examined to draw lessons from project experience.

#### **Methodology of evaluation**

The methodology is built on mixed-methods under time and resource constraints i.e. review of documentations, field visit with semi-structured qualitative interviews of

key stakeholders as well as data analysis of both financial and operational data where such exists. The evaluation applied the OECD/DAC criteria and it adheres to UN evaluation norms, standards and ethical safeguards.

## Main Findings & Conclusions

### *Relevance & Strategic Fit*

The final evaluation found that engagement with institutional stakeholders was adequate and this contributed to the relevance of the project. Analysis found that the SLISP outcomes were strongly aligned with the Pakistan DWCP and with Pakistan's Labour Inspection Policy of 2006. These, in turn, were aligned with SDGs 8, 10, 12 and 16. An assessment of the needs of the individual labour inspectors, the ultimate beneficiaries, was not conducted in a timely fashion. Therefore, evidence of the project's relevance to their needs was circumstantial.

### *Validity of Design*

The benefit of quickly establishing the project, while Government interest was high, clearly outweighed the possible weaknesses in up-front, project planning. An informal logframe was developed with 24 outputs and nine quantitative targets. Not only was the number of outputs problematic, the outputs were poorly formulated. The logframe was not really used for project management—possibly because of its poor quality.

One of the big weaknesses in project design was the lack of emphasis on gender equality and non-discrimination. Of the 24 outputs discussed above, only one, 1.2, mentioned gender. The weaknesses of the project design, with respect to gender, were exacerbated by the failure to observe principles of Results-Based Management. There were no indicators, baselines, targets and milestones that could have permitted gender disaggregation.

A table of risk analysis and mitigation measures was also prepared. The table did not include what ended up being the greatest challenge to implementation—devolution. The table was not updated to stay current with the changing context in Pakistan. This does not mean that the project did not adapt. Evidence was found of

Provincial Action Plans for strengthening labour inspection in Punjab, KPK, Sindh and Baluchistan provinces. However, it is clear that the adaptation was not made with the benefit of an up-to-date risk assessment as a tool to enhance the project.

The evaluation function shares responsibility with project management for leaving a poor project design in place for the duration of the project. Project management did not use any of the recommendations of the mid-term evaluation (MTE) to make adjustments to the project design. This is probably because the MTE was insufficiently rigorous with regard to the validity of the project design.

### *Project Effectiveness*

A review of the evidence leads to the conclusion that the project achieved many outputs (Annex 8 and 9). Some of the outputs were substantially achieved. For example, it is impossible to deny that training of 26 master trainers and then training more than 400 labour inspectors is a significant achievement (Outcome 2.6).

However, the failure to observe principles of Results-Based Management means that it is not possible to say, conclusively, if the project achieved its OUTCOMES and, if they were achieved, to what extent. There were no outcome indicators, baselines, targets or milestones.

### *Management Arrangements*

The project team was comprised of national professional staff who ran the day to day operations of the project and who facilitated the implementation and coordination of programme activities. Early during implementation, project team took the decision to also implement a nationwide training programme for labour inspectors, itself, instead of implementing it through sub-contracting to a consulting firm or to experts.

No evidence was found that the decision was ever reviewed or approved by the tripartite Project Steering Committee (PSC). This decision meant that the project team was responsible, not only for management, but for implementation, too. Analysis of workshop evaluations show that the training was not adversely affected. However, project management suffered, somewhat.

### *Project Efficiency*

The project spent above 95% of the approved budget and that with a no-cost extension of nine months in to the project's lifespan. According to the final TCP, substantial savings were derived from the project team's implementation of a nationwide training programme for labour inspectors.

However, any savings that were realized need to be balanced with the inefficiencies in management arrangements, described above. It may actually have been better value for money to have sub-contracted implementation of the training to a consulting firm or to experts so that the project team could have better focused on project management.

### *Impact & Sustainability*

The likelihood of the project having impact and being sustainable is seen as being uneven. The prospect for the impact and sustainability of Outcome 1 (Labour law reform) appears to be good because the ILO has been able to influence the law development process.

