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► Strategy and policy

► Evaluation Office

► High-level evaluation of ILO's strategy and action for promoting sustainable enterprises 2014-19



▶ **High-level evaluation
of ILO's strategy and action
for promoting sustainable
enterprises 2014-19**

Final report
29 September 2020

Evaluation Office

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► Abbreviations

ACI	Area of Critical Importance
ACT/EMP	Bureau for Employers' Activities
ACTRAV	Bureau for Workers' Activities
C-BED	Community-Based Enterprise Development
COOP	Cooperatives Unit (ENTERPRISES)
CPO	Country Programme Outcome
CTA	Chief Technical Advisor
DWCP	Decent Work Country Programme
DWT	Decent Work Technical Support Team
EESE	Enabling Environment for Sustainable Enterprises
EMPLOYMENT	Employment Policy Department
ENTERPRISES	Enterprises Department
EO	employers' organization
EU	European Union
EVAL	Evaluation Office
FUNDAMENTALS	Fundamental Principles and Rights at Work Department
GOVERNANCE	Governance and Tripartism Department
GSC	global supply chain
HLE	high-level evaluation
ICA	International Cooperative Alliance
IOE	International Organisation of Employers
ILO	International Labour Organization
ITCILO	International Training Centre of the ILO (Turin)
KAB	Know About Business
MNE	multinational enterprise
MNE Declaration	Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy
MSME	micro, small and medium enterprises
MSMEDA	Micro, Small and Medium Enterprise Development Agency (Egypt)
MULTI	Multinational Enterprises and Enterprise Engagement Unit (ENTERPRISES)
NGO	non-government organization
OHCHR	United Nations High Commissioner for Human Rights
P&B	Programme and Budget
PAGE	Partnership for Action on Green Economy

PARDEV	Partnerships and Field Support Department
PROMESS	Promoting Micro and Small Enterprises through Entrepreneurs Access to Financial Services
RBSA	Regular Budget Supplementary Account
RBTC	Regular Budget Technical Cooperation
RSCA	Responsible Supply Chains in Asia
SCORE	Sustaining Competitive and Responsible Enterprises
SDGs	Sustainable Development Goals
SIMAPRO	System for Integrated Measurement and Improvement of Productivity
SIYB	Start and Improve Your Business
SKILLS	Skills and Employability Branch (EMPLOYMENT)
SME	Small and Medium Enterprises Unit (ENTERPRISES)
SFP	Social Finance Programme (ENTERPRISES)
SPF	Strategic Policy Framework
SSE	Social and Solidarity Economy
STEM	science, technology, engineering and mathematics
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNHCR	Office of the United Nations High Commissioner for Refugees
UNIDO	United Nations Industrial Development Organization
WED	Women's Entrepreneurship Development
WO	workers' organization
WORKQUALITY	Conditions of Work and Equality Department
XBTC	Extra budgetary Technical Cooperation

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► Executive summary

About the evaluation

This high-level evaluation (HLE) provides insight into the relevance, coherence, effectiveness, efficiency, impact and sustainability of the ILO's work in promoting sustainable enterprises in the period 2014 to 2019. It also looks forward, identifying lessons learned that might inform the ongoing development of the organization's strategy and approach, especially in the wake of the COVID-19 pandemic. It covers the period 2014-19 (biennia 2014-15, 2016-17; and 2018-19) and considers all efforts of the Office in promoting sustainable enterprises during this period. It concentrates on the work of the ILO's ENTERPRISES Department, but since each of its units and programmes work closely with other ILO departments, these links are also explored.

The evaluation reviewed strategic planning documents and reports, and analysed implementation and results, including Country Programme Outcomes (CPOs), global products, programmes and projects that contribute to the outcome, and the resource applied.¹ The evaluation covered the period 2014-19.

Summary of findings

A. Relevance

Key finding 1: *Demand from Member States for ILO support in promoting sustainable enterprises remains strong across all units and programmes within the Enterprises Department (ENTERPRISES), and the support offered aligns with national priorities.*

Key finding 2: *There is tension between what the ILO saw as its contemporary vision and approach and the continued delivery and maintenance of what were seen as "legacy" products, such as the ENTERPRISES Start and Improve Your Business training course.*

Key finding 3: *The ILO's work aligned with the principles of the key policy instruments guiding the work of ENTERPRISES, though constituents expressed some concerns about whether enough attention was being given to all elements.*

Key finding 4: *The ILO's sustainable enterprises work gave attention to the needs of youth and women. Less attention seems to have been given to other marginalized groups.*

Key finding 5: *The ILO's work was relevant to the diverse needs and levels of economic development of the evaluation's countries of focus.*

Demand for entrepreneurship training programmes remains especially strong, raising some questions for the ILO about its strategic approach and investment of resources.

The ILO's work in promoting sustainable enterprises focuses on the needs of youth, women and refugees. Less attention seems to have been given to marginalized groups, such as people with disabilities and indigenous and tribal peoples.

The synthesis review of 30 project evaluation reports on the promotion of sustainable enterprises found this work to be highly relevant.

¹ A synthesis review of 63 relevant project evaluations was also examined. Ten countries were selected: Bolivia (Plurinational State of), Egypt, Ghana, Lebanon, Mexico, Myanmar, Peru, Thailand, Tunisia and Viet Nam. A total of 131 interviews (43 per cent female) were conducted with ILO staff, constituents and other stakeholders. A total of 63 stakeholders participated through online surveys.

B. Coherence

Key finding 6: *There is no current overarching strategy to provide a coherent framework for the ILO's sustainable enterprises activities as a whole.*

Key finding 7: *Developing a strategy for the ILO's work on sustainable enterprises would also provide an opportunity to reflect on its current approach and to consider some difficult questions.*

Key finding 8: *There is a need for processes that encourage workers' representatives to engage more with this work at an operational level, and to build their knowledge and capacity to do so.*

Key finding 9: *The ILO's enterprise work generally complements that of other actors and aligns with the Sustainable Development Goals (SDGs).*

An overarching strategy would support further collaboration and partnerships, and provide the opportunity to reflect on the current approach, especially on whether the ILO is emphasizing the right things and is timely, given the new challenges to be faced in the post-COVID-19 world. The lack of such a strategy threatens the coherence of the ILO's work on sustainable enterprises, and puts at risk some areas of work being undervalued, under-promoted and under-resourced.

The ILO's work on sustainable enterprises, as set out in the programme and budget indicators and overall theory of change, broadly reflect the work being done. The ILO's work is strongly coherent with the Organization's strategic objectives.

C. Effectiveness

Key finding 10: *The ILO continued to engage with stakeholders at different levels to advance its goals for sustainable enterprises. Results were generally positive.*

Key finding 11: *The ILO met 60 per cent of the sustainable enterprise programme and budget targets over the period under review and significantly exceeded some targets.*

Key finding 12: *Work related to the promotion and implementation of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) grew during the period under review, including through development cooperation projects.*

Key finding 13: *The Sustaining Competitive and Responsible Enterprises (SCORE) programme continued to grow and evolve in the period under review, but data collection on effectiveness at the enterprise level can be further improved.*

Key finding 14: *The Social Finance Programme was especially effective in promoting access to insurance for vulnerable groups.*

Key finding 15: *The ILO has effectively embedded Green Jobs as a cross-cutting element of its work.*

The ILO's best results against programme and budget targets are those related to the implementation of entrepreneurship programmes. Work on the Enabling Environment for Sustainable Enterprises (ESEE) exceeded its target by 127 per cent in 2016–17, but this result subsequently declined to 46 per cent. Overall, results suggest that the ILO meets or exceeds targets against indicators that relate to direct assistance to enterprises.

The evaluation's analysis of CPOs over the period showed a steady use of SCORE and entrepreneurship skills development tools, a concentration of ESEE work in the 2016–17 biennium and a reduction in the number of women's entrepreneurship programmes included in CPOs.

D. Efficiency

Key finding 16: *An analysis of expenditures against programme and budget indicators showed that 72 per cent of the total spent has been on developing and implementing entrepreneurship policies and programmes, with 18 per cent on promoting responsible business practices, and 9 per cent on improving the enabling environment.*

The lack of available data continues to hinder an in-depth analysis of the tracking of resource allocation. The lack of impact data prevents a sound cost–benefit analysis.

The evaluation's analysis of development cooperation projects related to sustainable enterprises for 2014–19 identified 227 projects, with a total budget of more than US\$25 million. Some 50 per cent of total funds were allocated to Africa, with the next highest being Asia and the Pacific at 24 per cent.

E. Likelihood of Impact and sustainability

Key finding 17: *The ILO does not pay enough attention to measuring long-term impact and the sustainability of its work in promoting sustainable enterprises.*

Key finding 18: *ILO monitoring tends to focus on outputs, but impacts are only ever discovered if a more detailed evaluation or study is commissioned later.*

Key finding 19: *Some work has been done that measures the impact of the ILO's entrepreneurship programmes, which were generally viewed as positive.*

Key finding 20: *Reported decent work results indicated strong links to the SDGs. The evaluation was unable to draw any conclusions from available data about how much the ILO's work contributes to meeting SDG targets.*

Key finding 21: *Survey results suggest that both constituents and staff perceive the ILO to have improved local capacity to sustain its work without further support or funding.*

The ILO makes considerable efforts to monitor results, but only during the period of a project. More attention should be given to measuring both the “downstream” results for participating enterprises and the lasting “upstream” changes to local systems and institutions.

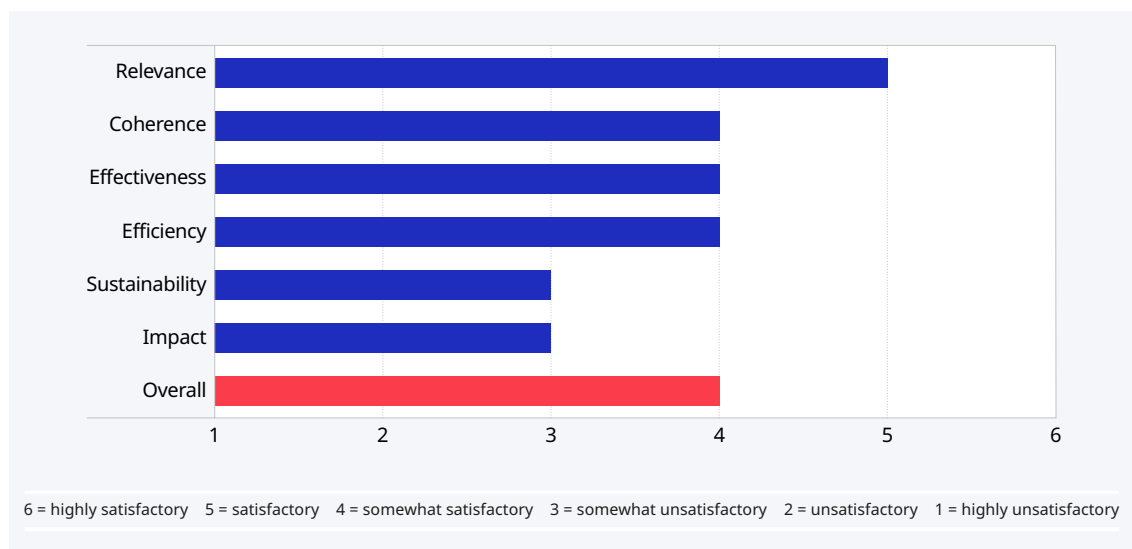
ILO monitoring tends to focus on outputs and, insofar as they are delivered during a programme, on outcomes; however, impacts are only discovered if a more detailed evaluation or study is commissioned later. More effort should be made during project design to consider appropriate indicators of impact, and to put in place mechanisms to encourage appropriate data recording.

Impact work on sustainable enterprises revealed some valuable lessons for future programme designs, especially those targeting women, and illustrate the importance of doing more to assess impact.

Overall assessment

Figure 1 presents a general assessment of the identified performance levels for Outcome 4.

► **Figure 1. Overall evaluation ratings by criterion**



Conclusions and lessons learned

The ILO's work in promoting sustainable enterprises is of vital importance for achieving its overall decent work goals. Although this work is sometimes characterized as being more relevant to the priorities of employers and their representatives, it has equal relevance for workers and their representatives, and warrants their increased and active engagement. Demand from Member States for this work is strong.

Improvement is needed in the overall coherence of this work, and a strategic framework would be beneficial. It could also drive more collaboration across the Organization, set the stage for the challenging period ahead, and provide an opportunity to implement fresh ideas.

The ILO's work in promoting sustainable enterprises was diverse and quite effective – a range of projects, which generally achieved their objectives, were completed across various areas of work.

Measuring the long-term impact of the ILO's enterprise work remains a weakness, resulting in restrictive assessments of efficiency, especially cost-benefit analyses.

Continuing high demand for entrepreneurship training programmes reflects the demand of Member States for practical solutions to labour market problems. Concerns remain about the contribution of these programmes to decent work; their impact, sustainability and cost; and whether the ILO's role should be to innovate, to demonstrate and then to transfer.

Entrepreneurship can be an effective means to empower women and create employment, but women continue to face gender-based barriers to starting and growing their businesses. The fact that the ILO has tools designed to address these barriers does not in itself guarantee that the issue will be owned by local stakeholders and more could be done to ensure that gender is mainstreamed across all interventions.

There have been instances where the ILO's enterprise work has had a beneficial and dialogue-facilitating effect in the case of conflict between the social partners. Bringing all the social partners together can offer a starting point to promote dialogue and collaboration.

Integrating the social partners at the start of projects is important, and doing so contributes significantly to the delivery of results.

Devising responses from the ground up may reveal that there are cheaper and more sustainable ways of delivering programmes that can achieve impact and that can be more readily scaled up. Local involvement should be encouraged.

Recommendations

Recommendation 1

Develop a strategic framework for the ILO's work in promoting sustainable enterprises that builds on and updates the 2010 Sustainable Enterprise Programme: Strategic Framework and that repositions this work to respond to the challenges of the post-COVID-19 world.*

This framework would clarify important strategic issues not covered by the programme and budget. It needs to:

- directly support enterprises to create and maintain decent work;
- be clear about the key roles of the project, differentiating those intended to demonstrate possible policy approaches from those that simply target business activity or behaviour;
- reflect and articulate an intervention logic for the development and promotion of sustainable enterprises, considering the new challenges brought about by the pandemic, recognizing the ILO's strengths, and focusing on innovation and demonstration, especially at the field level;
- take an Organization-wide perspective of this work that goes beyond the existing activities, programmes and structure of ENTERPRISES, and define clear linkages with other parts of the ILO to encourage the co-design of interventions and collaboration in a holistic manner, rather than product-driven approaches;
- integrate the ILO's work in global supply chains and define strategic goals in this area – coordination of this work across the house will be vital;
- update the ILO's approach to achieving gender equality and the inclusion of persons with disabilities and persons from other vulnerable and disadvantaged groups, including updating the ILO strategy on promoting women's entrepreneurship development approved by the International Labour Conference in 2008 and ensuring gender is mainstreamed across all interventions;
- clarify the role of field specialists in advancing the goals of this strategic framework, including the role expected of them in work areas in which they may not be currently active;
- embed elements in programme design that encourage enterprises to take action to improve their resilience.

Responsible unit	Priority	Time implication	Resource implication
ENTERPRISES, Deputy Director-General for Policy (DDG/P) and Deputy Director-General for Field Operations, regional offices and Decent Work Teams (DWTs), Gender, Equality and Diversity and ILOAIDS branch (GED/ILOAIDS)	High	Short-term	Low

Recommendation 2

Establish a more effective mechanism at the operational level to get the input of the Bureau for Employers' Activities (ACT/EMP) and the Bureau for Workers' Activities (ACTRAV) to improve programme design and implementation, and to resolve any concerns.

* The Governing Body document GB.340/PFA/7 High-level evaluations of strategies and Decent Work Country Programmes notes the reference to the 2010 strategy as the 2010 Framework Agreement on Inclusive Labour Markets, this is an error and the correct reference is the one above.

Unresolved issues about some ILO programmes were of lingering concern to the constituents. Interviews with representatives of ACT/EMP and ACTRAV suggested that communication about such issues could be improved, especially at the operational level, so that a path to resolution could be laid.

Responsible unit	Priority	Time implication	Resource implication
ENTERPRISES, DDG/P ACT/EMP, ACTRAV	High	Long-term	Low

Recommendation 3

Undertake longitudinal assessments of impact and sustainability for more projects, and do so one year and three years after the end of the projects, on the basis of impact and sustainability indicators agreed during the design stage.

Undertaking follow-up monitoring and evaluation for some projects would provide data that could be used to demonstrate effectiveness both to beneficiaries (who might be expected to contribute to the cost of programmes) and donors. It should at least be possible to schedule and conduct reviews that can determine if systems and programmes introduced by past projects are still in place three years down the road and, if they are, the scale of their operation.

Responsible unit	Priority	Time implication	Resource implication
ENTERPRISES, Partnerships and Field Support Department (PARDEV), Evaluation Office (EVAL)	High	Medium-term	High

Recommendation 4

Review different approaches to the delivery, training and consultancy support of the SCORE programme to identify the modality which provides best value for money and time.

The difficulty of persuading businesses to pay a realistic cost to participate in the full SCORE programme, and the fact that most participating businesses only participate in Module 1, suggest that a rethink of the offer is needed. Being better able to demonstrate productivity improvements through better productivity performance data should enhance programme marketing. The SCORE programme should enhance the capacity of participating companies and itself to collect better data that will help them in reviewing the best modality. The technical consultancy is valued by businesses but should be limited in time, and only extended if the business is willing to pay a commercial rate.

Responsible unit	Priority	Time implication	Resource implication
ENTERPRISES, DDG/P	Medium	Long-term	High

Recommendation 5

Review the design of EESE assessments to promote collaboration and implementation.

The EESE has had an impact in some countries and is popular with employers' organizations, but some assessments have not resulted in any reforms of public policy. There could be merit in (a) engaging in dialogue with government during the process of undertaking the assessment, to identify areas for reform, (b) engaging with other business membership organizations during the assessment, to ensure that the final agenda is largely acceptable to all the private sector, (c) engaging with trades unions, to ensure that

proposals will not have adverse and unforeseen consequences for decent work, and (d) considering how the work will be driven forward post assessment.

Responsible unit	Priority	Time implication	Resource implication
ENTERPRISES, DDG/P	High	Long-term	Medium

Recommendation 6

The Green Jobs Unit should focus on research and policy, which it already seems to be doing well, and mainstreaming a green dimension across all the ILO's work. It should cease the direct delivery of projects. If there is an opportunity and a need for demonstration projects, they should be managed by an appropriate team from elsewhere in the ILO.

The Green Jobs Unit is torn between its role as a thinker and policy reformer, and as a project manager. Project management skills already exist in other units, and there is no need for the Green Jobs Unit to replicate these attributes.

Responsible unit	Priority	Time implication	Resource implication
ENTERPRISES, DDG/P	High	Medium-term	Low

Recommendation 7

As part of a new strategic framework, clarify the positioning of entrepreneurship training programmes in the ILO's overall approach.

Countries often want a visible and direct form of assistance, and these programmes seem to fit the bill. There are some examples where they have taken root and been sustained, but there are many more where they were introduced as short-term, project-bound activities, and have subsequently faded away or remained operating on a relatively miniscule scale.

The ILO needs to decide if it is comfortable continuing to offer these programmes in this way and, if so, under what circumstances. It also needs to understand better the factors that drive success in truly embedding these programmes into national systems, and to define what it sees as a scale of delivery that justifies its investment.

Responsible unit	Priority	Time implication	Resource implication
ENTERPRISES, DDG/P	Medium	Long-term	Medium

Recommendation 8

Actively encourage and support innovation in sustainable enterprises work that directly responds to the circumstances of Member States as they rapidly change.

The emphasis of this work needs to be on flexibility of design, integration with a market systems approach, speed of implementation, ability to achieve greater geographic reach and scale, cost-effectiveness and sustainability. While existing models and programmes will continue to be useful, there should be space for innovation.

Responsible unit	Priority	Time implication	Resource implication
ENTERPRISES, DDG/P, Deputy Director-General for Field Operations and Partnerships (DDG/FOP)	Medium	Long-term	High

Recommendation 9

Ensure that proposals for policy reform consider ways in which governments can build resilience into their economies; review and amend capacity-building programmes to reflect the need for businesses to undertake positive action to become more resilient.

COVID-19 has demonstrated that too many countries and too many businesses have little understanding of what is necessary to stand firm in the face of disaster. Like greening processes and thinking about gender, building resilience should be integral to the way that governments and businesses “do business”.

Responsible unit	Priority	Time implication	Resource implication
ENTERPRISES, DDG/FP and DDG/FOP and PARDEV	High	Short-term	Low

Office response

The Office takes note of the findings and recommendations of the evaluation. The complex situation posed by COVID-19 is recognized insofar as it placed restrictions on the “evaluation process in important ways and required adapted methods”. This is unfortunate, as some relevant information was, as a result, not considered. The Office thanks the Evaluation Office for the report and will endeavour to maximize using the findings and recommendations to improve focus and delivery.

The Office would like to highlight the work done on international policy coherence, engaging and collaborating with other international organizations, as discussed in the POL/MNE segment of the Governing Body.

Outcome 4 in the Programme and Budget for 2020–21 is clearly relevant and has, over time, been fine-tuned to provide a more focused approach to delivering on the promotion of sustainable enterprises and the ILO strategic objectives.

Recommendation 1

This recommendation is welcomed and is relevant to the current approach of the Office to developing an overarching strategic framework pertaining to sustainable enterprises that goes beyond Outcome 4 and that involves role-players and partners in the broader ILO. With reference to key finding 2, there is space for both approaches in response to requests from constituents as they blend well. A clear overarching strategy could help to demonstrate how both approaches blend, and when and how ILO programmes are transferred.

Recommendation 2

Working with constituents is a key success factor towards promoting sustainable enterprises and this recommendation will guide existing efforts to strengthen engagement with the Bureaux at both headquarters and field levels.

Recommendation 3

This recommendation is welcomed and deserves reflection in obtaining resources and support followed by peer-to-peer meetings on methodology.

Recommendation 4

The SCORE programme has reinvented itself and moved beyond a five-module solution to embrace new training offers that include: Short Course, Gender Equality Model, Productivity (Ethiopia), Hospitality Coaching, and a Corporate Social Responsible Module where the programme will generate improved results.

