





Final Independent Project Evaluation for the Project "Supporting Ministry of Labour and Social Development in Analysis, Policy, and Capacity development" in the Kingdom of Saudi Arabia

Countries: Kingdom of Saudi Arabia Evaluation date: 08 April 2022 Evaluation type: Project Evaluation timing: Final Administrative Office: ILO- ROAS Technical Office: ILO-ROAS Evaluation manager: Hideyuki Tsuruoka - Regional M&E officer, ROAS Evaluation consultant(s): Awny Amer- Regional independent M&E consultant DC Symbol: SAU/18/01/SAU Donor(s) & budget: Government of Saudi Arabia- US\$ 1,776,522

Key Words: Inclusive Employment, child labour, social dialogue

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.



**BACKGROUND & CONTEXT** 



BACKGROUND & CONTEX	
Summary of the project purpose, logic, and structure	Over the last four decades Saudi Arabia has achieved important socio- economic development. In April 2016, the Kingdom launched the Saudi Vision 2030 <sup>1</sup> , an ambitious long-term plan for sustainable development. To build the institutional capacity necessary to achieve the goals of the vision, the National Transformation Program (NTP <sup>2</sup> 2020) was launched in June 2016 across 24 governmental institutions operating in the economic and development sectors. <b>The National Transformation Program aims to</b> <b>develop the necessary infrastructure and create an environment that</b> <b>enables the public, private and non-profit sectors to achieve the Kingdom's</b> <b>Vision 2030.</b> The Saudi government continues to face multiple challenges, including lack of competitive and fulfilling jobs in the private sector attractive to Saudi nationals and, thus, an overreliance on expatriate workers in this sector, youth unemployment, inefficient job matching, and low levels of women's participation in the labour force. In his speech to the International Labour Conference (ILC) in June 2017, the Minister of Labour and Social Development (currently named Minister of Human Resources and Social Development) <sup>3</sup> has further identified the goal of environmental sustainability as part of KSA Vision 2030.
Present situation of the project	Based on the above, the current project "Supporting Ministry of Labour and Social Development in analysis, policy and capacity development" was developed in collaboration between the ILO and MHRSD. <b>The overall</b> <b>objective of the project is to</b> <i>"Improve policies and mechanisms for</i> <i>inclusive employment, working conditions (particularly for Women) and</i> <i>social dialogue in the Kingdom</i> ". In this regard, the three components of the project as agreed between the ILO and the MHRSD are: 1. Boosting women's employment and moving towards a more inclusive labour market through the development of respective policies. 2. Enhancing social dialogue mechanism for better policy formulation, and 3. Assessing the Child labour situation in KSA and developing specific actions for its elimination. The main partners and the stakeholders have been the Government of KSA represented by the MHRSD, along with the Employers' and Workers' representatives. These tripartite constituents also represent the project's target groups, the latter including in specific the Ministry's Agency of Labour Policies, the elected workers' committees and the National Committee for Workers' Committees, the Chambers of Commerce, and the Council of Saudi Chambers. The project was managed by the Senior Employment Policy Specialist at the ILO Regional Office for Arab States with technical support provided by the ILO DWT specialists in Beirut, as well as other specialists from Headquarters, and in partnership with the Ministry of Human Resources and Social Development.

<sup>&</sup>lt;sup>1</sup> https://www.vision2030.gov.sa/

<sup>&</sup>lt;sup>2</sup> NTP 2020 followed by a second phase NTP 2021-2025

<sup>&</sup>lt;sup>3</sup> The Ministry of Human Resources and Social development was established after merging Ministry of Labour and Social Development with Ministry of Civil Service.





Purpose, scope, and clients of the evaluation	The ILO commissioned a final evaluation of the ILO/KA Development Cooperation Programme entitled "Supporting Ministry of Labour and Social Development in analysis, policy and capacity development" with the objective to: <i>"Independently assess the progress towards the project's</i> <i>envisaged results, identify the main difficulties/constraints, assess the</i> <i>impact of the programme for the targeted population groups, and</i> <i>formulate lessons learned and practical recommendations to improve</i> <i>future similar programmes"</i> . In view of that, the evaluation mainly focused on <i>"Examining the relevance, coherence, effectiveness, efficiency,</i> <i>sustainability, and potential impact"</i> of the project. This included identification of strengths and weaknesses in the project design, strategy, and implementation as well specific lessons learned and recommendations to guide development and implementation of future similar programmes. <i>The Project time frame</i> covered by the Final independent project Evaluation process was from May 2018 to the end of December 2021. However, the evaluation took into consideration the fact that the project obtained approval for a no-cost extension until the end of March 2022 to complete pending activities. <sup>4</sup> As for the evaluation exercise itself, the latter was conducted between 16 November 2021 and March 2022.
Methodology of evaluation	The Final Independent Project Evaluation process adopted the <b>Contribution</b> <b>analysis approach</b> , which examines in what ways the project and the respective approach adopted have contributed to larger scale outcomes and outputs, as well as the contributions of the project towards SDGs, country priorities linked to KSA 2030 agenda, and the National Transformation Programme (NTP). The evaluation was sequenced in three phases: (a) inception (b) data collection (c) reporting and learning. Following a preliminary document review and virtual consultations with project main stakeholders, the evaluation consultant produced an inception report which outlined the evaluation methodology, the evaluation matrix (Appendix VII) and data collection tools. Data collection took place over 12 days between 14 December 2021 and 17 January 2022-including two additional interviews conducted in March 2022 with total of 23 interviewees (19 males and 4 females) covering all the key 5 categories of stakeholders-including the ILO relevant team members, the tripartite constituents including the MHRSD and social partners (i.e., workers' and employers' representatives), in addition to other experts who were involved in the project. During this time the consultant conducted virtual interviews via zoom, because of COVID-19 and related travel restrictions. Once all data were collected, data were analysed systematically and summarized, informing the formulation of preliminary findings. Preliminary findings were shared and discussed during

