



Evaluation Summary



International
Labour
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Evaluation
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Independent Final Evaluation of National Rural Employment Strategy in Lao PDR towards increasing opportunities for decent and productive employment in rural areas (NRES)

Quick Facts

Countries: Lao PDR

Date of the evaluation: Nov 2020-Mar 2021

Evaluation Mode: Independent

Administrative Office: ILO Country Office for
Thailand, Cambodia and Lao PDR

Technical Office: ILO DWT for East and South East
Asia and the Pacific

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Evaluation Consultant(s): EVAL

Project Code: LAO/16/01/CHE

Donor(s) & Budget: Swiss Agency for Development
and Cooperation (SDC), US\$2,658,060
(US\$2,138,060 contribution from SDC \$;
US\$520,000 contribution from ILO)

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Employment Intensive Infrastructure Program, labour
based approach, gender, national rural employment
strategy, Lao PDR

Background & Context

At the request of the Government of Lao PDR (GoL),
the ILO worked to develop an approach to reducing

poverty through promoting employment in the rural
areas. A small pilot in 2012, followed by the Sekong
project (2014-2016), led the Lao PDR government to
promote rural employment for poverty reduction at the
ASEAN level in 2016, when Lao PDR assumed the
ASEAN presidency. The ASEAN declaration on the
transition from informal to formal employment was
adopted at the meeting.

The current project was the second phase of the NRES
project. It started on 1st May 2017 and ended on 31st
December 2020, totaling 44 months. In this phase, the
project aimed to contribute to increasing decent rural
employment and income through integrated
approaches. It proposed to do this by supporting the
GoL to develop and to implement a National Rural
Employment Strategy (NRES) that addressed the
ASEAN Declaration on decent work promotion. It also
sought to increase the Lao PDR and ASEAN
knowledge base on decent rural employment creation.

The Project's Development Objective was: Decent
employment opportunities to increase in rural areas of
Lao PDR through development and implementation of
a National Rural Employment Strategy. To achieve this
objective,

the project envisaged three immediate objectives (IO):

- IO 1: Decent rural employment opportunities and
income to be increased through integrated approaches
in target communities of two selected provinces;
- IO 2: National Rural Employment Strategy to be
developed and adopted, linked to support for
implementation of the ASEAN Declaration on 'Decent
work promotion: Transition to a formal economy;

- IO 3: Increased knowledge base and knowledge sharing to enhance decent rural employment creation in Lao PDR.

Purpose, scope and clients of the evaluation

The final evaluation was completed between November 2020 and April 2021. The scope of the evaluation included program implementation in two provinces from May 2017 to December 2020. The purpose of the final evaluation was to promote accountability to ILO key stakeholders and the donor, and to enhance organizational learning. The findings would be used to improve the design and implementation of future relevant projects and programmes.

Methodology of evaluation

An evaluation team of four international and national consultants, based in Laos, was commissioned to collect and analyze data in November 2020 and to report in December 2020.

The external evaluation team could not complete the activity, therefore, the ILO Evaluation Office (EVAL) assumed responsibility for the task in February 2021. Between March and April 2021, an ILO Senior Evaluation Officer, assisted by an M&E Officer based in the ILO Regional Office for Asia and the Pacific in BKK, collected and analyzed additional data.

The evaluation methodology consisted of: (i) document review; (ii) online interviews with the project team and few stakeholders, and (iii) eight stakeholder validation workshops.

Main Findings & Conclusions

Relevance

The NRES project was highly relevant to Lao PDR where the government had a political priority to address rural-urban disparities. It was also aligned with Lao policies, such as the NSEDP which had a priority to formulate a NRES that created jobs and increased income in rural areas. However, the project would have been more relevant if it had focused on decent work deficits (low income, poor working conditions) in commercial plantations and agro-industries factories which became increasing common

in rural Lao PDR, as a result of trade and investment liberalization.

Validity of intervention design

The design and integrated approaches of value chain and skills upgrading, investments in rural infrastructure/ community assets and community contracting were conceptually elegant.

However, the Development Objective that required implementation of the National Rural Employment Strategy, was viewed as being out of the project's control, and the timeframe was unrealistic to achieve large-scale, sustainable results, especially when the project targeted vulnerable communities in very remote poor areas. The PRODOC failed to articulate how each subcomponent was supposed to link with others. The problem was exacerbated by the absence of an M&E system and annual work plans.

Coherence

From an RBM perspective, the project was generally found to be coherent and technically adequate. However, the revision of the log frame neglected to include indicators or targets for several outputs, such as support for employment of persons with disabilities. The failure to establish baseline values and poor monitoring resulted in low evaluability.

To promote coherence with the ILO's strategic policy and the UN's results-based management principles, the project should have adopted indicators to track efforts to build the capacity of the GoL staff and institutions.

Effectiveness

There was not a common understanding of the project's objectives among project management and the national stakeholders. As a result, there was not a coordinated effort to work on shared goals. This was a fundamental limitation to the project's effectiveness. The evaluation determined that project could have achieved more and better results if the log frame had been reviewed at the beginning of the project to clarify the objectives, outputs and strategy with stakeholders. In addition, use of the log frame by the project management during implementation would also have improved effectiveness.

Three valid recommendations from MTE were not addressed. No reasons were offered as to why they were ignored, despite the fact that addressing them would have helped to improve project effectiveness.

Efficiency

Analysis of the percentage of the achieved outputs vs the amount of expenditure showed that the project was expensive. Seventy-two per cent of the planned activities were completed (i.e. 18 out of 25 activities), whereas 99% of the funding was spent.