Recommendation 5

As can be noted in paragraph 8 of the report, it was extremely difficult to reach targets on the EESE for the last biennium. The targets increased by 60 per cent year on year and measurement criteria drastically changed from one indicator to three indicators, with reduced funding available for delivery. This led to a review of the EESE, and more appropriate measurement criteria are now reflected in the current programme and budget.

Recommendation 6

The Green Jobs Programme requires work on projects to support constituents with evidence-based policy development on the ground, and work to mainstream environmental sustainability across policy outcomes, programmes and projects. These two dimensions are complementary and indispensable for the ILO to effectively integrate environmental sustainability into the Decent Work Agenda. Any rethinking should go in the direction of allowing the Programme to perform both functions.

Recommendation 7

This recommendation is welcomed.

Recommendation 8

The Enterprise Innovation Facility, in line with the overarching ILO Innovation Strategy, was launched at the end of 2019 and has become fully functional in 2020. This was closely followed with the launch of the Green Jobs Innovation Facility. The intention is to do exactly as recommended. We note the need to develop the capacities of constituents and field staff on the cooperative and Social and Solidarity Economy.

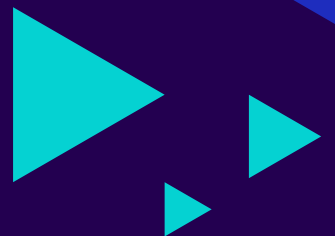
Recommendation 9

This is one of the deliverables that has been identified by the Enterprise Innovation Facility.



1

Introduction



► 1. Introduction

1.1 Context

The ILO's engagement with enterprises is at the heart of all that it does. It works with enterprises of all sizes and types in all regions of the world – from microenterprises to multinationals, from remote agricultural cooperatives to global supply chains, and from enterprises using traditional business models to new forms of business that seek to disrupt these models or which embrace different values.

The ILO's enterprise work therefore is intertwined with its work across all strategic objectives promoting employment, rights at work, social protection and social dialogue. Although the organization's structure, programmes and tools can reinforce a perception of separation and specialization, enterprise work in the ILO is – or should be – universal.

The ILO's emphasis on promoting “sustainable enterprises” was first articulated (or at least given special emphasis) following the 96th Session of the International Labour Conference in 2007, when the *Conclusions concerning the promotion of sustainable enterprises* were adopted. This highlighted the ILO's enterprise work in the broader context of sustainable development and sought to “anchor the vision of sustainable development as the overarching paradigm within which the Decent Work Agenda can make its key contribution to progress and development” (*Conclusions concerning the promotion of sustainable enterprises*, p. iii).² It recognized how governments and the social partners need to work together to promote the integration of the three components of sustainable development – economic, social and environmental – and stressed the ILO's unique position to contribute as “it is at the workplace that these three components come together inseparably” (p. 1).

Over time, the emphasis and scope of the ILO's enterprise work have evolved. Prior to 2010, it was part of the then Employment Sector of the Office, and the strategic outcome emphasized “employment creation through enterprise development”.³ After 2007, the language of “sustainable enterprises” began to be used and more references were made to productivity and “productive jobs” in enterprises. Outcome 3 of the 2010–15 Strategic Policy Framework was “Sustainable enterprises create productive and decent jobs” and, for the first time, included an indicator related to the “adoption of responsible and sustainable enterprise-level practices” linked to the 2007 International Labour Conference Conclusions. An indicator related to the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) was also added.⁴ In the 2016–17 Programme and Budget (P&B), Outcome 4 explicitly referred to promoting an “environment conducive to the growth of sustainable enterprises”, to “sustainable development objectives”, and to “productive employment and decent work”. The 2018–19 Outcome 4 referred simply to “more and better jobs” through sustainable enterprises.

Several normative and global instruments have also shaped the ILO's promotion of sustainable enterprises, including: the MNE Declaration; the Promotion of Cooperatives Recommendation, 2002 (No. 193); the Job Creation in Small and Medium-Sized Enterprises Recommendation, 1998 (No. 189); the Resolution concerning small and medium-sized enterprises and decent and productive employment creation, 2015; and other instruments and standards linked to fundamental principles and rights at work, social protection,

² ILO, *Conclusions concerning the promotion of sustainable enterprises*, International Labour Conference, June 2007, International Labour Office, Geneva, 2007.

³ For example, the relevant outcome in the 2006–07 Programme and Budget (P&B) measured the extent to which “ILO constituents and other key stakeholders and intermediaries apply tools and approaches that are grounded in ILO core values to assist enterprises, including cooperatives, to increase employment and incomes for women and men”.

⁴ In 2014–15, an “Area of Critical Importance” (ACI4) was overlaid onto the Strategic Policy Framework for priority action – “Productivity and working conditions in small and medium enterprises”. To promote greater organizational cohesion, ACIs sought to encourage closer collaboration with policy outcomes relating to skills development, working conditions, occupational safety and health, social dialogue, industrial relations, freedom of association and collective bargaining.

governance and employment. Alignment of the ILO's enterprise work with the Sustainable Development Goals (SDGs) has also influenced its approach and reporting of results.⁵

The current and future context of the ILO's work in promoting sustainable enterprises should also be considered. Just as this evaluation began, the COVID-19 pandemic shook the world. The ILO is now in the process of developing advice, response strategies and tools to support its Member States to deal with the immediate employment consequences of this unprecedented global situation, and the Enterprises Department (ENTERPRISES) has been very active in this respect. Moving forward requires an assessment of what "the new normal" means for the ILO and its enterprise work. This evaluation examines the ILO's past enterprise work through this lens, in the expectation that this might help inform its future approach to meet the challenges ahead.

1.2 The evaluation – type, clients, purpose and scope

High-level evaluations (HLEs) are governance-level evaluations that aim to generate insights into the ILO's performance within the context of its results-based management system. Findings from HLEs contribute to decision-making on policies and strategies, and promote organizational accountability.

This HLE was approved by the ILO's Governing Body following consultations between the ILO's Evaluation Office (EVAL), senior management (through the Evaluation Advisory Committee) and constituents. An HLE of P&B Outcome 4 – "Promoting Sustainable Enterprises"⁶ – has been included in the rolling work plan of EVAL since 2017, and was reconfirmed by the Governing Body in 2018 and 2019, for implementation in 2020. This policy outcome was last subject to an HLE in 2013, covering the period 2007–12, but was narrower in scope.⁷

The principal client for the evaluation is the Governing Body, which is responsible for governance-level decisions on its findings and recommendations. Other key stakeholders include the Director-General and members of the Senior Management Team at headquarters, as well as directors and staff working in the field. The evaluation may also help to inform ILO donors, partners and policymakers.

The evaluation's purpose is to provide insights into the relevance, coherence, effectiveness, efficiency and sustainability of the ILO's recent work in supporting sustainable enterprises. It also looks forward, identifying emerging good practices and lessons learned that might inform the ongoing development of the Organization's strategy and approach. This includes the contribution that the ILO's enterprise work might make in the wake of the COVID-19 pandemic.

The evaluation covers the period 2014–19 (biennia 2014–15, 2016–17 and 2018–19), and considers all efforts of the Office in promoting sustainable enterprises during this period. While it concentrates on the work of ENTERPRISES – specifically, the Multinational Enterprises and Enterprise Engagement Unit (MULTI), the Small and Medium Enterprises Unit (SME), the Cooperatives Unit (COOP), the Social Finance Programme (SFP) and Green Jobs Programme⁸ – each of these units and programmes works closely with other ILO departments, so these links are also explored.

The scope includes review and analysis of:

- the role and relevance of the ILO's work in promoting the inclusion of sustainable enterprises in global and national development strategies to create more and better jobs;
- the coherence and effectiveness of its support to Member States through programmes, services and direct advice and support;

⁵ Specifically, SDG Targets 8.3 (supporting, among other things, job creation, entrepreneurship, formalization and growth of small and medium-sized enterprises (SMEs) and financial services); 8.4 (decoupling economic growth from environmental degradation); 8.10 (expanding financial services to all); and 9.3 (SME access to financial services, value chains and markets).

⁶ In 2014–15, this was Outcome 3: Sustainable enterprises create productive and decent work.

⁷ For example, it excluded work with multinational enterprises and in social finance.

⁸ In the scoping mission, it was agreed that the work of the Department's Global Programme of Employment Injury fell outside the scope of the evaluation.

- the Office's management arrangements, capacities and performance, including work at headquarters, regional offices and field offices (in selected countries);
- the results-based framework, the choice and the use of indicators, and how well progress and impact are measured;
- coordination and collaboration across the ILO and between ILO headquarters and the field;
- the resources allocated and applied to this outcome;
- CPOs, global products, programmes and projects that contribute to the outcome;
- the contribution of this work to the SDGs;
- the ILO's role in relevant global, regional and national networks and partnerships;
- integration of gender equality and inclusion and other cross-cutting policy drivers;
- the extent to which findings and recommendations of the previous (2013) HLE were taken into account or implemented;
- how the work of the Global Commission on the Future of Work and the ILO Centenary Declaration for the Future of Work should influence the focus and future direction of this policy outcome.

1.3 Evaluation methodology

The evaluation followed the approach presented in EVAL's high-level evaluation protocol for strategy and policy evaluation.⁹ EVAL's guidance notes on adapting evaluation methods to the ILO's normative and tripartite mandate and on integrating gender equality were also followed.

Three methods were used for collecting data and information: document review, interviews and surveys:

- Document review: Policy and strategy analysis focused on assessing the coherence and relevance and linkages between the explicit policies/strategies for sustainable enterprises in the strategy plans, biennial P&Bs and selected Decent Work Country Plans (DWCPs). This included a detailed analysis of CPOs, global products, programmes and projects that contribute to the outcome, as well as an analysis of resources applied. In addition, a synthesis review of 30 relevant project evaluations was conducted separately, and was used as a source of information and for triangulation of findings. A wide range of other documents, research papers and evaluations were also reviewed.
- Interviews: ILO constituents, staff and other stakeholders were interviewed at headquarters and in the field through a combination of face-to-face meetings and telephone interviews. Ten countries were selected for study: Tunisia, Egypt, Ghana, Viet Nam, Myanmar, Thailand, Peru, Bolivia (Plurinational State of), Mexico and Lebanon. Another two countries (China and Côte d'Ivoire) were examined primarily through desk-based case studies. These countries were selected based on such factors as geographic spread, the level and diversity of enterprise-related activities and development cooperation projects, the quality and availability of documentation, and the likely mix of successful and unsuccessful interventions and suggestions made by interviewees during the inception mission. In total, 131 people were interviewed/consulted, of whom 43 per cent were women. A full list is included in Annex E.
- Surveys: Two surveys were conducted – one sent to 102 ILO staff members (with 38 responding) and one sent to 119 constituents¹⁰ (with 25 responding) – with an overall response rate of 29 per cent.

The extent to which findings and recommendations of the previous (2013) HLE were taken into account or implemented were assessed and are set out in Annex F.

⁹ Protocol 1: High-level evaluation protocol for strategy and policy evaluation, ILO, Evaluation Office, 2015, available at www.ilo.org/global/docs/WCMS_215858/lang-en/index.htm.

¹⁰ Selected representatives of workers' and employers' organizations and government officials who were interviewed. The survey was also sent to the International Trade Union Confederation and the International Organisation of Employers (IOE) representatives in Geneva.

The terms of reference included a wide range of questions and “focus areas”, and the scoping mission raised even more. Annex A sets out the final evaluation questions and related indicators and focus areas. It also includes a list of other relevant issues that were raised during the scoping mission and which are given attention in the evaluation.

Methodological limitations and constraints

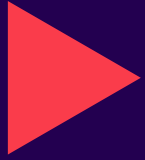
The evaluation commenced in March 2020, just as the true magnitude of the global COVID-19 pandemic became clear and countries began to introduce lockdowns, social distancing and restrictions on travel. These conditions limited and constrained the evaluation in several ways:

- ▶ Due to the COVID-19 pandemic, it was not possible for the international evaluation consultants to undertake country visits for this evaluation. Instead, data were collected through a combination of telephone interviews and through national consultants (in Tunisia, Egypt, Myanmar and Viet Nam) who, under the direction of the international consultants, conducted interviews in person (where feasible) or by telephone. In the case of the Americas, a team of consultants engaged in a separate HLE also collected data on behalf of the Sustainable Enterprises HLE team. The approach taken was in line with the internal guidance issued by EVAL on managing evaluations in the pandemic.
- ▶ This meant that the international consultants did not have the opportunity to observe directly the ILO’s work on the ground in different circumstances. This made it more difficult to capture a high-level picture of the ILO’s strategy in action globally and to make comparisons between countries.
- ▶ The use of national consultants presented some challenges. As they were not steeped in the evaluation process from the beginning, no matter how good their briefing, their interviews were likely to be less probing and less comprehensive than would have been the case if they had been undertaken by the international evaluators. The other team of international evaluators who covered Latin America were simultaneously working on a separate evaluation, and were unable to ask the same breadth of questions – though the Enterprise HLE team was able to participate in some of these interviews using online videoconferencing. EVAL staff supported this effort, also undertaking a number of these interviews, including in Mexico and Côte d’Ivoire.

The evaluation experienced some delays due to difficulties in connecting with stakeholders and the unanticipated need to engage, brief and manage national consultants. There were problems in securing responses from certain ILO country and regional offices, resulting in curtailed interview phases and limited ability to interview a wide breadth of stakeholders, due to lack of information. This resulted in the inability to collect sufficient data and information in some of the selected country studies.

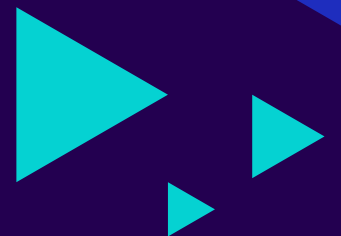
In the assessment of efficiency, some data on financial allocations to P&B indicators are available, but these in themselves offer limited if any insight. Even comparisons between biennia are hard to make, given that these indicators change and different aspects of the ILO’s work migrate from one to another.

The scope of the evaluation included many different global programmes and tools, as well as some alternative approaches used in the field. The evaluation was unable to analyse all such programmes and tools in the same depth in the time available. For this reason, some of the larger programmes, such as Start and Improve Your Business (SIYB) and Sustaining Competitive and Responsible Enterprises (SCORE), were given more attention.



2

Overview of the ILO's work promoting sustainable enterprises



▶ 2. Overview of the ILO's work promoting sustainable enterprises

The ILO's work in promoting sustainable enterprises mainly reflects the structure of ENTERPRISES. Its six units largely operate independently of one another, without an overarching strategy.

The Enterprise Department (ENTERPRISES) comprises six units or programmes: Multinational Enterprises and Enterprise Engagement Unit (MULTI), Small and Medium Enterprises Unit (SME), Cooperatives Unit (COOP), Social Finance Programme (SFP), Green Jobs, and the Global Programme of Employment Injury. It was agreed during the scoping mission that the work of the Global Programme of Employment Injury fell outside the scope of this evaluation. In broad terms, the five units and programmes covered by the HLE have the following roles and responsibilities:

- ▶ MULTI focuses on building the capacity of governments, social partners and enterprises to promote and apply the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) by providing policy guidance on maximizing social and economic benefits of MNE operations, developing information resources to encourage coordinated approaches between governments and enterprises, and providing training and supporting capacity-building. It operates the ILO Help Desk for Business on international labour standards, and promotes international policy coherence in the labour and employment dimension of corporate social responsibility and inclusive, sustainable and responsible business practices through collaboration with other international organizations.
- ▶ SME focuses on four key areas, each with a range of global products: (a) entrepreneurship and management skills, including the SIYB programmes, and Women's Entrepreneurship Development (WED); (b) access to markets (including "The Lab", Value Chain Development, and Approach to Inclusive Market Systems (AIMS) for Refugees and Host Communities); (c) Enabling Environment for Sustainable Enterprises (ESEE), and Enterprise Formalization; and (d) SME Productivity and Working Conditions, including SCORE.
- ▶ COOP is responsible for the implementation of Recommendation No. 193, which mandates the Office to assist constituents and cooperative organizations to promote the development of cooperatives in all ILO Member States. Operational areas include legal and policy advice (including on the Social and Solidarity Economy), capacity-building, and evidence-based advocacy and research.
- ▶ SFP supports efforts to extend financial services to excluded persons through the promotion of better employment (by improving the quality of employment through innovative financial services and conducive policies) and reducing the vulnerability of the working poor (by improving access to risk management financial services, including microinsurance).
- ▶ The Green Jobs Programme promotes the creation of green jobs through research, international advocacy, capacity-building and knowledge-sharing, and at the national level through the provision of political and technical advisory services.

Other than what is described in the P&B, there does not appear to be a current overarching strategy either for ENTERPRISES as a whole or for all of its units. (COOP has its own strategic plan, and other units indicated that they were in the process of developing their own strategies and/or theories of change; MULTI is guided by Annex II of the MNE Declaration, but also showed us a draft strategy.) A 2010 strategy – The Sustainable Enterprise Programme: Strategic Framework – was developed to complement the ILO's Strategic Policy Framework 2010–15 and to put into practice the 2007 International Labour Conference Conclusions concerning the promotion of sustainable enterprises. This document placed the activities of the Department's units and programmes within a broader conceptual and performance framework, and envisaged a high

level of internal collaboration (both within ENTERPRISES and with other departments). It expired in 2015 and has not been replaced or updated. See also findings under section 3.2 – Coherence.

The areas of the ILO's work covered by each of these units and programmes are detailed below.

2.1 Promotion of the MNE Declaration

In the period of the evaluation, the ILO promoted the MNE Declaration using the “Operational Tools” described in its 2017 revision.

MULTI supports the ILO's work in promoting and facilitating the application of the MNE Declaration. This ILO instrument provides direct guidance to enterprises on social policy and inclusive, responsible and sustainable workplace practices. Originally adopted by the ILO's Governing Body in 1977, it has been amended several times, most recently in March 2017. Building on the promotion of international labour standards, it encourages MNEs to make a positive contribution to decent work for all in employment, training, conditions of work and life, and industrial relations. It also aims to minimize and resolve difficulties that MNEs face in doing so. Importantly, the MNE Declaration is addressed not only to MNEs, but also to engage the governments of their home and host countries, as well as employers' and workers' organizations.

The 2017 revision of the MNE Declaration made several important amendments and additions to its text. A new annex on “Operational Tools” was added which gave “more visibility to the various decisions that the Governing Body has taken to stimulate the uptake of the Declaration and its principles” (para. 19). This annex, in effect, articulated a promotional strategy for the MNE Declaration, outlining the roles of the ILO and constituents in Member States. It included:

- Regional reporting: Regional reports prepared every four years on promotion and application of the MNE Declaration in Member States based on inputs from the social partners (using questionnaires and a special session during ILO regional meetings).
- National promotion: National constituents would be encouraged to appoint “focal points” to promote the MNE Declaration through awareness-raising, capacity-building events, and online information and dialogue platforms. “Tripartite-plus dialogues” would also be encouraged as a way of getting constituents and MNEs to discuss opportunities and challenges at a national level.
- Promotion by the ILO: This includes via technical assistance, information and guidance (including through the ILO Help Desk for Business on International Labour Standards (see box 1)).
- Support and facilitation of company–union dialogue: This is where a company and a union voluntarily agree, and the ILO offers to provide neutral ground for confidential discussion of issues of mutual concern, facilitating dialogue and providing technical input if requested.¹¹

Over the period covered by the HLE, the ILO's work in implementing the elements of this strategy has gathered extra momentum, driven by an increase in development cooperation projects at a global, regional and country level and, perhaps, by the renewed profile of the MNE Declaration following its revision. MULTI is the only unit that reports directly and regularly to the Governing Body on its activities, and these reports give a more detailed picture of how the organization is fulfilling the role defined for it in the Declaration.

Work in promoting the MNE Declaration also involved collaboration with both international partners and other departments and units within the ILO (such as the International Labour Standards Department (NORMES); Social Dialogue and Tripartism (DIALOGUE); Fundamental Principles and Rights at Work (FUNDAMENTALS); Gender, Equality and Diversity and ILOAIDS (GED/ILOAIDS); and the Coordination Support Unit for Peace and Resilience (CSPR)). Examples of this work with international partners in the period under review included:

- Organisation for Economic Co-operation and Development (OECD): For example, collaboration in the Responsible Supply Chains in Asia projects in Asia and in Latin America, technical assistance in

¹¹ The annex also included an “interpretation procedure” for the examination of disputes concerning the application of the MNE Declaration.

updating its Guidelines for MNEs and on the development of OECD general guidance on due diligence and specific sectors.

- ▶ European Union (EU): The EU sees itself as a partner rather than a donor in the Responsible Supply Chains in Asia (RSCA) project.
- ▶ United Nations Conference on Trade and Development (UNCTAD): For example, supporting research and providing advice on links between trade and employment (a memorandum of understanding was signed in 2014 to support the development of joint research and policy advice).
- ▶ Office of the United Nations High Commissioner for Human Rights (OHCHR) and the Working Group on Business and Human Rights: For example, regular meetings on implementing the United Nations (UN) "Protect, Respect and Remedy" Framework on Business and Human Rights.
- ▶ United National Global Compact: For example, focusing on the promotion of the four labour principles and the contribution of enterprises for the realization of SDG 8. The ILO is one of the four core UN agencies in the initiative and the guardian of the labour principles of the UN Global Compact, which mirrors the Fundamental Principles and Rights at Work. The Head of MULTI is one of the four co-chairs of the Global Compact Expert Network, together with representatives from OHCHR, the United Nations Environment Programme (UNEP) and the United Nations Interregional Crime and Justice Research Institute.
- ▶ World Association of Investment Promotion Agencies (WAIPA): For example, joint organization of an annual training course on effective investment facilitation and sustainable development (in collaboration with the United Nations Industrial Development Organization (UNIDO)) and the International Training Centre of the ILO (ITCILO) in Turin.
- ▶ Tokyo Organizing Committee of the Olympic and Paralympic Games: For example, raising awareness of the labour dimension of corporate social responsibility, collection and dissemination of good practices, organization of technical seminars and development and dissemination of tools to support the Games' delivery partners in implementing socially responsible labour practices. An agreement has been made to promote decent work in the preparations and operations of the Games, taking guidance from the MNE Declaration.
- ▶ Round tables on corporate social responsibility: For example the Inter-agency Round Table on corporate social responsibility, co-organized by the ILO, UNCTAD and OHCHR.