The prospect for the impact and sustainability of Outcome 2 (Labour inspector capacity) also appears to be good because the project built a pool of 26 master trainers based in the provincial labour inspectorates and then trained more than 400 labour inspectors. Thus a critical mass was achieved to take the initiative forward.

The sustainability of Outcome 3 (Workers' and employers' capacity) and Outcome 4 (Improved LI quality) have fewer prospects for impact and sustainability. It appears that, with regard to these outcomes, the project engaged stakeholders in social dialogue. However, for the most part, the social dialogue did not translate into action.

### *Capacity Building*

At the outset of the project, the project team took the decision to prioritize the needs of the "statutory labour inspection machinery". No evidence was found that the decision was ever reviewed or approved by the tripartite Project Steering Committee (PSC). Therefore, much of the project's financial and human resources were directed to building the capacity of labour inspectors.

By taking this decision, the project team effectively optimized Outcome 2 (institutional capacities of the

labour inspectorate strengthened) and sub-optimized Outcome 3 (capacities of the workers' and employers' organization strengthened). All resources devoted to building the capacity of the labour inspectors were resources not devoted to building the capacity of the constituents.

### **Lessons learned**

1. Timing is important: The project came about at a time that when the government were ready to move, after a long period where LI has not been on the agenda. This gave the project a quick win.
2. Training of Trainers: The benefit of having trainers in-house in Labour Inspectorates gained substantial benefit in the Inspectorates.
3. External factors that are favourable - GSP Plus. GSP Plus was a motivating factor for enforcing LI in Pakistan. While LI was recognized by the government also without the motivation given by GSP Plus, it became evident from interviews that such external motivation was key for taking real actions against labour issues that could hamper GSP Plus status.

## **Recommendations & Lessons Learned**

### **Main recommendations and follow-up**

SLISP is coming to an end, the recommendations will focus on a potential new or continued project. A potential renewal or continuation will be the responsibility of the ILO Pakistan by Country Director, in addition to the donor and other parties as well. For simplicity, the evaluator has set ILO Pakistan by Country Director as responsible for issues to be raised in such a potential new project on LI in Pakistan. The evaluator has the following recommendations:

#### **Continuation**

*Recommendation 1: Continue the successful training activities and capacity building on labour inspection in Pakistan. Whether this is done through a specific project, like a continuation of the SLISP project or other organisational forms is up the ILO Pakistan to decide.*  
Responsible: ILO Pakistan by Country Director.  
Timeframe: Immediately after ending of SLISP.  
Priority: High; Resources: Funding from donor necessary.

#### **Gender**

*Recommendation 2: Gender policy and actions need to be focused on. The evaluation shows that gender is not really a focus area, and this needs to change. Gender*

*needs to be on the agenda for the Project on a daily basis. This finding aligns with what the MTE found.*

Responsible: ILO Pakistan by Country Director.

Timeframe: Start of a new project or as soon as possible.

Priority: High; Resources: No funding resources necessary. Training of project management may be needed.

### **Occupation Safety and Health (OSH)**

*Recommendation 3: OSH skills and capacity are in high demand. Several of the labour inspection leaders raised OSH as an issue to focus more on. While some initiatives already are underway, even more focus and initiatives wanted. Different provinces wanted different sectors, like Baluchistan, which wanted a special emphasis on ship demolition, as this is an exposed sector in the province.*

Responsible: ILO Pakistan by Country Director,

Timeframe: Start of a new project.

Priority: Medium; Resources: Funding from donor necessary.

### **Labour Inspection and Management Information System (LI-MIS)**

*Recommendation 4: IT tools and system will drastically increase labour inspections efficiency. Only Punjab province had implemented an IT system; it is definitely time to make this a reality in other provinces as well.*

Responsible: ILO Pakistan by Country Director,

Timeframe: Start of a new project.

Priority: High; Resources: Funding from donor necessary.