Delayed fund transfers from the ILO to the implementing agencies, in Lao PDR, posed a major implementation challenge and affected project timeliness.

Impact

The project was unable to scale up to influence policy in the area of national OSH policy, labour inspection capacities and skills certification, due to time constraints.

The project successfully demonstrated a number of business models and working strategies (i.e. on skills training, assistance in the job search process, public works rural infrastructure programme, and support to micro-entrepreneurs) that have the potential to increase the income of various vulnerable groups including women, youth and subsistence farmers. It could also help to increase productivity and to reduce vulnerability of smallholder farmers and micro entrepreneurs. Poor consumers benefited from the availability of services such as motorcycle repairs. These models and strategies have the potential to make significant contributions to the SDGs when they are implemented at larger scale.

The small scale of the VCD models limited the impact of poverty reduction. The poorest groups were not targeted by the project's VCD models.

Sustainability

Evidence suggested that some project-supported products, activities and tools were likely to be sustained, including: (1) production activities in both Sekong and Savannakhet; and (2) public employment service and LMIs in SVK.

In Phase 2, the project supported formation of a number of groups, including producer/production groups and community committees, such as coffee production groups, chicken production groups and a Water User Committee. Strengthening these groups to ensure operational continuity and functionality of these producer/production groups, would require project support. Further support from the project would also be required to establish the smallholder farmers' linkages to markets.

Cross cutting issues

The project attempted to promote women's participation in the project activities and to carry out gender interventions. There was only anecdotal evidence that the project succeeded in improving an equal division of labour between men and women. Gender equality and women economic empowerment (WEE) were not a focus of the project.

The current Value Chain Development and Skills Development models were not responsive to the needs and the capacity of PwDs. The project data was not disaggregated by disability and there was no tangible evidence that PwDs enjoyed any benefits from the project.

COVID 19

Covid 19 delayed and affected some project activities. The pandemic interrupted the skills development training of 30 villagers on basic machine operation and automotive. It also caused cancellations of vacancies and resulted in fewer trainees securing wage employment. Despite this, it was anticipated that companies would resume recruitment, in the coming period.

The project made few specific interventions to address the impact of COVID 19. In SVK, around 120 Laotian migrant workers returned to their hometown in the two target districts, from Thailand. As they planned to return to work in Thailand again, the PC made sure the returned migrant workers were aware of available job opportunities with companies in the Savannakhet Economic Zone.

Conclusion

The evaluation concludes that the project's working strategies were somewhat effective. The project successfully demonstrated four effective working strategies and VCD intervention models using the market-based approach. Considering the overarching objective to pave a concrete direction for the implementation of the NRES, some key activities which were supposed to demonstrate effective working modalities were not implemented.

A robust MEL system, including a learning agenda, was not put in place that would allow systematic learning process including documentation of lessons and successes. Some successful business cases were documented, but most have yet to be developed. As such, they were not available to be shared with the wider audiences in Laos, including development partners such as World Bank and Poverty Reduction Fund to advocate for wider replication of the models. Design and construction of rural infrastructures that were disaster-resilient and that enabled mixed methods (i.e. machinery with supplementary labour), would have promoted wider use and applicability of the ILO EIIP.

In addition, the project was not responsive to the needs and capacity of People with Disabilities (PwDs). Women economic empowerment was not a focus in phase two. While the rural infrastructure (irrigation system) benefited subsistent farmer HH, most of the project's VCD models rarely benefited the poorer rural people. Its contribution to the poverty reduction goal and to leaving no one behind was therefore limited. The project did not increase the management capacity of the Labour Market Institutions, including Local Government Agencies, community committees, producer groups.

The project faced significant delays due to both external and internal factors. One of the delays was delayed fund transfer due to the absence of an ILO's imprest system in Laos.

Recommendations

Recommendation 1: The project should develop business cases for the models and strategies that were shown to be effective. These should be shared with Lao stakeholders along with guidelines for implementation. In any subsequent phase, the project

should focus on developing and implementing working strategies in OSH, labour inspection, and disaster resilience infrastructure that were not adequately demonstrated.

Recommendation 2: The project should work with the ROAP senior management to set up an office imprest system in Lao PDR to allow timely initiation of activities.

Recommendation 3: An in-depth learning activity should be conducted to derive lessons that can be used to inform future ILO programming as well as NRES revision in Lao-PDR.

Recommendation 4: In any subsequent phase, the project should allocate a sufficient budget and establish a robust MEL system that would not simply collect/manage administrative M&E data needs but also enable systematic learning and knowledge creation. It should engage constituents and stakeholders in project planning, monitoring and project learning.

Recommendation 5: In any subsequent phase, the project should allocate a budget to hire a M&E officer to support and to capacitate GOL agencies on project management, financial management, project planning, M&E and reporting.

Recommendation 6: At the provincial level, the project should invite development partners to form part of the reference groups and steering committees. At the national level, the project should engage the UNCT and other development partners in the NRES development and implementation process.

Recommendation 7: The ILO EIIP Unit should review and tailor EIIP models that have mixed methods (machinery with supplementary labour) and that are resilient to disasters.

Recommendation 8: The NRES project and SDC should carefully consider the overall approach and strategic focus of the program with regards to the promotion of women economic empowerment. Within this context, the project should design business models and project strategies that promote women's economic empowerment, in order to allow vulnerable people, including PwDs, to benefit from project interventions.