▶ Box 1. The ILO Help Desk for Business

The ILO Help Desk for Business is promoted as "the one-stop shop for company managers and workers on how to better align business operations with international labour standards and build good industrial relations". It provides basic information and specific guidance on implementing international labour standards at the workplace, and on putting the principles of the MNE Declaration into practice.

Established in 2009, the Help Desk responds to individual questions and has a dedicated website that includes information on a wide range of topics, as well as a Q&A section, where past questions and their responses can be viewed. Around 100 novel questions are submitted every year, the majority from MNEs. Trade unions, researchers and government officials are also frequent users. According to its 2019 report to the Governing Body, the highest number of queries received in the period related to occupational health and safety. Forced labour, child labour, migrant workers, hours of work and wages were also common themes.

The staff running the Help Desk do not themselves answer the questions they receive. Rather, they coordinate the collection of inputs from relevant ILO specialist units. Drafted responses are then sent to the constituents for feedback within two weeks.

Measuring the effectiveness, the Help Desk has proven to be a contentious issue within the ILO. The unit itself was keen to survey users, but this was not approved. (See also findings on effectiveness section 3.3.)

2.2 Small and Medium Enterprises

A large proportion of the ILO's work in promoting sustainable enterprises in the period focused on supporting SMEs.

The Small and Medium Enterprises (SME) Unit is by far the largest in ENTERPRISES in terms of staff numbers (28, including 10 funded under the Regular Budget), the number of programmes and products it promotes and supports, and in its share of development cooperation project funding (over 71 per cent of both total project funds and number of projects). There are four broad areas of work related to “more and better jobs” in SMEs, each offering an array of programmes and tools.

Improving the enabling environment for SMEs:

- The EESE programme/tool is a resource for employers' and business organizations wishing to assess the environment in which businesses start and grow. It also provides advice and guidance to support these organizations to develop their capacity to engage in dialogue and advocacy. The tool was developed as a means of implementing the 2007 *Conclusions concerning the promotion of sustainable enterprises* and improving the 17 “interconnected and mutually reinforcing conditions” (para. 11) that it defined as essential for a conducive enabling environment. In the period under review, the 2015 International Labour Conference Resolution concerning small and medium enterprises gave new impetus to the delivery of EESE, urging its expansion and a greater emphasis on supporting constituents to address the issues identified by the EESE assessments.
- Assessments of the enabling environment for the creation and growth of enterprises owned and led by women were made as part of the ILO's Women's Entrepreneurship Development (WED) programme. In the period, WED assessments were completed and published for seven countries.¹² In Tunisia, this led to the development and signing of a national manifesto reflecting the vision of the National Chamber of Women Business Leaders and the implementation of a woman-specific funding mechanism.
- Enterprise formalization has been a priority for the ILO for many years, and is addressed in different ways by various ILO departments. In the period of the evaluation, the 2014–15 P&B included it as a measurement criterion for “entrepreneurship development programmes and policies”, but the two subsequent P&Bs had enterprise formalization as a separate Outcome 6.¹³ Since 2016, the SME Unit's role in this has been to support diagnostics, information-sharing and coordination within ENTERPRISES (for example, with COOP, SFP and Green Jobs) and across the ILO¹⁴ as a whole.

Entrepreneurship and management skills:

- The SIYB programme has been offered in various forms by the ILO since the 1980s. Its targets range from those thinking about starting a business to those running established enterprises. Master trainers train and certify local SIYB trainers, who in turn train people on how to start and improve their businesses. Usually, training is initially subsidized through project funding, but the intention is for the programme to be sustained without external funds (for example, as a commercial service and/or through government support).
- Various women's entrepreneurship tools (for example, GET Ahead, Women's Entrepreneurship Development (WED) and Women in Self Employment (WISE), among others) offer an alternative approach that addresses gendered imbalances in enterprise development. Over the period under review, youth entrepreneurship has also been a priority, and the above programmes have been used to support this target group. Also linked to this target group, Know About Business (KAB), run jointly with ITCILO, offers entrepreneurship training to students.

¹² Uganda and United Republic of Tanzania (2014); Egypt, Tunisia, Morocco and Algeria (2017); and Myanmar (2020).

¹³ In 2018–19, formalization was mentioned under “expected changes” under Outcome 4 in the context of “effective reforms of the business environment” (para. 86).

¹⁴ The current P&B no longer includes an outcome on formalization and includes it as Output 4.3 under sustainable enterprises.

Improving access to markets – value chains and market systems development:

- ▶ This area of work aims to strengthen whole market systems to benefit the poor and to contribute to economic growth and development. In the period under review, there were numerous projects in the field that included work that focused on value chains. The SME Unit developed and promoted methodologies for value chain development and later market systems development, and produced resources to guide action in identifying priority sectors, analysing market systems, designing interventions, and monitoring and evaluating results. “The Lab”, funded by Switzerland, was highlighted as an innovative approach in this field (see box 2).
- ▶ A notable application of the value chain/market systems development approach was the ILO's work with the Office of the United Nations High Commissioner for Refugees (UNHCR) on interventions for refugees. Conventional approaches often focus on delivering skills and entrepreneurship training to refugees in the expectation that this will enhance their potential for generating income, but in this case the ILO also used the market systems development approach to better understand the dynamics of existing markets and to balance the situation of refugees with the employment needs of host communities. This approach is used more broadly in refugee contexts under the Approach to Inclusive Market Systems (AIMS) programme.

Improving the productivity and working conditions SMEs:

- ▶ The Sustaining Competitive and Responsible Enterprises (SCORE) programme aims to improve productivity and working conditions in SMEs. Introduced in 2009 and now in its third phase as a global project (funded mainly by Switzerland and Norway), SCORE combines classroom training with in-factory

▶ Box 2. Supporting a market system approach – “The Lab”

The Lab is a Swiss-funded initiative “that generates and applies knowledge on how a market systems approach can lead to sustainable decent work”. This approach sees sectors and value chains as part of a wider system of rules, regulations and supporting functions, all of which must be understood before the system can be transformed and jobs created.

The Lab partners with projects (both the ILO's and others) and countries through formal collaboration agreements. It supports them to understand the sectors and value chains they are targeting, through:

- ▶ support to carry out market systems analyses to identify and understand sectors with the highest potential for sustainable labour market impacts;
- ▶ monitoring and evaluation;
- ▶ support to embed capacities for effective market systems facilitation within key national institutions;
- ▶ support to move beyond narrower tool-driven approaches to systems-driven approaches that offer sustainability and scale.

A mapping study of innovative UN innovation models completed by Dalberg Advisors (2019) for the ILO's Skills and Employability Branch included The Lab as a case study. It highlighted the following innovative elements:

- ▶ a flexible methodology that starts by exploring what is needed rather than pushing a tool as a ready-made solution;
- ▶ ability to change course if something is found not to be working;
- ▶ sustainability – it works with commercially-driven models that can be sustained;
- ▶ promotion of open communication with the donor about failures and lessons learned;
- ▶ a systems approach that seeks to respond to wider systems in which sectors operate.

► **Box 3. Alternative approaches – activity-based, peer-to-peer learning, C-BED**

The Asia-Pacific region DWT found that established programmes such as SIYB can struggle to achieve scale and sustainability in some countries. Their limitations included:

- Reliance on “expert trainers” limited their reach, scale and continuity of support: Partners struggle to upscale programmes, especially in rural and remote locations. Also, as trainers are often only in the community for the duration of the training, they form no lasting service relationship.
- They often ignore “necessity-based entrepreneurs” (businesses established to meet livelihood needs): From poor, vulnerable and isolated communities, these people are ignored because they are too hard to reach and lack the education needed to participate in formal training programmes.
- They fail to engage with organizations that are present and could play a role in enterprise development: Organizations within these communities understand the benefits of building small business capability, but cannot afford to employ trainers or invest time or resources in multiskilling their own staff.
- Their cost makes them unsustainable: Some programmes can only be sustained by focusing on market segments that can afford to pay for their services. Ongoing funding is needed to deliver conventional training programmes to less well-resourced existing businesses.

In response to these limitations, the region developed a range of activity-based, peer-to-peer learning packages as an innovative alternative to conventional “expert-dependent” approaches. For example, training modules under the C-BED programme address a wide range of topics, and provide practical support to businesses and entrepreneurs in hard-to-reach communities. These work through:

- group-based activities that build the business skills, capacity and professional networks of small business owners without the need for an expert trainer;
- an active learning approach that supports participants to manage their own learning, using and sharing their own entrepreneurial and life experiences to solve practical business problems;
- forming relationships between entrepreneurs that can provide opportunities for mutual aid and strategic cooperation around the participants’ actual communities, opportunities and businesses.

Rather than having to supply expert trainers to deliver the programme, partner organizations delivering C BED training programmes focus instead on managing the recruitment of participants, facilitating the learning environment, promoting enterprise networks, and linking entrepreneurs to other advice and services. Learning materials developed by the ILO are open source and can be printed and distributed at low cost. Participants with low literacy levels can be accommodated – for example, by having another group member read out the content.

With the support of the Government of Japan, the ILO has introduced activity-based entrepreneurship and business development tools in Cambodia, extending such services to communities and participants that would not receive this support otherwise, given the high cost of conventional approaches. The DWT reports that participant and partner feedback has been positive, and the available impact data are promising. They suggest a level of overall effectiveness that is comparable to expert-dependent approaches. Given the very low cost of implementation and the ability of partner organizations to quickly apply and upscale the various activity-based learning initiatives, their potential for sustainability is also high.

Activity-based peer-to-peer learning products such as C-BED have been developed and implemented in Asia in different sustainable enterprises’ work areas, including cooperatives (the Our. COOP suite of products) and SME development (for example, the In Business package is delivered through employers and business membership organizations). These could play a useful role as part of the ILO’s response to the post-COVID-19 world – they can be quickly and inexpensively applied at scale, support people who are difficult to reach, and provide a service to necessity-based entrepreneurs not currently able to access existing programmes.

consulting that helps translate the training¹⁵ into action. For the period 2014–19, the SCORE dashboard reported that 87,000 workers and managers from 2,400 enterprises in ten SCORE countries participated in SCORE training.¹⁶

- ▶ Phase II of SCORE commenced at the start of the period under review, and its geographic scope has increased since then from an initial 7 programme countries to 11 by 2019. Twelve additional countries use the SCORE training methodology as part of other projects.¹⁷

Other areas of work and alternative approaches delivered in the field:

- ▶ The ILO ENTERPRISES website lists other areas of work which the evaluation found in its analysis of projects in the period, but which are no longer actively promoted. For example, local economic development is a methodology that was included in some projects (such as the DEPART Project in Tunisia – TUN/12/03/NET) early in the period, but seems to be no longer supported (links on the website for more information on local economic development are either dead or directed to unrelated pages).
- ▶ The evaluation also found that alternative approaches to SME development are being used. In the Asia–Pacific region, donor funding has been mobilized locally to implement a range of tools designed to overcome the problems other ILO products face in achieving scale and sustainability. Community-Based Enterprise Development (C-BED), for example, uses activity-based peer-to-peer learning principles without the need for expert trainers (see box 3).
- ▶ A related product, In Business, provides a tool for employer and business membership organizations to train and to assist firms to improve their performance and grow jobs. ACT/EMP recently negotiated a memorandum of understanding between the ILO and the Employers Confederation of the Philippines to support the programme's roll-out in this country. The Confederation has already formalized an agreement with Nestlé to become an “ambassador” for this programme. The programme was also successfully implemented in the Lao People's Democratic Republic as part of a World Bank project supporting SME access to finance.

2.3 Cooperatives and the Social and Solidarity Economy

Promoting cooperatives has long been an important ILO function and has evolved to include the complementary role played by the Social and Solidarity Economy in international development.

According to the International Cooperative Alliance (ICA), “cooperatives are people-centred enterprises owned, controlled and run by and for their members to realize their common economic, social and cultural needs and aspirations”; they are “businesses driven by values, not just profit” and, because they are not owned by shareholders, “the economic and social benefits of their activity stay in the communities where they are established.”¹⁸ Increasingly, cooperatives are being spoken of as being part of a broader “Social and Solidarity Economy” (SSE), a concept that embraces other enterprise types that share similar values (such as mutual benefit societies, foundations and social enterprises).

¹⁵ The five SCORE training modules cover Workplace Cooperation, Quality Management, Clean Production, Human Resource Management, and Occupational Safety and Health.

¹⁶ Also, see ILO, Annual Technical Cooperation Progress Report – Sustaining Competitive and Responsible Enterprises, 2020.

¹⁷ The initial six SCORE programme countries were China, Colombia, Ghana, South Africa, India and Indonesia. Viet Nam was added in 2011. Since 2014, Bolivia (Plurinational State of), Peru, Myanmar, Ethiopia and Tunisia were added (South Africa is no longer a programme country). Although Tunisia is a programme country, none of its CPOs mentioned the programme. Non-programme countries indicating in CPOs that they used the SCORE methodology included Algeria, Bangladesh, Brazil, Dominican Republic, Egypt, India, Mauritius, Pakistan, Turkey, South Africa, United Republic of Tanzania and Zimbabwe. References were also found in the CPO analysis to the programme's use in Suriname (SUR901) and Costa Rica (CR1131).

¹⁸ Available at www.ica.coop/en/cooperatives/what-is-a-cooperative, accessed 9 June 2020. The ICA has been a partner of the ILO since 1919, and participates in the International Labour Conference and the Governing Body as a special observer. The values underpinning cooperatives as defined by the ICA are included as an annex to Recommendation 193. The Recommendation itself defined a cooperative as “an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise” (para. 2).

Since its establishment in 1919, the ILO has recognized the importance of cooperatives and similar approaches, and has sought to support their role in advancing social justice and full employment. The Cooperatives Unit of the ILO is marking its centenary in 2020 – a testimony to the enduring relevance of this work.

The main international policy instrument that has shaped the ILO's recent work in cooperative development is Recommendation No. 193. This recommended the promotion of cooperatives in all countries, encouraged governments to provide a policy and legal framework that supported their formation and operation, urged employers' and workers' organizations to engage with them, and promoted international cooperation in this field.

The ILO's work in the SSE is more recent and driven by a growing recognition of the important complementary role played by this sector in international development. For example, the ILO Director-General sees social enterprises as “an essential part of the toolkit for achieving the 2030 Agenda for Sustainable Development” and, in the context of the ILO's Future of Work initiative, as “an opportunity to rethink and revisit the interactions between work, society, citizens, and economic and social actors”.¹⁹

The ILO's work in this field touches on many strategic themes and priorities. These include, but are not limited to:

- advice on policies and legislation that create an enabling environment for cooperatives and other SSE entities,²⁰ how to promote them, and how to increase the participation of women²¹ and youth²²;
- strategies and tools to support the transition of enterprises and workers from the informal to formal economies and improving labour practices across global supply chains through cooperatives;
- research on cooperatives in specific sectors (such as care provision, e-waste management and renewable energy), financial mechanisms (for example, in cooperation with the Social Finance Unit, a report on “Financial Mechanisms for Innovative Social and Solidarity Economy Ecosystems”), statistical systems and intervention models (advancing domestic workers' rights through cooperatives in Trinidad and Tobago);
- development and delivery of training tools that support the establishment and development of cooperatives (including the My.COOP programme for agricultural cooperatives and the Our.COOP activity-based learning package developed in Asia-Pacific);
- facilitating the Social and Solidarity Economy Academy, an interregional training opportunity that brings together practitioners and policymakers from around the world to share their experiences;
- developing cooperative and SSE initiatives in the aftermath of crises²³ and conflicts.²⁴

COOP reported that, as part of a strategic review of its approach, it had moved away from direct delivery of support to primary level cooperatives and social economy enterprises in favour of more “meso and macro level” activities that aim to foster national ownership of tools and to build capacity to apply these. Projects would be implemented as components of ILO flagship initiatives (relating to forced labour, child labour, informal economy, rural economy, youth employment and jobs for peace and resilience) with a view to demonstrating the value of cooperatives and social enterprises in delivering decent work results. Fundraising is increasingly decentralized, with headquarters playing more of a supporting role.

19 Statement by ILO Director-General Guy Ryder at the Social Economy National Consultation Conference in Durban, South Africa, 2019. Available at www.ilo.org/global/about-the-ilo/how-the-ilo-works/ilo-director-general/statements-and-speeches/WCMS_677542/lang-en/index.htm, accessed 17 September 2020.

20 Available at www.ilo.org/global/topics/cooperatives/areas-of-work/WCMS_550309/lang-en/index.htm, accessed 17 September 2020.

21 Available at www.ilo.org/global/topics/cooperatives/areas-of-work/WCMS_543735/lang-en/index.htm, accessed 17 September 2020.

22 Available at www.ilo.org/global/topics/cooperatives/areas-of-work/WCMS_553115/lang-en/index.htm, accessed 17 September 2020.

23 For example, www.ilo.org/global/topics/cooperatives/areas-of-work/WCMS_546691/lang-en/index.htm, accessed 17 September 2020.

24 For example, in Sri Lanka: available at www.ilo.org/global/topics/cooperatives/news/WCMS_632691/lang-en/index.htm, accessed 17 September 2020.

2.4 Social Finance Programme

Building on a major project that ended in 2015, the ILO has supported the extension of financial services to low-income people and SMEs to advance the Decent Work Agenda.

The ILO's Social Finance Programme (SFP) seeks to extend financial services to excluded persons to advance the twin goals of promoting more and better employment and reducing the vulnerability of the working poor. In the first, it seeks to create jobs and improve job quality by promoting innovative financial services and conducive policies. In the second, it works to improve access to insurance services.

According to the programme's 2019 annual report, "to encourage financial institutions to live up to their potential to contribute to Decent Work, the ILO's Social Finance Programme's approach involves testing, learning, documenting and promoting", and working "with banks, insurers and investors to pilot new products and processes, and to learn with them which methods achieve the intended objectives". This includes:

- ▶ testing: supporting innovative projects with financial institutions and other partners, and conducting action research;
- ▶ learning: partnering with think tanks and industry bodies, undertaking evaluations and facilitating communities of practice;
- ▶ documenting: publishing research findings and recommendations, and developing training materials;
- ▶ promoting: providing advice to policymakers, building the capacity of practitioners and social partners, educating consumers, and sharing information with the general public.

In the period under review, a major project concluded after seven years of operation – the creation of the Microinsurance Innovation Facility. Funded mainly by the Bill and Melinda Gates Foundation, this US\$38 million project expanded the outreach of insurance services to low-income households and enterprises, strengthened the capacity of insurance providers to meet their needs, and ensured that better risk management practices are more widely available. The project provided innovation grants to organizations around the world to develop and test new approaches, as well as support capacity-building and knowledge management initiatives. The work has continued as the Impact Insurance Facility, and partners with many international development actors and financial institutions (see box 4).

The evaluation reviewed the Social Finance Programmes' Annual Reports, which highlighted some key activities in the period, including:

- ▶ engagement with central banks and policymakers on national financial inclusion and education strategies (for example, Morocco in 2017 and Argentina in 2019);
- ▶ collaborating with the Cooperatives Unit in research into Social Finance for the Social Economy (2017) and knowledge-sharing events (for example, the 2019 international conference in Turin);
- ▶ promoting a "finance-plus approach" among financial service providers in Indonesia, through the Swiss-funded project, Promoting Micro and Small Enterprises through Entrepreneurs Access to Financial Services (PROMESS), which ran from 2015 to 2019;
- ▶ running the Impact Insurance Fellowship Programme, which matches insurance practitioners with organizations innovating in impact insurance in Africa, Asia and the Caribbean;
- ▶ working with partners to develop innovative insurance products that mitigate the risks associated with climate change (such as in the tea sector in Kenya working with APA Insurance);
- ▶ working with national partners to extend health insurance coverage to informal sector workers;
- ▶ running a range of financial literacy initiatives in the field – for example, online training courses, sensitization campaigns and radio broadcasts in Morocco and Zimbabwe, and counselling sessions

► Box 4. The Impact Insurance Facility

The ILO's work in social finance started in the 1990s in the context of its work with the informal economy. With informality so widespread, and with different levels of vulnerability within it, the Social Finance Programme came into being to improve access to financial services, initially by seeing how microcredit might lift people out of poverty and into decent work.

However, other risks soon became evident. While community development banks such as Grameen had enjoyed great success in lifting individuals and their families out of poverty by supporting informal businesses to access credit to grow, these enterprises faced significant risks – for example, if the business operators became ill and the companies had to suspend their operations. In many cases, these people and their families fell back into poverty.

ILO research found that the insurance industry at this time was not interested in this group – there was no established business case to service this market. The ILO began to explore innovative solutions for these “emerging customers” that linked micro insurance to microcredit arrangements. It was in this context that the Bill and Melinda Gates Foundation became interested and donated US\$35 million in 2008 to establish the Microinsurance Innovation Facility.

Through the Facility, the ILO worked with the microfinance sector, non-government organizations (NGOs), governments and other stakeholders to establish innovative new products, to improve access to services and to build a business case. Under the project, the ILO worked with over 60 partners and developed a good understanding of what worked and what did not.

Since the original project funding ended in 2015, the ILO has continued its work in this field through what is now called the Impact Insurance Facility. Working with a diverse range of partners and donors from both the international development community and the financial services industry, it focuses on accelerating the development of inclusive insurance markets, acting as a global knowledge hub, building capacity of stakeholders, and “pushing the frontiers of impact insurance” by maintaining its focus on research and innovation.

offered through the public employment service in Tunisia – and supporting financial literacy content development for the Green Jobs Programme and SCORE;

- collaborating with the Cooperatives Unit, the International Training Centre and the Food and Agriculture Organization of the United Nations to develop a training programme called MyFinCoop for financial cooperative apex organizations;
- in the context of the ILO's continuing discussion on the future of work, conducting research (again with COOP) into financial and non-financial services for self-employed workers in the platform economy (2019).

2.5 Green Jobs Programme

The activities of the Green Jobs Programme have focused on research, partnership development, capacity-building, policy advice and the conduct of pilot projects.

The ILO's Green Jobs Programme was introduced in 2009 as part of an organization-wide strategy to better connect its work to environmental challenges, especially climate change. The programme works towards providing opportunities for governments, enterprises and workers to build capacity, develop skills and share knowledge for the greening of policies and practices in support of just transitions to sustainable and low-carbon economies.