<sup>4</sup> Another no-cost extension was approved until the end of May 2022 to give ample time for the finalization of the second phase of the DC programme.





	an online workshop organized on 24 January 2022 with the ILO relevant team members as part of the key project stakeholders, for validation. The evaluation consultant has then drafted this final report and submitted it to the ILO on 27 <sup>th</sup> Jan 2022 for review and feedback.
MAIN FINDINGS & CONCLUSIONS	<ul> <li>1.Relevance and Strategic fit</li> <li>Project objectives are well aligned with sectoral national priorities</li> <li>The project capitalized on the learning from previous ILO programmes and the proper communication with the MHRSD.</li> <li>ILO is contributing to the learning process of KSA about social dialogue and tripartism and its structures. The ministry is committed to strengthening social dialogue mechanism by establishing a unit for social dialogue within the Ministry and the tripartite council for social dialogue in cooperation with King Abdul-Aziz Centre for National Dialogue. Project is relevant to ILO program's objectives, the country's outcomes, and SDGs.</li> <li>2. Coherence and validity of design:</li> <li>Project structure is coherent and valid contributing to the project's objectives</li> <li>The project design is realistic given the timeframe and resources available.</li> <li>Although the output indicators accurately measured the results, outcome indicators were not clearly identified or reported on throughout the project.</li> <li>3. Project progress and effectiveness:</li> <li>The project was positive in fulfilling its results on the output level and has contributed fairly to the realization of the set outcomes.</li> <li>The development of the inclusive labour market study prior to the policy elaboration was critical, providing the knowledge base needed for the timely development of an evidence-based national equality policy in KSA.</li> <li>The hiring of an advisor inside the Ministry proved to be a good practice that led to valuable inputs and knowledge exchange with ministry staff, enhancing the institutionalization of knowledge inside the Ministry.</li> <li>The review of the legal framework and the elaboration of the ational equality policy were both essential to the ministry. This system helps enhancing data quality and management practices and would ultimately support Ministry's efforts to develop and review evidence- based policies.</li> </ul>





- The social dialogue pillar managed to create a foundation for tripartite dialogue and capitalized on the government buy-in paving the way for the establishment of a social dialogue unit within the ministry as a form of institutionalization that would enhance scalability and sustainability of results.
- The Assessment of social dialogue was deemed key to inform the development of the capacity building plan and other efforts aimed at strengthening social dialogue in the Kingdom. Engagement of all tripartite partners at different levels has proved essential for the formulation of an assessment that accurately reflects the views of all those who play a role in social dialogue in KSA.
- Capacity building interventions under the social dialogue component or more generally across the three pillars of the project proved to be necessary and highly needed by the Ministry to promote local staff technical abilities and build their capacities to design, implement and monitor employment and labour market-related policies.
- The planned Social Dialogue unit is a positive step towards the institutionalization of social dialogue mechanisms in the government and for the promotion of social dialogue in the Kingdom. Furthermore, the MoU to be signed between the MHRSD and the KACND is likely to pave the way towards systematising national tripartite social dialogue, which is currently conducted only in an ad hoc way.
- Technical study was delivered covering important topics related to child labour. Yet further studies may be required in the future to fully assess the child labour situation in KSA.
- Child labour web portal was developed and launched on FAC website; yet scarcity of data affected the full planned use of this web portal.
- The project managed to develop a child labour policy with the best available resources at that time taking into consideration the scarcity of data, capacities of partner organizations and COVID-19 implications. The official endorsement of the policy is a real success.
- Project M&E system could have been developed in a stronger manner to closely reflect project progress since indicators at the outcome level are not properly tracked.
- The project's activities complemented and worked in line with national efforts to address issues related to women's employment, social dialogue, and child labour but with lack of gender-sensitive indicators.
- Despite the challenges and delays brought by the COVID-19 pandemic, most of the outputs were fully and successfully implemented, with a few activities postponed to the second phase.
- 4. Efficiency and resources use:





<ul> <li>Project activities have been cost-efficient yet (understandably) not timely efficient, because of the COVID-19 pandemic.</li> </ul>
• The project managed to mobilize financial resources (project savings) to address some of the Ministry's emerging needs and support the institutionalization of the activities and sustainability of the results.
5. Effectiveness of management arrangements:
• The project was based on a participatory approach, involving tripartite stakeholders at multiple levels and stages of implementation and through different channels, yet the level of engagement of stakeholders varied.
6. Impact orientation:
• The project contributed to the intended impact of increasing awareness of constituents on specific labour-related issues, establishing a base of understanding and commitment.
7. Sustainability:
• Project key results have the potential of being sustainable at different degrees.
<ul> <li>The project largely depended at the design stage on government buy- in and commitment as the sustainability path. Capacity building and technical support will also ensure sustainability of results and a smooth exit strategy. Even though an exit strategy is not explicitly developed, the capacity building support and the efforts to support better institutions are all steps made to ensure sustainability and allow beneficiaries to sustain good performance beyond project's end date. The second phase of the programme of cooperation shows increased commitment to sustainability both from the side of the ILO and of the MHRSD.</li> <li>The project worked on multiple layers to institutionalize change in national institutions.</li> <li>National human capacities needed to implement policies are being developed.</li> </ul>
8. <b>Cross-cutting themes (e.g., Gender Equality and Inclusiveness):</b> The project includes a focused pillar on labour market inclusiveness with focus on gender equality. While gender was mainstreamed in other policies,
the project lacks gender-specific indicators.

#### **RECOMMENDATIONS, LESSONS LEARNED AND GOOD PRACTICES**

Main findings &	• ILO and its partners should build on the accomplishments of the project
Conclusions	and support implementation of the policies (both the Equality Policy
	and the Child Labour Policy) and various recommendations emanating
	from this phase's studies and reports. Further, the ILO should consider





continuing providing **support** both in terms of capacity building and technical support.

- The ILO should also give special attention to institutional sustainability by enhancing the performance of the Social Dialogue unit to be created inside the Ministry as well as other planned social dialogue structures to be created and promoting the knowledge at different levels.
- Under the second phase of the project, the ILO and MHRSD should agree on positioning an employment adviser and a skills adviser inside the Ministry, like the arrangement made under Phase 1.
- The ILO and MHRSD should continue to provide give attention to developing and implementing comprehensive **capacity building** interventions. In this regard, it is highly advisable to give specific attention to monitoring the *impact and effectiveness of the capacity building activities*.
- The second phase should consider enhancing new partnerships and/or collaboration opportunities-including with new units inside the MHRSD but also beyond. This increases project's outreach and promote the ownership and sustainability opportunities on different levels as well. This can include other ministries such as the ministry of economy & planning, but also other sectors of the MHRSD, namely the Social Development Sector, to support cooperatives in specific and promote their role both through technical and capacity building support.
- The ILO and MHRSD should give special attention to the development of a communication strategy. This should include sharing/dissemination mechanism among the tripartite constituents led by the MHRSD, learning mechanisms, creating workable project steering committee to track, manage and monitor the project, in addition to promoting the role of the social media to advocate for the thematic areas of the project.
- The ILO should ensure establishment of a strong M&E system of the project to track the progress of the diverse types of project results. Gender-specific indicators should be considered. Also, it is highly advised to use the monitoring funds under the project for the recruitment of an M&E person to oversee the different M&E activities in the 2<sup>nd</sup> phase of the project where he/she can work closely with the national project coordinator to track the progress more effectively during the life of the project and advise the ILO and other key partners to take corrective actions-when needed.

Main lessons learned and<br/>good practices• The national serious commitment including of the ministry staff<br/>supported effective implementation of the project despite challenges<br/>brought by the COVID-19 pandemic.





•	Involvement of project stakeholders and beneficiaries at multiple
	stages; along with the fact that this project built upon past ILO
	interventions and the sequencing of the different activities have all
	contributed to the effective implementation of the activities.

- The presence of an international expert inside the Ministry has provided great added value to MHRSD and the different focal points inside the Ministry enhanced the communication between the ILO and MHRSD and helped ensure smooth project implementation.
- The presence of an international expert inside the Ministry has provided great added value to MHRSD and the different focal points inside the Ministry enhanced the communication between the ILO and MHRSD and helped ensure smooth project implementation.
- The capacity building plan was developed based on stakeholders' needs to better respond to the country's priorities. Further capacity building activities remain needed and should extend to more Ministry departments and other stakeholders.
- Policy development is a long learning process that usually takes time to ensure higher level of consensus among different actors at different levels.
- The official endorsement of the Child Labour Policy by the Council of Ministers in KSA suggests strong political will and high-level commitment to addressing child labour related issues in the Kingdom.
- The high level of flexibility and adaptability, as proven by the changes made to the project strategy including the addition of new outputs to respond to the Ministry's needs and priorities, is considered a positive lesson learned and good practice.