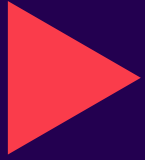
Building on the International Labour Conference's 2013 *Conclusions concerning achieving decent work, green jobs and sustainable development*, which established a “just transition” policy framework for the ILO, and the

subsequent work of a tripartite meeting of experts in 2015, the Conference endorsed the *Guidelines for a just transition towards environmentally sustainable economies and societies for all*. These guidelines presented the challenges and opportunities faced in greening economies and the world of work, and set out guiding principles for governments and social partners in taking action. These policy instruments also reflect the SDGs.²⁵

The Programme's activities and services include:

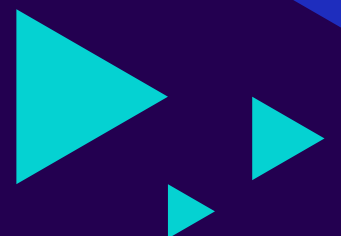
- ▶ knowledge creation, by documenting experiences, conducting global, regional and sectoral studies, and producing reports and guidelines on the linkages between labour and environmental issues (for example, policy briefs on climate change and its links to decent work and just transition, employment-intensive programmes, labour mobility, skills development, indigenous peoples, social protection and social finance);
- ▶ advocacy, by building partnerships and engaging in dialogues and key negotiation processes for increased international policy coherence (the ILO contributed to the Paris Climate Change Conference in December 2015 and is a key actor in the Partnership for Action on Green Economy (PAGE));
- ▶ capacity-building, by providing stakeholders with opportunities to learn about key green jobs concepts, suitable approaches, existing tools and best practices (for example, various programmes run in collaboration with ITCILO's Green Jobs Learning Cluster and working with the ILO's existing networks of SIYB trainers to build their capacity to support green entrepreneurship);
- ▶ conducting national green jobs assessments to identify economic sectors with high potential for green job creation (including by facilitating the Green Jobs Assessment Institutions Network (GAIN));
- ▶ pilot projects to develop and test sectoral and thematic approaches such as green entrepreneurship, the greening of enterprises, and local development of infrastructure for adaptation to climate change (see table 13);
- ▶ policy advice on national or sectoral policies that create green jobs, foster social inclusion and improve sustainability.

²⁵ Especially SDGs 1, 4, 7, 8 and 12, but also Goals 5, 6, 13, 15 and 17.



3

Evaluation criteria – findings



► 3. Evaluation criteria – findings

3.1 Relevance

Demand from Member States for ILO support in promoting sustainable enterprises remains strong and the support provided aligns with national priorities. Demand for entrepreneurship training programmes remains especially strong, raising some questions for the ILO about its strategic approach and investment of resources.

The evaluation's analysis of CPOs and development cooperation projects shows that there was a strong demand for ILO support in promoting sustainable enterprises (see section 3.3 – Effectiveness). This was the case across all areas of work covered by the units and programmes within ENTERPRISES. Although the evaluation did not analyse other policy outcomes to the same degree, it also found many examples where sustainable enterprise work was an integral part of the efforts of other departments in their responses to the needs of Member States (such as cooperative development in the context of peace and resilience, Green Jobs linked with skills, and various activities linked to formalization).

The strong demand for this work noted in the 2013 high-level evaluation has been maintained and has perhaps increased. Commenting on the prevalence of sustainable enterprise work within the CPOs and projects it reviewed (2008–13), the evaluation concluded that “Member States ... place entrepreneurship and enterprise development high on their agendas because they see these as feasible ways of generating decent jobs for their rapidly growing populations, many of whom are without adequate means of making a living” (p. 9). It also found that in less demand were those elements of the ILO's work which “make it unique among global organizations supporting enterprise development – extending social protection, workers' rights, working conditions and social dialogue” (p. 22).

As the evaluation's analysis shows, this desire to grow more jobs translated to a high demand for entrepreneurship training programmes. SIYB, KAB, C-BED and women's entrepreneurship training products were mentioned in 99 CPOs in the period. Some 57 projects (valued at almost US\$80 million) were focused on entrepreneurship training.

The evaluation team sensed that headquarters staff were sometimes torn between what they saw as the contemporary vision and approach of the ILO – working at a systemic level, supporting the development of enabling policies, building constituent capacity, piloting innovative approaches – and the continued delivery and maintenance of what were seen as “legacy” products, such as SIYB, which had been offered since the 1980s and which had a somewhat patchy record in terms of sustainability, impact and scale. On the one hand, they acknowledge that the ILO was guided by constituent demand, and Member States continued to want practical tools that they could apply relatively quickly to (hopefully) create jobs. Ministries of labour were reported to be a major source of demand for these products, as they looked for programme offerings that could be held up as concrete responses by governments to unemployment. On the other hand, headquarters staff recognize that creating more and better jobs at scale may require a more holistic and longer-term approach at the country level, and a willingness to try new things.

The 2013 HLE noted this tension, observing that the ILO was “missing the analytical lens to guide a longer-term country level vision for a more strategic and integrated approach” for sustainable enterprise development. Without this, countries fell back on “projects that respond to a shorter-term and pragmatic approach ... which may be all that governments demand and donors fund, in the hope of offering simple solutions to complex problems” (p. 63).

This situation remains unchanged. Although there seems to have been more attention given to “market systems” approaches since the 2013 HLE, this has been driven largely by headquarters, through such projects as The Lab. At a country level, traditional entrepreneurship training products remain at the forefront of the ILO's work and drive efforts to attract donor funds.

Products such as SIYB are relevant in that they address a continuing market need, but their support and maintenance require a significant investment of time and resources, and may detract from the ILO's ability to explore other approaches. There could also be a clearer strategy: one respondent observed that the objective, rather than training businesses, is actually to create an ecosystem of trainers, but without sufficient thought about how many trainers are needed in a country or the catchment area for a trainer, or how much income they need to generate from SIYB or how they will do that. Another respondent commented that success should be measured by the number of businesses created and not by the number of people trained (the evaluators agree), though if the training also leads to securing employment, that is a successful outcome.

The C-BED and In Business models have shown some promising results in Asia-Pacific and claim to offer significant benefits in terms of scale and cost, but have received very little technical support from ENTERPRISES. Turkey, too, has taken a different approach (see para. 119). Does the ILO therefore see products such as SIYB to be the last word in entrepreneurship training? If so, how confident is the ILO that SIYB really works in creating decent work in the full range of country settings?

The ILO's work aligned with the principles of relevant ILO resolutions, recommendations and policy documents, but some concerns were expressed that not all elements of these documents were given enough attention.

The Conclusions concerning the promotion of sustainable enterprises (2007) established the broad strategic direction of much of the ILO's subsequent work in this space. This document reaffirmed the need to do this work through its tripartite structure and normative framework to:

- strengthen constituent capacity to establish an enabling environment for sustainable businesses;
- develop and upgrade value chains that have the potential to create sustainable enterprises;
- support local (subnational) strategies to create sustainable enterprises (especially in regions experiencing structural change or are in post-crisis situations);
- promote and support the application of responsible and sustainable workplace practices (including through the MNE Declaration);
- run programmes that target "specific and marginalized groups" – aimed at SME development, cooperatives, entrepreneurship (including in-school), informality, youth, women and disadvantaged groups.

The International Labour Conference's Resolution concerning small and medium-sized enterprises and decent and productive employment creation (2015) built on the 2007 *Conclusions* and gave more detailed guidance for the ILO's work with SMEs, including supporting Member States in the development of SME policies, promoting an enabling environment for sustainable SMEs and rights at work, and ensuring work quality. It urged that the ILO "maintain its current portfolio of interventions", review and expand EESE, do more to facilitate the formalization of SMEs, scale up SCORE and activities in value chain and sectoral development to improve SME access to markets, and expand its work on cooperative enterprises.

The ILO's work in the review period broadly aligned with the roles envisaged in these documents. Specifically:

- The EESE programme directly targeted the enabling environment for business and was expanded, especially in 2016–17.
- Work in cooperatives and the SSE pursued similar enabling goals for this sector, including via policy and legislative reform.
- Responsible and sustainable workplace practices were part of SCORE's objectives, and were a focus of the work of ILO related to MULTI, Green Jobs and supply chains.
- Work in value chains and market systems development continued.

- ▶ Targeted delivery of ILO programmes continued in the areas specified in the *Conclusions* (including entrepreneurship programmes for youth and women – see below).
- ▶ Social Finance contributed by advancing the “access to financial services” aspect of the enabling environment (focusing on vulnerable people and the working poor).

In terms of the relevance of the ILO’s work to other key policy instruments, as noted earlier, the ILO’s work in promoting the MNE Declaration very closely aligned with the “operational tools” set out in the annex of its 2017 revision. Similarly, the work of COOP in the period aligned closely with Recommendation No. 193.

Some concerns were raised in the interviews about the emphasis of the ILO’s work and whether enough attention was being given to some elements of these documents at the expense of others. These included:

- ▶ Whether, in the implementation of the Green Jobs Programme, enough attention was being given in its activities to the economic dimensions of the *Guidelines for a just transition towards environmentally sustainable economies and societies for all*. The Green Jobs Unit perceives that this criticism has been addressed. It seems that the Green Jobs Unit is expected both to mainstream green across all of the ILO’s work and, simultaneously, undertake direct project activities. See section 5.4 – Recommendations.
- ▶ The potential that SCORE, in dealing with non-unionized SMEs, might be “sending the wrong signals” or even inadvertently undermining standards and workers’ rights. This a difficult issue for the ILO to navigate. While promotion of social dialogue is at the heart of the SCORE approach, the low union coverage of the SME sector means that the programme is often engaging with workers, but not with unions. Workers’ representatives interviewed in the evaluation were especially uneasy about this. As one said, there is a danger in focusing too much on “delivering on the project document, but not adhering to the ILO mandate” in the process. On the other hand, there is potential for programmes such as SCORE to improve social dialogue and industrial relations in enterprises that would otherwise remain in the shadows. See section 5.4 – Recommendations.
- ▶ The view that work promoting cooperatives and the SSE had received less support and resources than it deserved, despite this being an area of growing international interest.²⁶ Comments were made that this area of work was something of an “orphan” in the sustainable enterprises portfolio and struggled to lift its profile, dwarfed by the huge number and range of SME-related activities. COOP has made some strategic decisions to pull back from some forms of direct support and focus on macro level work. The fact that a significant part of its work links to other P&B outcomes needs to be considered when resource decisions are made.

One final policy instrument also needs to be mentioned: the Centenary Declaration for the Future of Work, adopted by the International Labour Conference in June 2019. The Declaration does not call explicitly for action to support directly the creation and growth of businesses, but does stress the need to promote the enabling environment for micro, small and medium-sized enterprises, as well as for cooperatives and the SSE. It also calls on the ILO to leverage opportunities for advancing decent work by “ensuring that diverse forms of work arrangements, production and business models, including in domestic and global supply chains ... are conducive to full, productive and freely chosen employment”.

To align its future sustainable enterprises work with these elements of the Declaration, the ILO may need to focus more on reforming policy to improve the enabling environment – recognizing the need for demonstration projects to show the benefits that could arise from appropriate policy reform – and less on continuous direct business support. It may also need to more carefully consider how its enterprise work might advance the Decent Work Agenda across all the “diverse forms of work arrangements”, including new forms of enterprise, such as those operating as part of the platform economy – though the Declaration was surprisingly silent on these.

²⁶ The interview with the Partnerships and Field Support Department (PARDEV) indicated that donors were interested in the Social and Solidarity Economy, seeing it as embracing new sustainable forms of economic activity.

The ILO's work in promoting sustainable enterprises gave attention to the needs of youth and women. Refugees have been the subject of targeted assistance, but less attention seems to have been given to other marginalized groups, such as people with disabilities and indigenous people.

Youth employment was a major organizational priority in the period and, unsurprisingly, the ILO's enterprise work proved to be relevant in addressing this group's needs. An analysis of implementation reports in the 2018 HLE on youth employment²⁷ found that the most commonly reported intervention types implemented in line with the ILO's youth employment "Call to Action" were actions relating to youth "entrepreneurship, cooperative and social enterprise development" (29 per cent of the global total and 38 per cent in Africa and the Arab States). In this context, ILO entrepreneurship training tools were often used, especially SIYB, KAB, Get Ahead, My.COOP and, in Asia–Pacific, C-BED. Other supporting actions focusing on youth included local economic development, value chain enhancement, Green Jobs and improving access to finance.

The evaluation's analysis of CPOs and development cooperation projects shows that women were also often a focus of the ILO's work (some examples of projects are in table 1). Various programmes designed to address the specific needs and circumstances of women entrepreneurs were used in the period, including Women's Entrepreneurship Development (WED), Gender and Entrepreneurship Together (GET Ahead), Women in Self Employment (WISE) and Women Do Business. The activities of other units and programmes within the Department (such as COOP, MULTI and Green Jobs) also sought to advance the situation of women. A women's entrepreneurship development strategy was approved by the International Labour Conference in 2008, and this shaped much of the organization's work in subsequent years. Much has since been learned about "what works" in this field,²⁸ and to ensure continuing relevance, it may be timely to update and relaunch this strategy in the light of these findings and the challenges posed by the post-pandemic world. See section 5.4 – Recommendations.

The ILO has responded to the growing global challenge of supporting refugee livelihoods, including through its Approach to Inclusive Market Systems (AIMS) initiative, which offers a holistic and market-based framework for developing livelihood strategies, including exploring opportunities in local value chains. The UNHCR has been a partner in these endeavours. Another project focused on youth, "Employment and

► **Table 1. Examples of Outcome 4 projects addressing the needs of women**

Years	Country/region	Project code	Title	Budget
2014–15	Africa	RAF/14/50/IRL	Women's Entrepreneurship Development (WED) Africa – Irish Aid–ILO Partnership Programme (Phase II)	US\$1,539,641
2019–22	Caribbean Islands	RLA/19/01/HSF	Resilience for Human Security in the Caribbean Countries: Imperative of Gender Equality and Women Empowerment in a Strengthened Agriculture Sector	US\$168,525
2015–17	Algeria and Morocco	RAF/15/07/USA	Supporting Women Owned Micro Enterprises for Growth in Algeria and Morocco	US\$990,099
2019–20	Tunisia	TUN/18/50/NOR	Addressing labour market challenges to equal opportunities and treatment for women in Tunisia	US\$885,563
2016–18	Cambodia	KHM/16/53/SWE	Ensuring a Gender-responsive approach to Decent Work	US\$63,245
2018–20	United Republic of Tanzania	TZA/18/51/SWE	Women and youth entrepreneurship development policies and programmes create decent work and a just transition	US\$202,350

Source: ILO Development Cooperation Dashboard.

²⁷ ILO, *Independent evaluation of the ILO's strategy and actions for improved youth employment prospects 2012–17*, p.16

²⁸ See for example ILO, *Entrepreneurship Development Interventions for Women Entrepreneurs: An update on what works*, Issue Brief No. 7, January 2018.

► Box 5. Sustainable enterprises and peacekeeping in Lebanon

In 2018, a project by the ILO, the United Nations Development Programme (UNDP) and the United Nations Children's Fund (UNICEF), funded through the UN Peacebuilding Fund, "Building Bridges Among Youth at Risk in Lebanon", sought to improve livelihoods and social stability in three Lebanese towns that hosted refugee communities. The ILO component provided entrepreneurship training and seed funding to start-up businesses that would operate as joint ventures between Syrian refugees and local Lebanese youth. The theory of change addressed three drivers of conflict – lack of contact (which would be addressed by strengthening economic relationships and contact between the groups), lack of opportunities (supporting pathways to income generation, decent work and living with dignity), and grievances and a sense of injustice (mitigating feelings of resentment over employment issues).

Through the project, 1,000 Lebanese and Syrian refugee youth were trained in entrepreneurship, 100 business plans were submitted to a business plan competition, and 34 Syrian-Lebanese joint ventures were selected to benefit from coaching and seed funding of US\$10,000. An adapted version of SIYB – My First Business – was used for the training, and the coaching programme was developed in cooperation with the ILO International Training Centre.

The peacebuilding element of the programme was enhanced by working closely with village-level committees comprised of local people with a deep understanding of the local sensitivities and needs. They helped undertake the community outreach and ensured that no group was excluded that might react negatively if left out. They also had a good understanding of local business development needs and so could steer the project away from supporting business ideas where there was already a saturated market.

Businesses were established in a range of sectors – including agriculture, information technology services and restaurants – and these were initially reported to be continuing. However, the economic situation in Lebanon has deteriorated significantly in recent months, and more restrictions have been placed on refugee participation in the labour force. This inflamed tensions, and some Syrian youths were reported to have sold their shares in their joint ventures and left.

The project did demonstrate that the ILO could quickly respond to local needs, and its role in the project contributed to the selection of Lebanon as an implementation country for the US\$94 million Dutch-funded PROSPECTS project, which commenced in 2019.

Peace building – Building Bridges Amongst Youth at Risk in Lebanon" (LBN/17/03/UND), used sustainable enterprise development as a tool to reduce tensions between Syrian refugees and host communities in Lebanon (see box 5).

For other marginalized groups, just one project was identified that referred to support for people with disabilities – "Decent Jobs for Egypt's Young People – Tackling the Challenge in Damietta" (EGY/18/01/MTX) – and none that related to the economic empowerment of indigenous peoples.²⁹ More attention should be given to these and other marginalized groups, in line with existing policy documents, strategies and action plans.³⁰ At a higher policy level, the ILO has continued to engage with the private sector through the ILO Global Business and Disability Network, and with disability business networks in developing countries.

²⁹ ENTERPRISES did highlight a number of project examples where they were aware that these groups were receiving attention.

³⁰ For example, the Disability Inclusion Strategy and Action Plan, 2014–17, outlined indicative activities to give increased attention to people with disabilities in the ILO's work with constituents and in its technical cooperation (p.15).

The ILO's work in sustainable enterprises was found to be relevant to the diverse needs of the case study countries included in the evaluation.

In the period under review, the ILO's support for sustainable enterprises responded to the diverse needs of Member States, depending on their stage of development and specific national circumstances. Some examples of this responsiveness, drawn from the case studies included in the evaluation, were:

- Viet Nam: The implementation of both SCORE and the Responsible Supply Chains in Asia (RSCA) project were found to be highly relevant to Viet Nam. A total of 98 per cent of enterprises are SMEs and, as the Government seeks to increase the domestic sector's contribution to exports, the ILO's work has supported the goal of integrating SMEs with global supply chains. This work was especially relevant to meeting Viet Nam's commitment to industrial relations reform as part of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership and the Europe–Viet Nam Free Trade Agreement. Following a renewed directive from the Politburo that promotes the social solidarity economy, work in this field is expected to grow.
- Myanmar: Following decades under the rule of a military junta, reforms have slowly begun to open and rejuvenate the Myanmar economy, although significant human rights challenges remain. The ILO enjoys a high profile in Myanmar, due to the continuing presence in a period when other agencies withdrew. The Norway-funded SME project that ran from 2013 to 2017 was a groundbreaking intervention that met significant unmet demand for support services for small enterprises in urban and rural areas. Both SIYB and SCORE are run in Myanmar, with SMEs paying for the training themselves – there are no training subsidies. The RSCA project similarly allowed the ILO to engage with two sectors that had serious decent work deficits (seafood and agriculture), and to work in strengthening the institutional framework to promote the implementation of socially responsible labour practices in these two sectors.
- China: The ILO's past work in promoting entrepreneurship training has proven to be highly relevant, with KAB and SIYB now fully integrated into national systems, and millions of participants reported to have been trained. The ILO plays no continuing role in programme delivery. SCORE has proven to be similarly relevant in China, and ILO's current support through Phase III of the programme aims similarly to integrate SCORE into national systems. SCORE has been used by the Ministry of Emergency Management to improve SME compliance with occupational safety and health regulations – over 1,000 SMEs completed both the occupational safety and health module and the workplace cooperation module through this intervention alone. SCORE trainers in China have formed a company called the SCORE Academy, and are delivering SCORE training to suppliers of several MNEs. All SCORE training is funded by the brands or lead buyers.
- Thailand: The RSCA project is relevant to national goals to advance corporate social responsibility and responsible business conduct in line with Thailand's "Philosophy of Sufficiency Economy".³¹ The Women in STEM (science technology engineering mathematics) project (see box 9) is also relevant to the Thailand 4.0 development plan, which identifies the high risk that low-skilled workers face in being displaced by automation and the need to increase science, technology, engineering and mathematics (STEM) skills in the workforce, and with institutional efforts to promote transparency and non-financial reporting along supply chains headed by Thai MNEs in the region.
- Lebanon: Youth unemployment is a major issue in Lebanon and in the Arab States region generally. Fostering young entrepreneurs to establish sustainable businesses is seen as an important strategic response to this, and this links to other enterprise-related work in the enabling environment, access to finance. Lebanon hosts a significant population of Syrian refugees and this has led to community tensions. A project supported by the UN Peacebuilding Fund sought to address these tensions by improving livelihoods and social stability in three of these communities. The project provided

³¹ This philosophy, an initiative of the King of Thailand, encourages, among other things, "corporate pursuance of sustainable profit via ethical approaches, including good corporate governance, social responsibility, mindfulness of all stakeholders, and business prudence with risk management" (Prasopchoke Mongsawad, "The Philosophy of the Sufficiency Economy: A contribution to the theory of development", *Asia-Pacific Development Journal*, 17, No. 1 (June 2010):128).

entrepreneurship training and seed funding to start-up businesses that would operate as joint ventures between Syrian refugees and local Lebanese youth (see box 5).

- Tunisia: The period 2014–19 was a period of great challenges for Tunisia, and the Government thus welcomed the strong support of the ILO. Moreover, the commitment of the ILO appears to have encouraged other donors to become more involved. Much of the entrepreneurship work focused on promoting and supporting the Social and Solidarity Economy; this has included both supporting the Government to develop and adopt a new legislative framework and supporting people, especially young men and women, to start cooperative businesses. The SSE project PROMESS and a programme to support Rural Women’s Economic Empowerment, following the undertaking of a national study on female entrepreneurship, are perceived to align well with national strategic objectives. PROMESS captured the interest and commitment of all the social partners; the Ministry of Labour was sufficiently pleased with PROMESS – not only did it result in the creation of some 30 coops, but also in the adoption of legislation on SSE – that they wrote to the ILO to express thanks and to request a second phase. The ILO is credited with the Ministry of Women setting up a fund to support women entrepreneurs and in revitalizing the Chamber of Women Entrepreneurs. The success of PROMESS also led to the mobilization of additional funding for work on the SSE and formalization via the €9 million JEUN’ESS project.
- Egypt: Programmes including value chain development – “Decent Jobs for Egypt’s Young People” and “Employment for Youth in Egypt” – align with Egypt’s Sustainable Development Strategy Vision 2030. There has been, and continues to be, a focus on activities to support the creation and growth of business, especially businesses started by women, though funding activities are often challenging, with limited expectation of self-funding, and no clear overarching guidance from a decent work country programme. There has been good cooperation with all the social partners, but especially with the Federation of Egyptian Industries. SCORE is seen to be a success, delivered in partnership with the Federation. BDS4GROWTH takes a value chain approach and is considered to be a big success (see box 6). There seems, too, to have been some success working with the Ministry of Industry to align the entrepreneurship policy of Vision 2030.
- Turkey: The work has largely focused on supporting refugees, though it does not exclude Turkish businesses and would-be entrepreneurs. The ILO supported KOSGEB (Republic of Turkey Small and Medium Enterprises Development and Support Administration), to offer an SME training programme

► Box 6. BDS4GROWTH in Egypt

BDS4GROWTH aims to support the Micro, Small and Medium Enterprise Development Agency (MSMEDA) of Egypt move from the traditional approach to the provision of business support services to a market-based approach, with a focus on agrifood businesses in Minya and tourism businesses in Luxor. There are twin objectives to enhance the capacity of MSMEDA to provide quality business support and to enable SMEs to increase their competitiveness and to grow. This programme has recently been subject to a mid-term review. An initial value chain study resulted in a tighter focus still – greenhouses and dairy products in Minya and restaurants in Luxor. The evaluator scores the project highly on relevance, effectiveness and efficiency. The real wins will come, if at all, in changing the way that MSMEDA works. It should also be noted that COVID-19 has hampered the efforts of both the business support providers and the businesses themselves. The evaluation claims that 159 jobs have been created – against a target of 300 (and 100 businesses having improved access to financial services). At over US\$6,000 per job created, about half the annual average wage, this appears to be an expensive programme. However, if the staff of MSMEDA and partner organizations are able to keep on achieving similar results every year, presumably at somewhat lower cost, then this programme will have been worthwhile. This would be a good programme to return in, say, three years, to undertake an impact study – but that requires that MSMEDA and partner organizations are notified now so that they can ensure that they keep good records.

(not SIYB), a business plan competition and post-start mentoring, which resulted in the creation of 54 new businesses. In another programme, of 400 people who started training, 50 started businesses. A follow-up check after one year showed that 49 were still in business.

- **Bolivia (Plurinational State of) and Peru:** The Plurinational State of Bolivia is an example of a country where the ILO was able to bring together the social partners at a time when they were barely talking, and to find common ground, resulting in the introduction of SCORE. Following a pilot based on the existing SCORE programme, the ILO in the Plurinational State of Bolivia developed a shorter version, which seems to have been much more popular. Following this success, the ILO experimented with a new approach to gender equality, building on the ILO's SCORE Gender Equality Model (MIG SCORE), originally developed in Colombia. The evaluators encourage such innovation and experimentation. Peru, too, has had a SCORE programme, and is particularly interesting because it was the subject of a tracer study. Peru has had some success integrating green approaches into national policy.
- **Côte d'Ivoire:** Offers a good example of the work to promote the MNE Declaration, which seems to have captured the imagination of the private sector and the Government – and indeed is now spreading to other countries in West Africa.
- **Mexico:** Priorities focused on implementing programmes on labour productivity, promoting decent work, cooperatives, and on assessing the potential for green jobs. Several enterprise programmes ran into difficulties. However, partnering with the Council of Industrial Chambers of Jalisco led, in 2014/15, to the undertaking of an EESE assessment. This led to the preparation of an action plan; a further EESE assessment was undertaken in Chihuahua in 2016. The ILO encouraged the creation of a National Council of the 2030 Agenda for Sustainable Development, linking the Federal Executive Government with local government, the private sector, civil society and academia to promote activities related to delivering the SDGs.

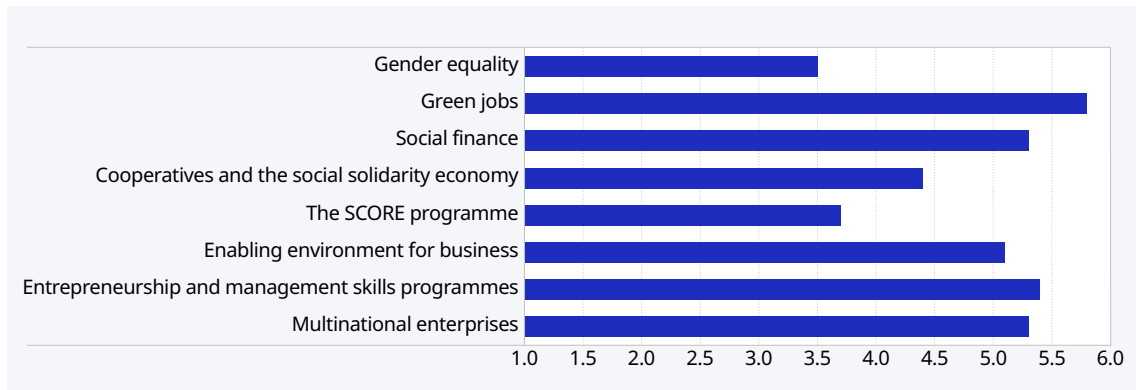
The synthesis review of 30 project evaluation reports on the promotion of sustainable enterprises found this work to be highly relevant.

Most evaluation reports in this review found that interventions were “highly relevant” to the needs of Member States. Project design and deliverables were for the most part fully aligned with national and regional priorities and plans and Decent Work Country Programmes (DWCPs). The interventions considered most relevant were those related to the promotion of youth employment and entrepreneurship, the provision of technical support to SMEs, contributions towards an improved enabling environment for SMEs, and the promotion of practical approaches and mechanisms to help industries and workplaces become drivers of sustainable and inclusive growth in the Asia region. Relevance was enhanced when social partners were involved in the design and implementation of the interventions, and when the project design was sensitive to context.

The survey results suggest that constituents and ILO staff also see this work to be relevant or highly relevant, though there were significant differences in their views on specific intervention types.

The survey indicates that constituents think that most of the ILO's work for sustainable enterprises is relevant and, in some cases, highly relevant. Gender equality and SCORE are rated lowest; green jobs is rated the highest. Note that the question asked respondents to consider whether the ILO paid too little attention (with 1 representing far too little attention) up to 6 (with 6 representing far too much attention). To enable comparison with other questions, these answers were rerated so that 1 was “worst” (which could thus be too little attention or too much attention) and 6, “best” (implying that the level of attention was spot on) (see figure 2).

► **Figure 2. Constituent views of relevance of ILO's work**

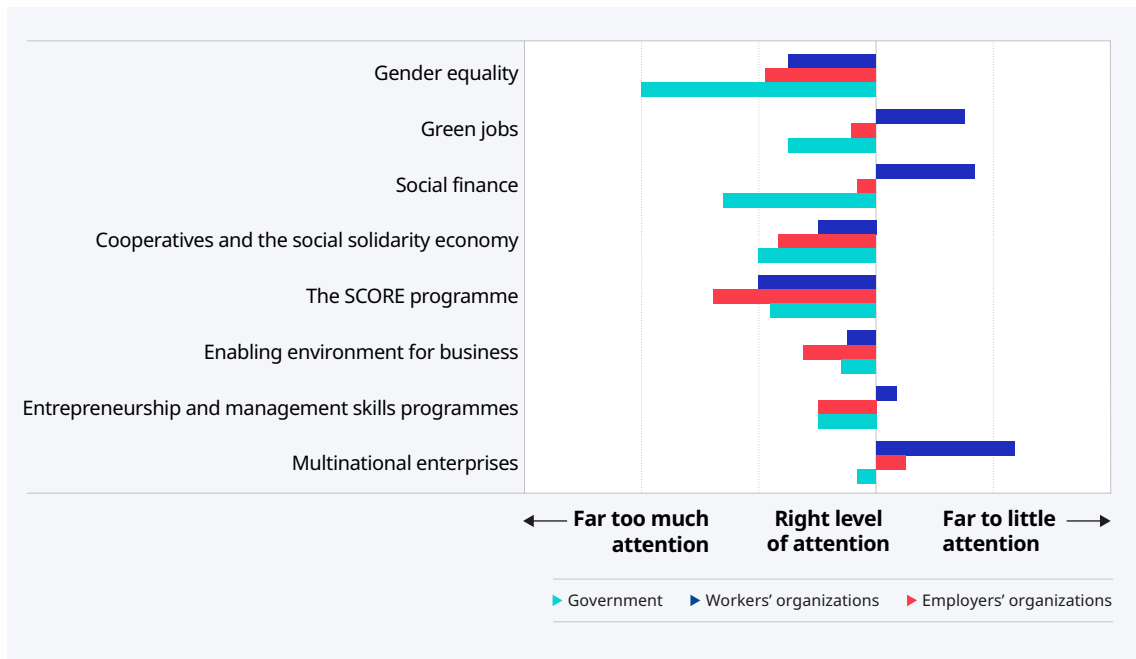


N=23.

While this analysis is helpful in spotting activities that may need further consideration, it does not tell the full story. Figure 3, therefore, has been constructed to show constituents' views of each of the activities. While the sample size is small, and care is thus needed not to draw firm conclusions, it is worth noting:

- Both employers' organizations (EOs) and workers' organizations (WOs) think that the attention given to MNEs is about right, but governments think there is too little attention.
- Both EOs and governments think too much attention is given to gender equality, and WOs think far too much attention is given.
- Attention to social finance is regarded as about right by EOs, but as too low by governments and too high by WOs.

► **Figure 3. Constituent views of relevance of ILO's work by activity**

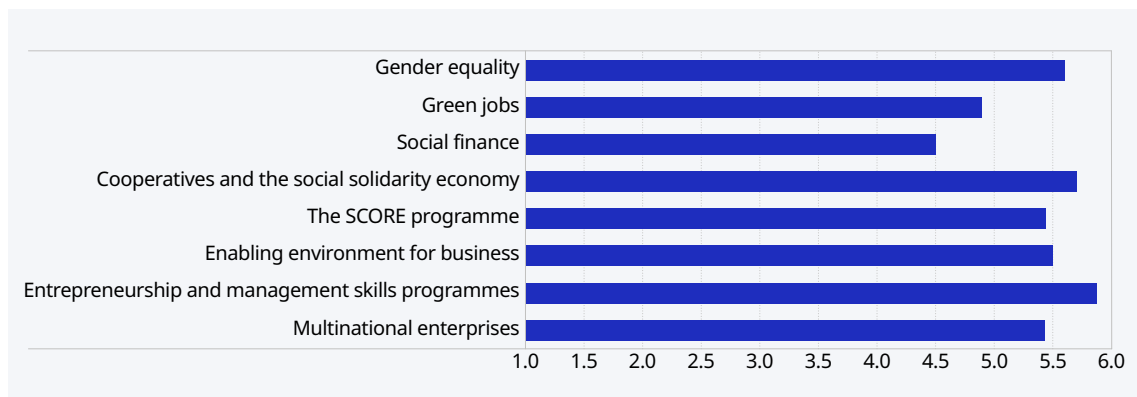


N: Gov=8; EO=11; WO=6. Note that the original scale went from 1 (far too little attention) to 6 (far too much attention). To make it easier to understand the results, the scores have been rebased. The centre of the figure represents the perception that the level of attention is about right. The left extreme represents far too much attention and the right extreme represents far too little attention.

- SCORE is regarded as having too much attention by all constituents, though oddly it is EOs who score it highest as having too much attention. We note the apparent inconsistency between governments asking for SCORE and then saying that it receives “too much attention”.
- Green jobs is seen as having the right amount of attention by EOs, but governments see it having too little attention, and WOs see it having too much attention.

The survey of staff suggests that they, too, think that the work is all relevant (see figure 4). The number of respondents is too small overall to draw firm conclusions, but there is a notable mismatch between what constituents and staff each see as relevant. Staff, for example, unlike constituents, see gender equality as among the most relevant work. Constituents see social finance work as being more relevant than staff does; they see SCORE as being much less relevant.

► **Figure 4. Staff views of relevance of ILO’s work**



N=37.

► **Box 7. The ILO’s work in sustainable enterprises in Viet Nam**

There were two main projects that led the ILO’s sustainable enterprises work in Viet Nam in the period of the evaluation – the ongoing implementation of SCORE (now in Phase III) as part of a globally-funded project and the Responsible Supply Chains in Asia Project (RSCA). The latter was built on an earlier project overseen by MULTI in strengthening dialogue in the global electronics value chain. Early in the period, ambitious plans for the expansion of SIYB were also mentioned under the “Million Farmers Programme”, but this seems to have petered out (though the programme is still present in the country).

Both SCORE and RSCA focus on SMEs, which account for 98 per cent of enterprises in Viet Nam. The two projects also support SMEs’ integration into the global supply chains, which is in line with the Government’s plan to increase the domestic sector’s contribution to exports (in 2017, the domestic sector accounted for only 30 per cent of export value). They prioritize raising awareness of sustainable labour practices, especially labour–management cooperation (freedom of association and collective bargaining) at the workplace, and reforms of the industrial relations legislative framework. This is particularly important and relevant to Viet Nam as it enters into free trade agreements (the Trans-Pacific Partnership and EU–Viet Nam Free Trade Agreement), which demand a demonstrated commitment to respecting core ILO Conventions.

SCORE is currently recovering 75 per cent of its training delivery costs, and headquarters is confident that it is well on the pathway to sustainability. There are some positive signs of sustainability and impact of the RSCA project, too – two universities have been persuaded to incorporate corporate social responsibility elements into their syllabi, and the project has helped establish a corporate social responsibility think tank for the seafood industry, a forum for all of the stakeholders in the seafood supply chains in Viet Nam.

Constituents reported different levels of engagement in the development and implementation of the SCORE and RSCA projects. The employers (VCCI) said they were intimately engaged in the design of the project, selection of the focus industry, designing of work plans, and selection of other stakeholders. In Phase I, there was no project team present in Viet Nam, so VCCI was the key executive agency. Thanks to this deep engagement, “the VCCI staff understand the project well and also built our capacity significantly”. This partnership continued until Phase II, when a VCCI officer was seconded to work as SCORE national project coordinator. In contrast, the RSCA project was seen as being brought to Viet Nam with a fixed project document and work plan, giving VCCI little room to contribute. The workers’ representatives and Ministry of Labour said they were engaged mainly through project tripartite advisory committees and taking part in meetings, workshops and conferences.

In terms of gaps, the informal economy is still a challenge in Viet Nam, but the ILO has no current projects addressing this issue. Work with cooperatives could be part of this - the Viet Nam Cooperative Alliance represents over 20,000 cooperatives and nearly 7 million workers, many of whom are in the informal sector. The ILO has done some ad hoc work in this space, but this has been fragmented and short term. In the near future, the cooperatives will become a priority area in Viet Nam, as the Politburo recently renewed the Directive on Promoting the Collective Economy. Interestingly, despite the above, Viet Nam reported no CPOs in the period against the sustainable enterprises outcome and no country-specific development cooperation projects. Work under SCORE was reported against social dialogue CPOs, and SIYB was reported under formalization or rural development. Development cooperation funding relied on global projects.

► Box 8. What stakeholders said about relevance

“The issue is that ENTERPRISE’s approach is sometimes too narrow, because it looks at the issues from the perspective of individual enterprises, when it needs to support the market as a whole. Yes, you can work with 500 enterprises, but realistically this is a very small number and 200 of these will be gone in a few years anyway. Working at the market level offers more scale and can inspire other sectors.”

“Demand is often for the old, easily implemented tools like SIYB, but donors are increasingly interested in value chain development. SIYB is a continuing legacy programme, but does not reflect the contemporary ILO.”

“The ILO is little recognized or positioned as an entity to ‘support the productive development of companies’. It is more linked to labour issues and fair jobs.”

“SME work is much more important in Myanmar than it might be elsewhere. The project offered people a means to become a ‘full person’. The truth is that it takes a long time to positively influence the lives of people, empower them, give them options and choices, and the ability to rise above their own plight and fear. It was in this context that introducing the SME project in Myanmar was vitally important.”

“Multinational enterprises can be an important advocate for decent work. They can use their leverage with national companies in their value chains to conform with higher international labour standards.”

“Some approaches won’t work in some countries, but the ILO adopts a defensive posture too readily. It can lack introspection. SIYB may be a success in China and Sri Lanka, but elsewhere it might only work for a handful of people and, even then, only as long as somebody else pays.”

“Decent work is ILO’s motto and it successfully spreads this motto among its stakeholders.”

“While green jobs are important, there also needs to be an appreciation that enterprises have a hierarchy of needs, and investments in this area are not the highest priority in the current COVID-19 context. This recognition should be reflected in the work ENTERPRISES does.”

3.2 Coherence

There seems to be no current overarching strategy to provide a coherent framework for the ILO's sustainable enterprises activities as a whole, and largely only implicit strategies for each of the individual units of the Enterprises Department.

The most recent strategy for sustainable enterprises work was set out in 2010³² and built on the Conclusions concerning the promotion of sustainable enterprises adopted by the International Labour Conference. It argued that enterprise development was a practical and effective way of creating more and better jobs, that it was in high and growing demand by Member States, and that therefore it should be a priority for the ILO. The strategic framework further argued that the private sector plays a key role in delivering social and economic development; that governments and the social partners need to cooperate to promote sustainable development; and that the ILO is uniquely placed to contribute, because it is at the workplace that the three components of sustainable development come together. The framework agreed by the International Labour Conference was expected to contribute to:

- strengthening the capacity of governments and social partners to establish an enabling environment for sustainable enterprise;
- value chain upgrading and clustering;
- local economic development;
- the application of responsible and sustainable workplace practices; and
- targeted programmes for specific and marginalized groups, including micro and small enterprises, women, youth and workers in the informal economy.

The strategy thus aimed to deliver these broad objectives and defined three pillars:

- Pillar 1: Enabling environments for sustainable enterprises and employment;
- Pillar 2: Entrepreneurship and business development;
- Pillar 3: Sustainable and responsible workplaces.

To reinforce the coherence of the ILO's sustainable enterprise activities, the strategy highlighted the different types of enterprises it was targeting in this work (cooperatives and social enterprises, large firms, MNEs and SMEs) and placed relevant activity "focus areas" for these groups under each of the three pillars. Cross-cutting issues (gender, formalization and green jobs) and the relevant ILO policy instruments were also highlighted in the strategy.

The strategy also made explicit the need for coherence and synergies between the activities of ENTERPRISES, other parts of the ILO and with other partners. It pointed out that "the potential contribution of enterprises to sustainable development can best be realized in partnerships within the ILO, among ILO constituents and with a range of external partners" (see Annex D for an overview).

Having a documented strategy does not in itself ensure internal coherence of the ILO's sustainable enterprises work, nor does it necessarily lead to collaboration and partnerships. An entrenched ILO culture of operational "silos" is often mentioned and, in the case of the units within ENTERPRISES, this may have been reinforced by a perception that their operational domains are more closely linked to other parts of the ILO than with each other. But having no explicit and overarching strategy certainly does not help coherence, and risks some areas of work being undervalued, under promoted and under-resourced. There is therefore a good case to develop a new overarching strategy to guide the ILO's work and to promote greater coherence at all levels. See section 5.4 – Recommendations.

³² ILO, *The sustainable enterprise programme: strategic framework*, 2010.

Developing such a strategy for the ILO's work in sustainable enterprises would also provide an opportunity to reflect on the current approach – developed and implemented over many years – and to consider some difficult questions about how well this approach really coheres with the ILO's overarching mission, whether it is emphasizing the right things, and the extent to which organizational structure and tools are driving its actions more than a strategic vision.

For example, much is made of the fact that the ILO is known and indeed respected for many of its entrepreneurship programmes – but this is not a justification to keep delivering them. The ILO also argues that there is a considerable need for these programmes. That may be so, but the important question to consider is whether the design and delivery of these programmes lead to the achievement of the ILO's overarching mission of delivering “decent work”. There is a case to be made for such work and, as has been shown, demand from the field remains strong. But it is also important for the ILO and ENTERPRISES to be explicit about the reasons for being involved in this area of work. Being explicit would help the ILO to determine whether individual programmes are being run as demonstration programmes, with the expectation that they will be taken on by others if successful, or whether the ILO sees a longer-term role. There is no doubt that the ILO has been innovative with the introduction of programmes such as SCORE and EESE. It would, however, be appropriate, especially when funding is tight, to question regularly whether programmes can evolve further or whether they have reached the point where they can be handed over to others or wound up. As one interviewee in the SME unit put it, “We need to be better at letting go.” This would then allow the ILO to continue to focus on innovation.

SIYB, for example, has now been running for more than 30 years, but it is by no means unique. There are also several schemes that exist to encourage and support people to start and grow a business. While these have varying degrees of overlap with the ILO's offer, they nevertheless largely target the same audiences and seek to deliver similar objectives.³³

The evaluation team found that SIYB did not have widespread support of those identifying as workers' or employers' representatives. One group perceived that SIYB did not address their concerns about the promotion of productive entrepreneurship. They say that there is a large body of evidence that reveals how poorly-designed entrepreneurship strategies can contribute to making the informal economy larger by promoting the creation of informal microbusinesses with low productivity, which become a drag on growth and economic development. SIYB does not strengthen, for instance, the government's ability to build a national entrepreneurship ecosystem. Instead, it has been designed to guide and train an individual willing to become an entrepreneur. Another group perceived that it is about helping business formation and less focused on supporting workers. Government representatives expressed positive perceptions because, if it is effective, it can lead to an increase in productive activity amongst their populations.

Having an overarching strategy for sustainable enterprises may also help inform decisions about organizational structure and how various teams interact. This can also improve coherence. ENTERPRISES includes some units and programmes that, in the absence of any strategic rationale, could just as easily be placed in other departments and perhaps enjoy greater coherence and synergy (for example, most people interviewed at headquarters saw Green Jobs as being a better fit in EMPLOYMENT, but it could also fit under Social Protection; Social Finance and COOP both have close ties with other departments; and the Global Employment Injury Insurance and Protection Programme – not covered by the HLE – seems to have only tenuous ties with ENTERPRISES). Structure is not everything, of course – at one level, it just defines where one is physically located, and may not in itself be a barrier to coherence and collaboration. But a good strategy clarifies the important linkages within and between different parts of the structure, and can drive and focus collaboration across the house.³⁴

One important area of the ILO's work that seems to have a natural coherence with the sustainable enterprises portfolio, but is instead dispersed across the Organization, is global supply chains (GSCs). A 2019

33 Including for example: UNCTAD's Empretec Global Network (<https://empretec.unctad.org/>); Youth Business International (<https://iga.fyi/ybi/>); The International Finance Corporation's Business Edge; and Shell's LiveWIRE programme (www.livewire.shell/).

34 It should be noted that there have been some recent developments (outside the period of this evaluation) designed to encourage more collaboration (establishment of a Global Technical Team to enhance strategy, and improvement of integration of activities across units, departments and other agencies).

independent synthesis review of the ILO's work in GSCs³⁵ found that there was significant potential to enhance synergies across the Organization through its engagement with GSCs but, in practice, efforts remained fragmented and lacked “an organizational strategy that weaves the many different strands of this work into a coherent and logical whole” (p. ix). More clarity was needed about what the ILO is trying to achieve in GSCs. There were five broad GSC intervention types identified in the review, and three of these had close links with sustainable enterprises.³⁶ There could therefore be an argument in terms of coherence for overall coordination of GSC work to sit within ENTERPRISES – perhaps in the same way that formalization now does.³⁷ See section 5.4 – Recommendations.

In terms of the ILO's results-based management system and reporting, the indicators and an overall theory of change on promoting sustainable enterprises were set out in strategic plans and P&Bs, and these broadly reflected the work being done.

Over the period of the HLE, the ILO's strategic direction in this area was set out in the Strategic Policy Framework (2010–15), the Transitional Strategic Plan (2016–17) and the Strategic Plan (2018–21). The theory of change for each outcome was set out in each biennium's P&B.

Table 2 summarizes these outcomes and indicators over time, and adds those for the 2020–21 biennium to show their current incarnation. The indicators have remained similar, with one outcome focused on supporting Member States to create an environment that is conducive to business and one outcome focused on supporting Member States to design and implement programmes intended to support new and growing businesses. There has tended to be a third indicator focused on business becoming more responsible, though this was sometimes bundled with others. An additional indicator focused on multinational enterprises was in the 2014–15 P&B, though in fact this has been a constant theme, but again bundled with other indicators. In the 2018–19 P&B, there was an indicator that singled out the functioning of market systems, sectors and value chains, though it could be argued that this is part of creating a conducive business environment.

The theory of change underpinning this outcome was described in the in the 2016–17 and 2018–19 P&B documents in terms of “the challenge (or problem) to be addressed” and the “expected changes”.³⁸ In 2016–17, addressing deficiencies in the enabling environment was described as the key problem, and change would come from reforms of the regulatory and institutional environment, improved management practices and expanded business support services for potential and existing entrepreneurs. The 2018–19 biennium added other challenges to be addressed (such as lack of entrepreneurship, poor working conditions and industrial relations, informality and access to finance) and made a more explicit link between these and the expected reforms, and the direct assistance provided to enterprises (including cooperatives and social enterprises). It also emphasized integration of enterprises in supply chains as a means of improving working conditions, social security, higher productivity and cleaner production.

The P&Bs provided a broad framework for the ILO's work in the period, but some important elements of this work were obscured or were even invisible. While acknowledging the challenge faced by the ILO in designing performance indicators that capture everything it does, these indicators help drive performance and important work risks dropping off the map if it is not covered by the reporting system. Sometimes it was not possible to report whole areas of ILO sustainable enterprise work under the available “results criteria”. (For example, in 2016–17, 4.1 was about the enabling environment for sustainable businesses,

³⁵ ILO Evaluation Office, *ILO Decent Work Interventions in Global Supply Chains – A synthesis review on lessons learned, what works and why*, 2010–19, September 2019.

³⁶ The five types were: (a) Better Work programme; (b) improving social dialogue in larger enterprises in specific sectors involved in GSCs; (c) SME productivity and efficiency; (d) addressing specific problems in GSC sectors relating to fundamental principles and rights at work; and (e) building capacity of constituents and public institutions, and improving national systems to address decent work deficits in GSCs. Of these (b), (c) and (e) have very close links to the sustainable enterprises outcome.

³⁷ In the 2018–19 P&B, although no indicator mentioned GSCs, a measurement criterion – 4.3.3 – specified work in GSCs.

³⁸ The format of the 2014–15 P&B was different, referencing the 2007 *Conclusions concerning the promotion of sustainable enterprises* and focusing more on activities.

► Table 2. Summary of Programme and Budget outcomes and indicators, 2014–21

Biennium	Outcome	Indicator 1	Indicator 2	Indicator 3	Indicator 4
2014–15	Sustainable enterprises create productive and decent jobs	Member States that, with ILO support, reform their policy or regulatory frameworks to improve the enabling environment for sustainable enterprises	Member States that, with ILO support, implement entrepreneurship development policies and programmes for the creation of productive employment and decent work	Member States that, with ILO support, implement programmes to foster the adoption of responsible and sustainable enterprise-level practices	Member States that, with ILO support, adopt policies that integrate the principles of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy
2016–17	Promoting sustainable enterprises	Member States where the enabling environment for sustainable enterprises has been improved through policy, legal, institutional or regulatory reforms	Member States where enterprise support programmes have been designed and implemented aimed at improving productivity, working conditions, constructive industrial relations and environmental sustainability in SMEs or cooperatives, promoting their integration into local or global value chains	Member States in which public and private intermediaries have designed and implemented scalable entrepreneurship programmes aimed at income and employment creation, with a focus on young people and women	
2018–19	Promoting sustainable enterprises	Member States that have formulated or adopted reforms of the business environment that contribute to an enabling environment for sustainable enterprises	Member States in which effective interventions to directly assist sustainable enterprises as well as potential entrepreneurs have been designed and implemented	Member States that have designed and implemented dialogue platforms on responsible business practices or effective programmes for improving the functioning of markets, sectors and value chains in order to promote decent work	
2020–21	Sustainable enterprises as generators of employment and promoters of innovation and decent work	Increased capacity of Member States to create an enabling environment for entrepreneurship and sustainable enterprises	Strengthened capacity of enterprises to adopt new business models, technology and techniques to enhance productivity and sustainability	Increased capacity of Member States to develop policies, legislation and other measures that are specifically aimed at facilitating the transition of enterprises to formality	Increased capacity of Member States and enterprises to develop policies and measures that promote the alignment of business practices with decent work and a human-centred approach to the future of work

but this was clearly designed to reflect work related to EESE, not the work that COOP does in creating an enabling environment for cooperatives and social enterprises.) Similarly, a representative of MULTI said that “many of our activities don’t get captured by the P&B reporting systems at all – including many of our biggest achievements”. Another commented that the emphasis of the P&B is “still very much on promoting entrepreneurship”. (See also section 3.3 – Effectiveness.)

The input from employers is of crucial importance in the promotion of sustainable enterprises, but to improve coherence, there is a need for processes that encourage workers’ representatives to engage with this work at an operational level, and to build their knowledge and capacity to do so.

There was a view often expressed during the consultations that much of the ILO’s work in this space was driven more by employers. It is undoubtedly true that the private sector focus of much of this work is of paramount concern to employers. Improving the enabling environment for business to grow and flourish, and boosting productivity, are vital to employment growth and to the development of Member States.

But these goals are not at odds with the needs and interests of workers. The evaluation was informed that some workers' organizations (WOs) were hesitant to engage when the dialogue turned to the issue of productivity improvement, as they equated it with "employers wanting more". But when productivity is addressed through appropriate social dialogue in enterprises, this need not be the case, as it can be an opportunity to "grow the pie", so that more can be shared.

At the same time, there is a need to ensure that processes are in place for WO to engage with this work and to build their knowledge and capacity to do so. The 2007 *Conclusions concerning the promotion of sustainable enterprises*, which were the foundations for the ILO's most recent work, balanced the pursuit of growth and productivity with social and environmental considerations and rights at work. It included provisions to enhance *constituent* capacity to do this – not just employers. Contentious issues on both sides that are associated with the implementation of some ILO programmes need to be resolved at an operational level in the organization through processes that involve the Department, ACT/EMP and ACTRAV (for example, union non-involvement in some of SCORE's work and the perception that the Green Jobs Programme does not respond to employers' concerns about a just transition). See section 5.4 – Recommendations.

Various issues and examples of coherence were identified related to the individual units and programmes within ENTERPRISES.

While coherence between the different parts of the ILO and even within ENTERPRISES can be challenging, there were examples where it was happening. Some of these were:

- In Viet Nam, MULTI is coordinating the work of the RSCA project with SCORE, jointly developing a Corporate Social Responsibility module.
- Value chain/market systems analysis has provided important groundwork for EMPLOYMENT's Employment Intensive Investment work, and also as methodological and technical support to the action research carried out in the auto parts sector in Thailand.
- The Lab initiative represents a different more integrated model for the ILO's work, both within headquarters and the with the field (see box 2).
- The high level of collaboration enjoyed in the "One ILO" approach to a garment sector project in Ethiopia includes coherence between SCORE and Better Work.
- Various examples from the field where projects became the nexus for collaboration across technical areas include the Public Private Development Partnership (PPDP) project in Kenya; the green ENTERPRISE innovation project in Zimbabwe (SKILLS and ENTERPRISES); and the MozTrabalha project in Mozambique, which has brought together technical specialists from EMPLOYMENT, Development and Investment (DEVINVEST), ENTERPRISES, ACT/EMP, ACTRAV, GED and Inclusive Labour Markets, Labour Relations and Working Conditions (INWORK).
- The Social Finance Unit contributes to the development of finance education programmes for refugees and migrants, as well as to the SSE.
- MULTI's Help Desk work requires close collaboration with NORMS, ACT/EMP and ACTRAV in getting answers to the queries it fields.
- An innovative project working with MNEs in Thailand, Women in STEM, brought ENTERPRISE and SKILLS together to advance the gender equality outcome by focusing on the needs of female factory workers in high-tech industries (see box 9).
- The work was coordinated by ENTERPRISES on formalization demands collaboration across the house, including with INWORK, Social Protection, EMPLOYMENT, Social Finance and COOP.
- EMPLOYMENT indicated that cooperation with ENTERPRISES was vital and is probably more common between these two departments than others. In the field, their respective specialists work together very closely – there are even some positions where the roles are combined.

On the other hand, one recurring issue that was raised as an obstacle to improved coherence across the sustainable enterprises portfolio was the operational focus of enterprise field specialists. There was a view that their capacity needs to be strengthened and their focus broadened to improve coherence – for example, in EESE (which has relied instead on ACT/EMP staff) and in the work of MULTI (which relies on direct headquarters support and engaging other specialists instead). See section 5.4 – Recommendations.

The ILO’s enterprise work generally complements that of other actors and aligns with the SDGs.

Although there are examples of overlaps and competing approaches, the ILO’s sustainable enterprises work generally complements that of other UN agencies and development partners.³⁹ Other UN organizations, such as UNIDO and UNDP, are also active in promoting enterprise development, but the unique value added and strength of the ILO is its tripartite base and its focus on decent work.

Some examples mentioned in the interviews that illustrate its connections with other actors include:

- European Union: The EU is developing a new policy on responsible business practices and reached out to the ILO for advice and practical ideas based on its work with multinational enterprises.
- UN Taskforce on the Social and Solidarity Economy: The ILO’s COOP Unit has led this group, comprising 19 UN and 10 social economy partners since 2013.⁴⁰
- World Bank: In the Lao People’s Democratic Republic, for example, the ILO improved the business practices and credit readiness of SMEs via its activity-based learning package, In Business (part of the C-BED family of products), so that they could access a new loan facility the World Bank had established with local commercial banks.

The surveys of staff and constituents showed that they regard the ILO’s enterprise work as complementing the efforts of other international agencies. On a six-point scale, where 1 was “not at all” and 6 was “very well”, the average score from staff was 3.9. Constituents gave a significantly higher rating of 5.1.

The ILO’s work also aligns closely with the SDGs – specifically with targets 8.3 (supporting, among other things, job creation, entrepreneurship, formalization and growth of SMEs and financial services), 8.4 (decoupling economic growth from environmental degradation), 8.10 (expanding financial services to all) and 9.3 (SME access to financial services, value chains and markets). The extent to which the ILO can measure its actual contribution to these targets through its activities is questionable (see section 3.3 – Effectiveness).

The synthesis review of sustainable enterprises projects found that, overall, these showed strong coherence with ILO strategic objectives.

Coherence was found to be good in all the reviewed reports which addressed this criterion (20 per cent did not), with many interventions showing strong alignment with the ILO’s strategic objectives. Most reports provided details of how projects contributed to ILO P&B outcomes, as well as to specific DWCPs and the promotion of the Decent Work Agenda. One third of reports referenced the specific P&B indicators associated with the promotion of sustainable enterprises as a priority. Some interventions incorporated elements of sustainable enterprises in a larger context, and thus linked explicitly to different ILO Recommendations, such as HIV and AIDS Recommendation, 2010 (No. 200); Social Protection Floors Recommendation, 2012 (No. 202); and Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204). Projects that had strong coherence linked to other ILO P&B outcomes, as well as to specific Areas of Critical Importance, namely ACI 2.5, “Jobs and skills for youth”; ACI 4, “Productivity and working conditions in the SMEs”; and ACI 6, “Formalization of the Informal Economy”.

³⁹ These include but are not limited to: UN Value Chain Development Group; UN Working Group on Business and Human Rights; United Nations Environment Programme (UNEP); the Office of the United Nations High Commissioner for Refugees (UNHCR); UN Partnership for Action on Green Economy; UN Conference on Trade and Development (UNCTAD); Committee for the Promotion and Advancement of Cooperatives; the International Cooperative Alliance; the Micro-insurance Network; the Partnership for Action on Green Economy (PAGE); and the World Bank Group.

⁴⁰ See <http://unsse.org/>, accessed 18 September 2020.

► **Box 9. Engaging with MNEs to empower women in Asia – the “Women in STEM” project**

Working in three industries in three countries – the Electrical and Electronics industry in Thailand, automotive and information and communications technology industry in Indonesia, and the information technology– business process outsourcing industry in Philippines – the Women in STEM programme seeks to strengthen linkages between MNEs, social partner institutions and vocational training centres to ensure greater opportunity through higher entry, retention and advancement of women workers in STEM-related positions. Funded by the J.P. Morgan Chase Foundation, the project is something of a “hybrid project”, combining elements that relate to gender, skills and sustainable enterprises.

Women in STEM-related industries across Southeast Asia face a variety of challenges that reduce entry, retention and career advancement – fewer enter the vocational training programmes related to these sectors, those who do face discrimination in the hiring process, those who are hired often drop out because of difficulties in the workplace, and those who are retained are overlooked for promotion. The programme responds to these challenges in a number of ways, including industry-specific, STEM-related skills development and employability plans for women, upgrading the skills of women already employed in these sectors but in lower level jobs (including soft skills such as creative thinking, teamwork and communication) through company-level peer support and mentorship, and improving enterprise productivity and working conditions.

To ensure impact and sustainability, participating firms co-finance the training programmes and facilitate work-based learning of female employees. The soft skills and mentoring training programme improves productivity, job satisfaction and working conditions, and aims to provide quality employment for women. Through the project, the ILO is contributing to the human capital development of vulnerable female employees, while simultaneously improving productivity and working conditions in targeted sectors.

The project provides an interesting example of the ILO directly working with MNEs – including Toshiba, Mitsubishi, Samsung, Seagate and others – to advance the Decent Work Agenda and set an example at the country level that is in the spirit of the MNE Declaration.

► **Box 10. What stakeholders said about coherence**

“There is a clear lack of a real integrated approach for the promotion of sustainable enterprises.”

“The mentality is too often ‘this is what my unit does and let’s wall this off from that’...[rather than] mobilize a team of different experts and pull it all together.”

“When collaboration happens in the ILO, it is personality-driven – if a relationship and trust exist between individuals in different departments/units, it can happen. But trust is undermined by the political nature of the organization.”

“Donors are more and more appreciating that all these little programmes don’t lead to systematic change.”

“The Social Finance Unit’s mandate doesn’t completely align with what ENTERPRISES does. Some of our work links to sustainable enterprises, but a lot of our work doesn’t.”

“In some meetings, it’s like people are talking in different languages – micro/enterprise level v. macro/policy level. We need to be able to speak each other’s language to collaborate.”

“The ILO should work with UNDP and UNIDO on sustainable development.”

“I believe that One UN programmes should be further developed and explored as a way of delivering the ILO mandate and objectives linked to the Enterprises Department.”

“Too much duplication – there is almost no coordination or collaboration.”

“There are programmes run by UNDP, European Bank for Reconstruction and Development (EBRD) and World Bank on business development – compared to these actors, the ILO’s involvement, in-

terventions and resources are very limited.”

“Coherence can be seen in the few joint programmes where other UN agencies are involved – for instance, [the Food and Agriculture Organization of the United Nations] in Sierra Leone.”

“Many agencies want to work on entrepreneurship and access to finance, so there is more competition. Whereas when it comes to cooperatives and the social economy, green jobs, multinational enterprises and productivity, there is less overlapping.”

“There will inevitably be a call for units to work together more, but in all honesty, there is a huge transaction cost in working together, particularly for some units that have little to offer our field colleagues (most ENT units are not oriented toward delivering technical cooperation projects), and who have little incentive to change the way they work.”

3.3 Effectiveness

Over the period of the evaluation, the ILO continued to engage with stakeholders at different levels to advance its sustainable enterprises goals – policy reform, constituent capacity-building, enterprise-level services, and research and tool development. Results were generally good.

As will be detailed later in this section, the ILO’s work in sustainable enterprises is diverse, covering a very broad range of activities and intervention types, and engaging with stakeholders at multiple levels. The evaluation found numerous examples of results achieved at these different levels, some of which are highlighted below.

Policy reform:

- ▶ The ILO has worked closely with relevant ministries to amend legislation and national policies related to cooperatives – for example, in Tunisia, Trinidad and Tobago, and Guyana – and has supported the Government of South Africa to devise a preferential procurement framework for social enterprises and cooperatives.
- ▶ Building on ILO engagement with MNEs in the electronics sector in Viet Nam, tripartite discussions were held to solicit inputs for drafting a risk mapping report and national strategy for labour law compliance in that sector. A business coalition on socially responsible labour practices for the sector was also established.
- ▶ Governments, employers and workers have appointed national focal points to promote the use of the MNE Declaration and its principles at the national levels in Jamaica, Côte d’Ivoire, Norway, Portugal, Senegal and Sierra Leone.
- ▶ There has been development of Social Economy Policies in both South Africa and Tunisia.
- ▶ There has been engagement with relevant ministries to provide policy advice on formalization (for example, in Colombia and the Dominican Republic), and local economic development (such as developing the mango value chain in Haiti and a cluster-based strategy in Costa Rica).
- ▶ Green Jobs in Peru has succeeded in ensuring green jobs are included in public policy in Peru, and has also generated demand from other countries that would also like to participate in PAGE (see below).

Constituent capacity-building:

- ▶ Constituents are equipped to improve the enabling environment for business (see discussion of EESE below).

- ▶ The capacity of policymakers is developed by making them more aware of the issues faced in implementing corporate social responsibility strategies and encouraging exchange of good practice between countries (such as through the Responsible Supply Chains in Asia project).
- ▶ The capacity of constituents is built in some countries to run independent programmes introduced by the ILO (such as SCORE in Viet Nam).
- ▶ The capacity of constituents is developed to support SSE projects (for example, via the PROMESS project in Tunisia).

Enterprise-level services:

- ▶ The delivery of entrepreneurship training programmes (such as SIYB, GET Ahead and C-BED), and the SCORE programme is increased. See below for more details.
- ▶ In the process, growing local business development services provides continuing support to SMEs.
- ▶ Enterprise programmes respond effectively to crisis situations (for example, training in business continuity planning in Vanuatu after Tropical Cyclone Pam, the use of In Business training modules after typhoons, and the use of SIYB as a post-conflict measure in Colombia and as a peacebuilding tool in Lebanon).
- ▶ This includes the work of the ILO Help Desk for Business (see below).
- ▶ Company–union dialogue is facilitated (as per Annex II of the MNE Declaration).
- ▶ Business competitions and enterprise challenges are implemented (for example, in the United Republic of Tanzania, South Africa and Zimbabwe), followed up with technical support and access to finance.
- ▶ Access to financial services is improved, including business loans and insurance (for example, the Youth Entrepreneurship Facility in Uganda).

Research and tool development:

- ▶ Small Matters: There is global evidence on the contribution to employment by the self-employed, microenterprises and SMEs.
- ▶ Statistical data on cooperatives through the Countries in Focus series are produced in collaboration with the Committee for the Promotion and Advancement of Cooperatives.
- ▶ Research is conducted with the German Agency for International Cooperation on what works in enterprise formalization.
- ▶ Research is conducted at a country level (such as research reports produced in South Africa with the SME Observatory at the University of the Free State).
- ▶ Work is ongoing in updating training materials and tools for global products such as SIYB.

Some less effective examples were also brought to the attention of the evaluation. In one of the case study countries, Mexico (see box 11), evaluations of some sustainable enterprises projects were quite negative:

- ▶ System for Integrated Measurement and Improvement of Productivity (SIMAPRO), which was only implemented in Latin America and the Caribbean, was perceived to lack a solid intervention logic, to be a communications tool rather than a productivity tool, to have inadequate quality control and to lack effectiveness.
- ▶ Innovation for Equitable Development was subject to an evaluation because of concerns raised by a financial audit, allied with an apparent lack of activity and no verification of claims made by the implementing consultants.
- ▶ A project intended to support informal businesses in the retail sector to formalize only targeted 100 business, of which 44 per cent were never revisited after an initial visit. Only 15 per cent showed any interest in formalization, and none had formalized by the end of the project.

► **Box 11. The ILO's work in sustainable enterprises in Mexico**

Over the period of the evaluation, ILO priorities in Mexico focused on implementing policies and programmes on labour productivity, promoting decent work, cooperatives and green jobs. Activities included boosting the capacity of employers' organizations (EOs) through capacity-building to enhance the quality of their support to firms and SMEs, technical interventions to increase productivity (via the SIMAPRO tool in 2014–15), and the promotion of cooperatives and access to value chains and the formal economy (via the Innovation for Equitable Development (IDEQ) project, 2015–18). Activities on green jobs also took place in this period, notably on assessing the potential for green jobs in Mexico, as well as raising awareness and building capacities on the green economy, business competitiveness and environmental sustainability. EESE was implemented in two states, leading to the implementation of an action plan in Jalisco. SIYB was active and there was a pilot project on enterprise formalization that targeted the retail sector.

The ILO's work in Mexico took two main forms – small-scale projects and, more recently, working directly with EOs and government to address needs more holistically. The implementation of EESE in Jalisco is a good example of this latter approach, and its results have been positive. In contrast, evaluations suggest that other projects (IDEQ and SIMAPRO) have engaged poorly with constituents, applying a top-down approach, and thus offering limited sustainability.

Other than with green jobs, the ILO does not seem to have worked closely with other UN agencies and development actors in Mexico in the sustainable enterprises area. There were examples of internal synergies found. For example, in Chiapas, to improve access to value chains in the coffee sector, a range of programme tools has been effectively bundled to promote entrepreneurship (via SIYB), develop cooperatives (via My.COOP) and integrate green jobs.

In terms of effectiveness, there is limited evidence that the ILO has met its strategic objectives in the promotion of sustainable enterprises in Mexico in the period under review. The intermittent nature of interventions and the lack of a long-term strategy to work at both enterprise level and policy level to scale up results were important factors in this. SIMAPRO was evaluated and found to offer limited capacity to improve productivity and labour conditions, and its focus on non-unionized companies did little to advance social dialogue. Similarly, the IDEQ project's work with cooperatives was also found to be flawed, with no evidence found of any increase in production or sales levels of producers. The work in retail sector formalization seems to have raised awareness among the social partners and the development of a strategy in Mexico City, but an evaluation found that overall results were weak.

Where the ILO could implement a more coherent and consultative approach, results were better. EESE in Jalisco is a good example – it empowered the Council of Industrial Chambers of Jalisco to advance a productivity agenda. Extensive consultation with all social partners allowed the action plan to receive full tripartite consensus. Ownership of the plan of action was recognized by the central Government and driven in practice by the Council of Industrial Chambers of Jalisco with support from the ILO. Reforms were introduced within the framework of the state's competitiveness strategy, notably on procedures related to work practices, programmes to support access to credit for SMEs, support to upgrade information technology for SMEs, and procurement agreements between large and small firms.

In terms of impact and sustainability, project activities providing direct support to enterprises have had limited impact due to their small scale and short time frames, and their sustainability is equally questionable. The ILO's approach in Mexico seems to be moving towards more holistic approaches that engage with the constituents, though lasting improvements gained from applying this approach (for example, in developing the enabling environment for business and improving working conditions) also remain to be seen.

In some cases, the ILO's work was effective, but not necessarily in the way that was planned. For example, SCORE in the Plurinational State of Bolivia was a programme acceptable to all of the social partners at a time of conflict in the country, and was very effective in terms of promoting collaboration – and has been effective in transferring a programme which it is likely will now be managed by the Government. The SCORE tracer study in Peru⁴¹ suggested, however, that SCORE had some way to go to demonstrate effectiveness, even at the level of individual enterprise, let alone at the system level.

The ILO reached or exceeded 60 per cent of the targets set for this Outcome. Results were highest in the implementation of entrepreneurship programmes, while results on the enabling environment for business dropped away after an increase in 2016–17.

Analysis of results over the period of the evaluation against P&B targets is complicated by the subtle but significant variations in the content of each indicator. Sometimes, what is a separate indicator in one bien-nium is bundled with other work or submerged in the minutiae of reporting rules in the next (for example, Indicator 3.4 in 2014–15 on MNEs became a part of Indicator 4.2 on enterprise support programmes in 2016–17, and then Indicator 4.3 on responsible business practices in 2018–19).

The results-based reporting system of the ILO counts the number of Member States that meet the criteria set for each indicator. These indicators are a mix of activity-based measures (where Member States do something, such as implement an ILO programme) and outcome-based measures (such as where a Member State adopts a policy or implements reforms). They are a crude measure of effectiveness: they give equal weight to results despite their relative “degree of difficulty”, focus on the quantity of results rather than quality, and give no clues in themselves as to whether the organization's effectiveness is improving or declining. But at an organizational level, they are all that we have.

Overall, the ILO met 60 per cent of its sustainable enterprise targets over the period⁴² (see table 3). The ILO's best results against target related to the implementation of entrepreneurship programmes – 152 per cent (against 4.2 in 2018–19), 125 per cent (against 4.3 in 2016–17) and 107 per cent (against 3.2 in 2014–15). Work on the enabling environment for sustainable enterprises exceeded its target by 127 per cent in one year (against 4.1 in 2016-17) – after the push this area received in the 2015 International Labour Conference Conclusions on SMEs – but, despite setting a higher target in 2018–19, this result declined (46 per cent).

Overall, these results suggest that the ILO meets or exceeds targets against indicators that are about direct assistance to enterprises – that is, through the implementation of its programmes. It underperforms against indicators relating to achieving systemic or policy reforms or to responsible business conduct. Whether this represents a true picture of the value added by the ILO is unclear, especially considering our earlier points about the limitations of this results system.⁴³

The reported P&B results showed a varying level of attention was given to the different cross-cutting policy concerns across the different indicators and between the two biennia for which information was available.

Reported P&B results against cross-cutting policy drivers covered four areas in 2018–19 – gender, international labour standards, social dialogue and just transition to environmental sustainability. The 2016–17

41 Sase consultores, Final evaluation of the SCORE Peru programme, 2020.

42 ENTERPRISES expressed concerns about the presentation of P&B results in this way, believing they did not fairly reflect the ILO's actual achievements in the period. For example, it pointed out that some targets were imposed without adequate consultation and were not accompanied by a promised budget increase. There may also be some other deficiencies and anomalies in the way some results were recorded (for example, sustainable enterprises results being reported by countries against other P&B Outcomes).

43 ENTERPRISES pointed out that resourcing was an important factor in this – extrabudgetary resources from donors tended to focus more on projects and less on policy work at the same time as regular budgetary resources were reduced. They saw this as inhibiting the capacity to strike the right balance between policy and projects work.

biennium included the first three of these. These results were reviewed via the Development Cooperation Dashboard (see table 4).

Across all areas, the reported results against Outcome 4 indicators were significantly higher in 2018–19 compared with 2016–17. The reason for this is unknown, but seems unlikely to be the result of any major change in design or delivery of interventions. A large increase in the gender result against Outcome 4.1 (enabling environment) might be linked to greater awareness of the attention given by EESE to gender equity in its analysis.

► **Table 3. Programme and Budget results reported against targets, 2014–19**

Biennium	Indicator	Target	Result	%
2018–19	4.1: Member States that have formulated or adopted reforms of the business environment that contribute to an enabling environment for sustainable enterprise	24	11	46%
	4.2: Member States in which effective interventions to directly assist sustainable enterprises as well as potential entrepreneurs have been designed and implemented	31	47	152%
	4.3: Member States that have designed and implemented dialogue platforms on responsible business practices or effective programmes for improving the functioning of markets, sectors and value chains in order to promote decent work	21	11	52%
2016–17	4.1: Member States where the enabling environment for sustainable enterprises has been improved through policy, legal, institutional or regulatory reforms	15	19	127%
	4.2: Member States where enterprise support programmes have been designed and implemented aimed at improving productivity, working conditions, constructive industrial relations and environmental sustainability in SMEs or cooperatives, promoting their integration into local or global value chains	16	21	131%
	4.3: Member States in which public and private intermediaries have designed and implemented scalable entrepreneurship programmes aimed at income and employment creation with a focus on young people and women	24	30	125%
2014–15	3.1: Member States that, with ILO support, reform their policy or regulatory frameworks to enabling environment for sustainable enterprises	7	4	57%
	3.2: Member States that, with ILO support, implement entrepreneurship development policies and programmes for the creation of productive employment and decent work	29	31	107%
	3.3: Member States that, with ILO support, implement programmes to foster the adoption of responsible and sustainable enterprise-level practices	14	12	86%
	3.4: Member States that, with ILO support, adopt policies that integrate the principles of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy	2	4	200%

► **Table 4. Programme and Budget results reported against cross-cutting policy drivers, 2016–19**

Biennium	Indicator	Gender		International labour standards		Social dialogue	Just transition to environmental sustainability		
		Targeted assistance	Significant contribution	Targeted assistance	Significant contribution	Targeted assistance	Significant contribution	Targeted assistance	Significant contribution
2018–19	4.1	9%	64%	0%	27%	9%	91%	0%	0%
	4.2	6%	47%	2%	25%	2%	38%	4%	23%
	4.3	0%	82%	0%	55%	9%	64%	9%	36%
2016–17	4.1	0%	5%	0%	0%	5%	42%	-	-
	4.2	10%	19%	0%	10%	0%	29%	-	-
	4.3	10%	37%	0%	7%	0%	7%	-	-

Results against some other indicators were not directly comparable between periods (for example, 4.3 covered different interventions), but overall results were strongest for social dialogue (for example, in 2018–19, 100 per cent of results against the enabling environment indicator included either targeted interventions or made a significant contribution, and 73 per cent in the case of the “responsible business conduct indicator”) and gender (for example, in 2018–19, they achieved 73 per cent, 53 per cent and 82 per cent across all three criteria as either targeted interventions or significant contributions). International labour standards and just transition results were strongest against the “responsible business conduct” indicator in 2018–19 (4.3).

Work related to promotion and implementation of the MNE Declaration grew in the period, including through development cooperation projects.

The visibility of this work as reported through the results-based management system has varied over the last three biennia – there were four related CPOs reported in 2014–15, only one in 2016–17, and seven in 2018–19. These fluctuations may have been more the result of changes to the wording of P&B performance indicators and to the criteria used for reporting than actual variations in the work done (as the Unit reports to the Governing Body show). Table 5 provides an overview of CPOs relevant to the promotion of the MNE Declaration.

Some relevant CPOs were also found reported under other outcome indicators. For example, in Thailand (THA229), a project funded by the J.P. Morgan Chase Foundation (and recorded under Outcome 6, Gender equality) engaged with 15 MNEs to develop and deliver, in collaboration with EOs, a Women in STEM project

► **Table 5. Overview of CPOs related to the promotion of the MNE Declaration**

Biennium	Country/CPO	Summary of results
2018–19	Côte d'Ivoire (CIV102)	Through project funded by France, tripartite working group strengthened, awareness-raising events held, national MNE focal points appointed by constituents.
	Senegal (SEN103)	Through project funded by France, study conducted on MNEs operating in Senegal to identify examples to promote, MNE focal points appointed, awareness-raising/training.
	Georgia (GEO126)	Through project funded by Denmark (linked to other Outcomes), constituents and other stakeholders trained in implementation of the MNE Declaration.
	Jamaica (JAM105)	In context of promoting youth employment in global hotel chains, national MNE focal points appointed by constituents. MNE advisory committee established and trained.
	Philippines (PHL902)	Through EU-funded Responsible Supply Chains in Asia (RSCA) project, work done to advance principles of MNE Declaration in coconut and fishing/aquaculture sectors.
	Thailand (THA229)	Through EU-funded RSCA project, work done to advance principles of MNE Declaration in agricultural and auto parts sectors, train constituents, establish sectoral task forces.
	Viet Nam (VNM129)	Through EU-funded RSCA project, increased awareness and strengthened capacity for constituents in responsible business conduct, focused on seafood and furniture sectors.
2016–17	Senegal (SEN103)	Through project funded by France, organized awareness sessions and supported the distribution of the online self-study module.
2014–15	Mozambique (MOZ105)	The ILO led a UN Joint Programme designed with a special focus on MNEs and their supply chains in the extractive industry. Worked with UN Women to address gender issues in sector.
	Zambia (ZMB1320)	Constituent awareness-raising and training (including by ITCILO) on MNE Declaration focusing on increasing contribution of foreign direct investment to more and better jobs, especially in mining industry.
	Côte d'Ivoire (CIV102)	Supported a tripartite working group, conducted study of SMEs in MNE supply chains, developed action plan (including on subcontracting, tech transfer and SME development, among others).
	Chile (CHL159)	The ILO provided technical and logistical support for a workshop on corporate social responsibility at Asia-Pacific Economic Cooperation meeting in Chile.

to upgrade the skills of low-skilled female workers to increase productivity and reduce their risk of being displaced by automation (see box 9).

The evaluation's review of relevant development cooperation projects during the period included some projects which, for the first time, directly sought to promote the MNE Declaration (usually with the direct involvement of MULTI), as well as projects that focused on decent work deficits in global supply chains, including through engagement with MNEs. These latter projects were linked to the sustainable enterprises Outcome 4 and most – but not all – have involved MULTI directly. Table 6 is a summary of these relevant projects.

► **Table 6. Summary of projects linked to Outcome 4 and relevant to MULTI's work,⁴⁴ 2014–19**

Years	Project region	Project code	Title	Budget	Other P&B outcomes?
2019–22	Americas	RLA/18/04/EUR	Responsible Business Conduct in Latin America and the Caribbean	US\$1,396,051	
2019–20	Asia-Pacific	PAK/18/51/JPN	More and Better Jobs through Socially Responsible Practices in Pakistan – Phase III	US\$126,000	8 (2018–19)
2017–21	Asia-Pacific	RAS/17/06/JPN	Towards fair and sustainable global supply chains: Promoting formalization and decent work for invisible workers in South Asia	US\$2,407,510	8 (2016–17)
2017–20	Global	RAS/16/13/EUR	Responsible Supply Chains in Asia	US\$3,211,338	3, 8, 6 (2016–17)
2016–20	Africa	RAF/16/54/FRA	Businesses and decent work: Promotion and application of the Declaration of Tripartite Principles on Multinational Enterprises and Social Policy in Côte d'Ivoire and Senegal	US\$453,526	
2015–17	Asia-Pacific	RAS/14/59/JPN	More and better jobs through socially responsible labour practices in Asia	US\$135,544	9, 10 (2014–15)

The evaluation's analysis of CPOs over the period showed a steady use of SCORE and entrepreneurship skills development tools, a concentration of EESE work in the 2016–17 biennium, and a reduction in the number of women's entrepreneurship programmes included in CPOs.

The evaluation's analysis of CPOs (see table 7 and Annex C) showed that 18 EESE assessments were conducted in the period. Some 14 of these (78 per cent) were completed in the 2016–17 biennium. A further 11 non-EESE activities were reported against P&B indicators for improving the enabling environment.

In the area of entrepreneurship skills development, 38 countries included the use of SIYB in the period, including 18 additional countries in the last two biennia. Of these, 55 per cent were in Africa, 26 per cent in Asia-Pacific, 8 per cent in the Americas and 5 per cent in both Arab States, and Europe and Central Asia. Ten countries included KAB (40 per cent in Arab States, 30 per cent in Africa, 20 per cent in Asia-Pacific and 10 per cent in the Americas). Eight included other tools and programmes (such as activity-based C-BED products).

During the period of the review, there were fewer references made in CPOs to the use of women's entrepreneurship development tools.⁴⁵ A total of 54 per cent of the countries reporting the use of these tools were in Africa, with the rest divided evenly between Asia-Pacific, the Americas and the Arab States.

⁴⁴ A large child labour (Outcome 7) project in Africa, the ACCEL project (RAF/18/08/NLD), was also linked to Outcome 4. This project may have touched on issues related to MNEs and the MNE Declaration, but was excluded from the analysis because its size (over US\$26 million) would have distorted the results.

⁴⁵ It is not clear why, especially since the reported CPO results against the gender policy driver were relatively strong (see earlier analysis).

► **Table 7. Reported use of SME products in CPOs, 2014–19**

SME area of work	Intervention type	Number of additional countries with CPOs reporting use of SME products by biennium			Total number of countries reporting use of CPOs in SME products	Total number of CPOs including use of SME products
		2014–15	2016–17	2018–19		
Enabling environment	EESE	0	14	4	18	18
	Other	4	7	2	13	13
Entrepreneurship skills	SIYBa	20	10	8	38	53
	KAB	4	4	2	10	14
	Women's entrepreneurship ^b	10	1	2	13	17
	Activity-based	3	1	1	5	7
	Other	1	1	1	3	5
Value chains and market systems	Value chain development	6	1	2	9	13
	Market systems development	0	1	2	3	3
Productivity and work conditions	SCORE	6	8	6	20	33
	SIMAPRO	1	0	0	1	1
	WISE ^c	1	0	0	1	1

^a 2014–15 country count of 20 includes countries that had been using SIYB in years prior to this biennium. The analysis could not identify which of these were new users in 2014–15. ^b Includes GET (Gender and Entrepreneurship Together) Ahead, WED (Women's Entrepreneurship Development), Women in Self Employment (WISE) and Women Do Business. As with SIYB, the 2014–15 country count of ten includes countries that had been using these programmes in previous biennia and the analysis could not identify which countries were new users in 2014–15. ^c Work Improvement in Small Enterprises (WISE) – not to be confused with Women in Self Employment (also WISE).

Work on value chain development for SMEs was mentioned in six CPOs in 2014–15 and in three more in subsequent biennia, while the newer market systems development methodology appeared for the first time in one CPO in 2016–17, and twice in 2018–19.

References to SCORE increased significantly in the period, with 14 more countries including it in their CPOs on top of the six Phase I countries. Not all were “official” SCORE programme countries – some countries used elements of SCORE training as part of other interventions. The SIMAPRO programme, once widely used in Latin America and the Caribbean in a similar way to SCORE, has now been withdrawn as an ILO product, with only Mexico including it as a CPO in 2014–15. Similarly, WISE (Work Improvement in Small Enterprises), a programme that was developed in the 1980s, now appears to be extinct, but appeared in a CPO for Jordan in 2014–15.

The evaluation's analysis of development cooperation projects in the period found 143 projects related to the SME area of work (total budget US\$182 million). From the information available on the ILO's Development Cooperation Dashboard, it was not always clear what SME products were used, but in broad terms:

- 57 focused on entrepreneurship (and business management) skills (US\$80 million);
- 27 focused on SME productivity and working conditions (US\$34 million);
- 20 focused on value chain and/or market system development (US\$38 million);
- 6 focused on the enabling environment for business (US\$10 million);

The remaining 32 projects (USD 21 million) involved a mix of interventions.

Some examples of SME projects are included in Table 8.

► **Table 8. Examples of projects linked to Outcome 4 and relevant to SME work, 2014–19**

Years	SME area of work	Project region	Project code	Project title and description
2018–20	Enabling environment	Asia-Pacific	NPL/18/01/RBS	Nepal – Decent jobs for youth and improved food security through the development of sustainable rural enterprises: A follow-up to a 2017 EESE Assessment focusing on the implementation of its recommendations in four sectors (US\$999,829)
2010–15	Entrepreneurship skills	Africa	RAF/10/50/DAN	Kenya, Uganda, United Republic of Tanzania – Youth Entrepreneurship Facility: Awareness-raising, training, mentoring and facilitated access to finance to support youth entrepreneurship (US\$14,254,392)
2015–20	Value chains and market systems	Asia-Pacific	AFG/14/01/SID	Afghanistan – Road to Jobs: Bringing decent work to rural households of the Northern Provinces in Afghanistan: Enhance rural and urban value chains using a market development approach linked to new road infrastructure (US\$9,460,890)
2017–21	Productivity and work conditions	Global	GLO/17/54/MUL	Global – SCORE Phase III: Phase III is focusing on embedding SCORE Training in programmes and budgets of implementation partners and lead buyers in 11 programme countries

The SCORE programme continued to grow and evolve in the period, but data collection on its effectiveness at an enterprise level in improving productivity is still weak.

For the period 2014–19, some 977 trainers were trained, of which 282 were certified and 26 became expert trainers. Some 2,398 enterprises (22 per cent female-owned, 56 per cent male-owned, 42 per cent members of a business association and 33 per cent with a staff union) employing more than 450,000 people were trained. Some 2,222 enterprises completed their training, meaning that they did at least one module. Almost 87,000 people participated in training courses. There were almost 15,000 visits to participating enterprises. Most businesses, however, only completed one module: 1,904 businesses completed module 1; 341 businesses completed module 2; 224 businesses completed module 3; 134 businesses completed module 4; 668 businesses completed module 5; and 494 businesses completed the short course. The average number of modules taken per enterprise was therefore 1.7.⁴⁶

SCORE was reviewed in Bolivia (Plurinational State of), China, Ghana, Myanmar, Peru, Turkey and Viet Nam, where the numbers participating in each of the modules broadly reflect the global position. For these seven countries, some 1,498 businesses participated in at least one module (see figure 5).

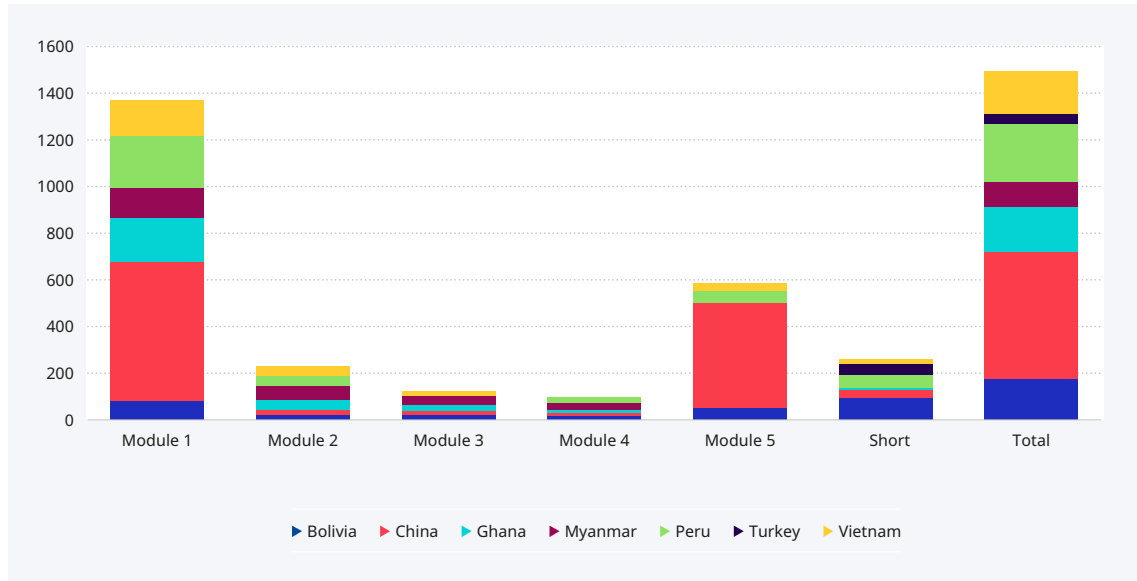
Where SCORE has allied with firms at the end of a supply chain, it has found this to be an effective means of recruiting businesses to the programme. In Turkey, for example, the ILO allied with some success with H&M (a Swedish fashion retailer) to encourage participation by their suppliers; and Inditex (a Spanish fashion retailer) paid for four of their supply chain firms to participate.

A mid-term review of SCORE Global⁴⁷ noted that there were two specific outcomes sought in Phase III: to embed SCORE training in national programmes and to encourage lead buyers to support SCORE through promoting to businesses in their supply chain. It was broadly positive about SCORE – reporting that SCORE training was of high quality, that the programme addressed business needs (if not necessarily business demands), that the programme had engaged with a wide variety of intermediate beneficiaries, that it can engage all of the ILO's constituents, and that national programmes had responded to local needs. The mid-term review said that SCORE had achieved its output level targets, though noted gaps between outputs and outcomes, and worried about sustainability. It further noted that while ILO had been successful to some extent in identifying and engaging lead buyers, the performance here was “much lower than anticipated” (p. 15). The mid-term review did not, however, gather numerical data to demonstrate the benefit to participating businesses.

⁴⁶ Figures from the SCORE monitoring and evaluation database, available at www.ilo.org/dyn/scoredat.

⁴⁷ M. Blowfield et al., *Mid-term independent evaluation of ILO's Sustaining Competitive & Responsible Enterprises programme, phase III* (ILO, 2019).

► **Figure 5. SCORE participation (selected countries)**



Source: SCORE M&E database (available at www.ilo.org/dyn/scoredat).

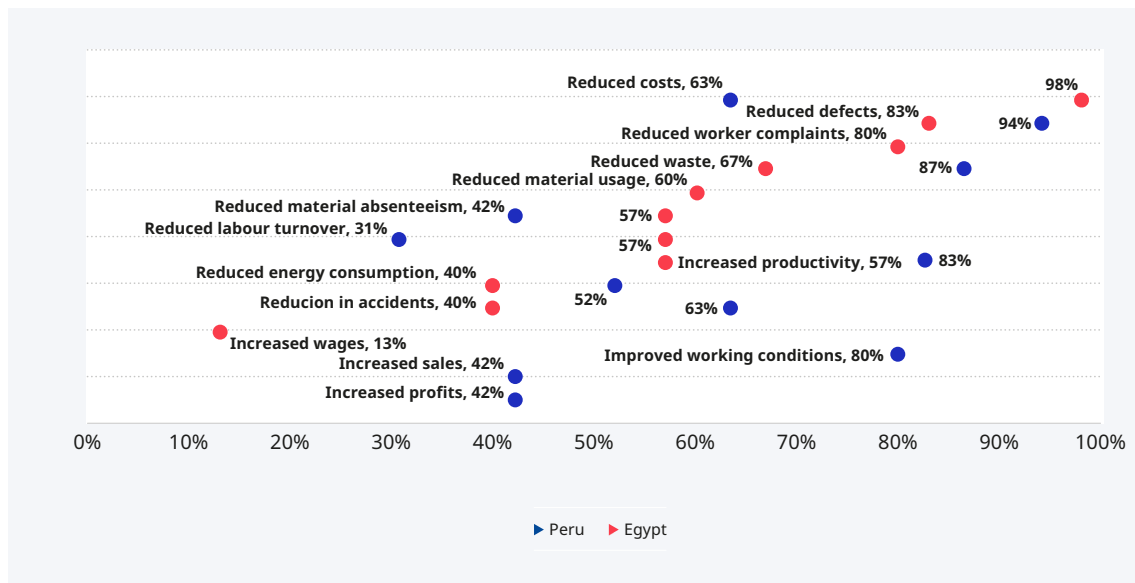
A tracer study in Peru (ILO, forthcoming⁴⁸) looked at the performance of 52 enterprises from 2017 to 2019. It reported that 80 per cent of participating enterprises believe that there has been a positive impact on working conditions (reduction in the number of accidents and absenteeism), on costs (reduction in product defects, reduced wastage of raw materials, reduced produced costs) and increases in productivity, sales, profitability and customer satisfaction. However, it seems that most businesses did not have the data to support their perceptions. Among the firms that did have data, it seems that accidents dropped by 42 per cent, absenteeism by 34 per cent and labour turnover by 12 per cent; production defects dropped by 22 per cent and raw material waste by 33 per cent, though costs stayed constant. The report noted the absence of productivity indicators which it saw as a “shortcoming” and specifically noted that less than 20 per cent of participating firms had productivity indicators. For those businesses that had figures, average sales were 7 million Peruvian sol (PEN) (US\$2 million) and PEN8.8 million (US\$2.5 million) in 2018. However, the number of workers also rose, meaning that a figure often used as a proxy for productivity, sales per employee, fell from PEN209,000 to PEN208,000. It seems, however, that capacity utilization rose from 63 per cent to 72 per cent. Customer satisfaction also apparently rose from 74 per cent to 88 per cent. Based on the limited information available, it seems likely that the benefit to each business exceeds the cost to the ILO, though not necessarily the total cost of the programme. Despite the lack of data, the tracer study was broadly positive about the programme.

There are also data from Egypt. This, and the results from the Peru tracer study, are summarized in figure 6. At first sight, these look good. However, it should be noted that the percentages refer to the proportion of firms that said something had improved. For example, 57 per cent of Egyptian firms and 83 per cent of Peruvian firms said that productivity had increased. But this does not tell us by how much productivity has improved. It also, inevitably, suffers from response bias – because the results were not only self-reported but it was also clear to the respondents what the investigator hoped to discover.

The SCORE briefing note explains the intervention logic: “that SMEs are more sustainable through being cleaner, more productive and competitive and providing more sustainable and decent employment”. It is not clear whether this means the programme should lead to employment being more sustainable – which is our interpretation – or that the programme should lead to the creation of more jobs – which is the interpretation of at least one country office.

⁴⁸ SASE consultores, Final evaluation of the SCORE Peru programme, 2020.

► Figure 6. SCORE results, Peru and Egypt



Source: Peru: SASE consultores (2020); Egypt: interviews.

Given the nature of the programme – and the acronym used – it is rather surprising that there is not more effort to encourage participating businesses to gather and retain more performance data. The data that would help ILO to assess more clearly the benefits of the programme are exactly the data that would help participating businesses assess what difference the programme is making for them and perhaps begin to indicate areas where they could prioritize more action.

Most businesses never progress beyond the first module, so miss looking in detail at tools and techniques that will help them significantly to improve productivity. Furthermore, it seems that the expectation is that no more than 30 per cent of participating businesses will progress beyond module 1, though this is not clear in the promotional material. The introduction of the short programme⁴⁹ has clearly filled a niche and this does at least touch on all aspects. The longer short programme developed in the Plurinational State of Bolivia (see box 12) may be a good compromise. More detailed performance data would make the benefits clearer to participating businesses, and perhaps encourage them to pay the cost of participation; indeed, paying may also encourage them to take it more seriously and thus be more likely to maximize the benefits. Lead buyers, rather than being asked to pay for supply chain businesses to participate, might provide their

► Box 12. SCORE in the Plurinational State of Bolivia

SCORE in the Plurinational State of Bolivia came into being as a result of limited tripartite dialogue and a desire to find a programme that would be supported by the three constituents. A pilot programme was judged to be successful, and so the ILO continued to offer the programme, though the Ministry of Production requested adaptation to make the programme more appropriate for micro and small businesses. As a result, the ILO modified the programme to deliver the five modules over five months (instead of 15 months for the normal programme and 3 for the short programme). This seems to have been well received. In addition to working with the Ministry of Production, the ILO also collaborates closely with the Confederation of Private Employers of Bolivia, who are now aiming to charge participants, though in general they still find it difficult to persuade companies to pay more than about 25 per cent of the cost.

⁴⁹ Abbreviated content of all five modules is covered in three days spread over three months.

support through “revenue participation agreements”, through which they retain a small percentage of the invoices for supplies for the following two or three years, on the basis that the supplier has become more profitable and thus able to repay some of the cost of participation. This would also incentivise the buyer to keep buying from the supplier.

There are reasons beyond the obvious one of supporting businesses to become more productive, such as improving social dialogue, and at the firm level encouraging workers and management to engage in dialogue, and using the network of firms as a forum to discuss possible reforms of public policy, but for these to be an argument to retain SCORE in the ILO's portfolio, they need to be more explicit.

EESE has proven to be an effective way of building the capacity of employers' organizations to assess the enabling environment for sustainable enterprises and to develop action plans, but progress in implementing these plans to achieve policy reform has been slow.

The Enabling Environment for Sustainable Enterprise (EESE) toolkit is a resource for employers' and business organizations wishing to assess the environment in which businesses start and grow. It provides guidance to employers' organizations (EOs) that wish to engage in dialogue and advocacy. The methodology was developed into a global product to undertake country assessments and thus to stimulate an evidence-based and focused approach to policy dialogue. The 2013 HLE noted that it was too early at that point to report on its effectiveness and impact, since it was a new methodology that had only been used in seven countries. However, the evaluation noted that “an enabling environment is first and foremost about policy and regulatory design and implementation”, and that “it needs strong connectivity to ILO's policy work on countries' employment and skills development policy”. The 2015 International Labour Conference requested a review of the programme to inform its future expansion. An internal review was undertaken, and a report drafted in early 2018, but the findings have still not been published. It has now been deployed in some 44 countries, to differing extents, and in a further 12 where the enabling environment for women entrepreneurs was assessed.

The ILO stresses that the process of assessment is important so that the result is “owned” by the EO and ideally so that the EO will be able to undertake subsequent assessments without external assistance (though they may of course need to commission someone to do the data gathering and report writing). The assessment itself achieves little, other than to give the social partners an agenda, so in many cases, following the assessment, the EO and the ILO ACT/EMP field specialist have agreed on a programme of support and a budget for the EO to drive forward with a reform programme.

The review identified some challenges in implementing EESE. The HLE has not attempted to look at EESE in the level of detail required to comment on its implementation. The evaluators do, however, have some comments on process and impact. There is currently an expectation that an EESE assessment will review all 17 pillars, but sometimes that breadth of detail is not required; rather, it may, on occasion, make more sense to look at one or two pillars in greater depth.

The ILO works closely with government on norms and labour laws, but it feels as though EESE assessments are prepared with and for EOs, and then are used by the EOs to advocate reform of public policy. There may be merit in adopting a more collaborative approach, perhaps through one or more public private dialogues during the assessment, so that the recommendations are more likely to be acceptable to the government. See section 5.4 – Recommendations.

The EESE toolkit is very relevant in supporting EOs, not only to undertake country assessments, but also to provide guidance on a wide number of dialogue and advocacy activities. There are other resources and toolkits in use by other organizations, and there could be merit in exploring how the ILO could work collaboratively with them to avoid duplication. Furthermore, the methodology would be of interest to business membership organizations in general, so there would be merit either in making the EESE toolkit more widely available, or better still, encouraging collaboration between EOs and other business membership organizations. See section 5.4 – Recommendations.

Based on the success achieved by EOs in undertaking country assessments and preparing action plans, EESE is an effective programme. There is good evidence that working with business membership organizations on a one-to-one basis results in positive outcomes. The EESE toolkit is a resource, so it does not directly result in impact, but the activities of the EOs may. The work is sustainable only if the EO can retain the staff who are trained and developed and/or it takes the trouble to ensure that other staff also learn. Most EOs are so short of resources that they do not have the luxury of succession planning, and so there is a danger that EOs lose capacity when staff move on.

► Box 13. EESE in Honduras

The programme in Honduras seems to have been particularly successful. A country assessment was undertaken in 2012 by ILO ENTERPRISES, together with local economists, and covered registered and unregistered businesses. The results fed into a comprehensive report on the business environment. This was followed by a further report in 2013 that synthesized secondary data together with the original research and collected further views through focus group discussions. The Honduran Council of Private Enterprise (COHEP) used that report to prepare a detailed action plan, published in 2013. ODI assessed COHEP for a case study and concluded that COHEP has become more effective in policy engagement and that the capacity-building effort by the ILO had made an enormous contribution.⁵⁰

Following the assessment, COHEP was successful in influencing discussions related to the minimum wage, and successfully lobbied for the abolition of a requirement for the notarization of new business registrations, resulting in the renewed growth of start-ups.⁵¹ Indeed, COHEP estimated that, by 2016, they had achieved 70 per cent of their targeted reforms and, at that point, decided to revisit their analysis. COHEP reports that their credibility improved as a result of ILO support, and that this helped them to leverage additional support from other sources.

► Box 14. EESE in the Plurinational State of Bolivia

Following an EESE assessment finalized in 2015, the Confederation of Private Entrepreneurs of Bolivia (CEPB) prepared six proposals for the reform of public policy and presented these to the President and others in May 2016. Six dialogue mechanisms were established, reporting in November 2016, resulting in changes to business regulations, reductions in informality, reductions of fines for companies breaching the tax regulations, improved incentives to encourage investment, preferential procurement for SMEs, improved access to credit for SMEs and stricter border controls to reduce smuggling.

To monitor progress, the CEPB proposed the creation of a longer-lived dialogue mechanism, the Productive Economic Council, agreed and announced by the President of the Plurinational State of Bolivia, with plans to meet quarterly. This was hampered by political unrest in the country, but at the beginning of 2020, the CEPB reiterated this proposal to the new Government. The Minister of Productive Development and Economy, on behalf of the national Government, subsequently presented Ministerial Resolution 028/2020, creating the Productive Development Council, with the purpose to discuss, analyse and propose economic policies.

While EESE does not directly lead to economic benefit, this result in the Plurinational State of Bolivia is an excellent example of the difference that the ILO can make in terms of setting up mechanisms which may be expected in due course to lead to an environment that more conducive to business growth.

⁵⁰ ODI, "Improving the capacity of ILO constituent business associations and employers to monitor and evaluate their policy engagement work: experiences and lessons from policy work in Honduras: Draft Report", 2015.

⁵¹ See Cámara de Comercio e Industria de Tegucigalpa, "Registro Mercantil de Francisco Morazan, Informe Ejecutivo de Operaciones Diciembre", 2015; and ILO, "New reforms lift important obstacles for new entrepreneurial activity and jobs in Honduras", internal note, undated.

EOs see EESE as a very good instrument, in particular for learning a methodology to do research and undertake in-depth analysis of their business environment. It can help to develop a business agenda and establish the position of employers in relation to specific issues. They note, however, that it is not sufficient by itself to transform the business environment. One reason, they say, is that the development of public policy responses is not done jointly with government representatives, though there is nothing to stop EOs and governments – and indeed trades unions as well – from working together on responses to identified issues. The International Organisation of Employers (IOE) further argues that it is difficult for EOs to promote their agendas and to raise awareness of government of the need to act if they are to create a better business environment, implying that EOs need to build their competence and capacity. The ILO has, in the past, been able to help with this, for example in Cambodia, Zambia and Honduras.

Some stakeholders perceived EESE as a programme for employers – even though interest should be widespread, as investment by employers is likely to result in more jobs, in more people receiving more training and in higher wages. It is important, therefore, to ensure that trade unions are appropriately involved, especially in relation to assessment of pillars 15 (social justice and social inclusion) and 16 (adequate social protection), which would thus allow them to see the benefits more clearly.

Some concerns were expressed that, too often, policy reform does not follow from the EESE assessment. The assessment is simply a research document. It sets out a view of the world, hopefully objectively and independently. Reforming policy requires that the EOs (and any supporting business associations) have the capacity and competence to turn the research into precise and succinct proposals for policy reform, and then the resources to engage in the dialogue or advocacy necessary to persuade their governments. ACT/EMP has been supporting some EOs to do this – with some success. But more such support will be needed if more EESE assessments are to result in policy reforms. See section 5.4 – Recommendations.

SIYB has been an effective tool in some contexts, but needs to be offered more as a part of an integrated market development approach than as a short-term, one-size-fits-all solution to labour market problems.

As our analysis shows, the ILO's work in supporting the delivery of entrepreneurship and business management training programmes is widespread, and SIYB is the largest by far of the ILO's entrepreneurship products. While most of the organization's other work focuses on developing the capacity of constituents and reforming labour market institutions, SIYB is one of its few remaining tools that can also be applied quickly in different contexts to directly assist beneficiaries to create jobs – although this is always done by presenting it as part of a higher-level objective of embedding the programme in national systems.

The forerunner to SIYB was launched in the late 1980s, and it is now a major programme of the ILO, with four core modules covering “Generate your business idea”, “Start your business”, “Improve your business” and “Expand your business”. The 2013 evaluation did not look very much at SIYB, but noted that it was of high quality and in demand.

SIYB has been used as such a tool in countless projects since it was first introduced. The evaluation learned that there are at least 51 countries where the SME Unit understands that there is at least some current or recent SIYB activity, but there has been no systematic review of its use over time or of its success rate in different contexts. In terms of its higher-level objective of embedding the programme in national institutions, it may be that some countries have required multiple attempts to get the programme established. In others, the programme may have played a part in achieving the short-term objectives of the projects to which they were attached; but at an institutional level, SIYB has withered on the vine.

The 2013 HLE noted that SIYB did not have any systematic data collection and reporting systems beyond measuring outputs, and that appears still to be the case. Recognizing that it would be impossible to follow the fortunes of all those who progress through the programme, there is a place for more detailed evaluations, which include an assessment of the jobs created and the enhanced performance of the entrepreneurs, say three years after training. These would provide valuable cost–benefit data, which would enable the ILO

more effectively to justify the programme. The ILO could go even further and benchmark the programme against other providers.⁵²

A Get Ahead programme in Egypt gave some indication of performance, however, with 190 people being trained through one programme, which led to 100 starting in business. Similarly, an SIYB programme supported 140 people, of which some 85 were expecting to start in business. However, without follow-up, it is impossible to report on long-term impact.

According to a tracer study,⁵³ by the end of 2015, SIYB had trained an estimated 15 million people, leading to the start of 2.7 million new businesses and the creation of an additional 9 million jobs across 100 countries. It had trained some 65,000 trainers and 380 master trainers. China now accounts for more than 80 per cent of participants. The tracer study includes estimates of the cost of running training programmes, based on 20 participants, but with a wide variation in costs across countries, from US\$400 in South Africa to more than US\$10,000 in Côte d'Ivoire. The tracer study does not, however, attempt to identify the cost per participant or, better still, relate the cost to businesses created or jobs created.

No comprehensive report on the effectiveness of the programme during the evaluation period was provided to the evaluators. A recent “handover note” was provided that summarized the known current situation in 51 countries, but this is probably incomplete. This note showed how, in most countries, SIYB was being used as a tool in broader development cooperation projects (for example, in Afghanistan as part of an employment intensive investment project; in Georgia as part of a youth job creation project; and in the global PROSPECTS project for refugees and their host communities). In a few others, examples were reported of EOs exploring how they might add SIYB as a service for their members (for example, Azerbaijan, Bahamas and Republic of Moldova), but rarely is SIYB introduced as part of a constituent capacity-building initiative. Rather, it rides in on the shirrtails of a project that is addressing the immediate needs of targeted beneficiaries.

In at least one country, SIYB was able to achieve well both the programme’s higher-level objective of embedding the programme in national systems and the immediate project objective of supporting project beneficiaries to grow jobs. In Myanmar, the evaluation learned that SIYB was perhaps the first entrepreneurship training programme to be introduced to the country – it offered a clean slate for the ILO’s work. With most of the existing formal sector enterprises under the control of the State, there was huge potential to develop both SMEs and a market of business development services to support them. Fifty years of isolation and State control had left the country with very few of either. Instead, as the former CTA for the project put it, “entrepreneurs were left alone, had no support ... and left to work in very complicated conditions – they rarely survived”. The project invested in developing a market of SIYB providers, supporting them to promote the programme and sustainable enterprises as a means of increasing wealth, employment and personal empowerment. Some 1,500 businesses have been established. Significantly, the programme in Myanmar was implemented in a way that required trainees to pay 100 per cent of the cost of training, meaning that the prospects for sustainability were much more likely than is usually the case (see box 20).

The situation in China also proved to be ideal for the effective implementation of SIYB. Although no real ILO activity supported China in the period of the evaluation, it stands as the shining light for the programme’s effectiveness, both in terms of national institutionalization of the approach and its reach to beneficiaries. The programme was introduced there some 20 years ago, and China’s Ministry of Human Resources and Social Security subsequently adopted the programme as a major component of a national strategy for job creation and poverty alleviation. By the time a global tracer study was conducted in 2016, China had trained 11 million people and claimed the creation of 1.9 million new enterprises and 3.9 million jobs (see box 15).

In the right circumstances, therefore, the ILO’s entrepreneurship training tools such as SIYB can be very effective. There is no doubt that, as a tool, there is a demand for SIYB and, as the world recovers from the current crisis and urgently tries to replace millions of lost jobs, this demand will grow. But, as pointed out in

⁵² An EU report, *Benchmarking of Business Incubators*, prepared in 2002, so now rather out of date, for example, claims that the cost per new job created was €4,400.

⁵³ S. Van Lieshout and P. Mehtha, *The next 15 million: start and improve your business global tracer study 2011–15* (ILO, 2017).

► Box 15. SIYB in China

SIYB was introduced to China in 2000 working with the Ministry of Human Resources and Social Security (MOHRSS). Following an initial project, MOHRSS embarked on a massive roll-out of the programme as part of national strategy for job creation and poverty alleviation.

Based on data collected from MOHRSS for a 2016 global tracer study, nearly 11 million beneficiaries were trained in China between 2011 and 2015, with 1.9 million new businesses and 3.9 million jobs created in new and existing businesses. In 2019, China indicated that it had some 200 master trainers and about 51,000 trainers. Of the 2 million entrepreneurs who receive entrepreneurship training every year, 700,000 receive SIYB training. More than 1 million entrepreneurs get grants every year. More than 7,800 business incubators were established and provide incubation services.

In China, SIYB now evolves independently of the ILO. Over time, this evolution may result in a situation where SIYB becomes “its own species” in China, and only shares a name with its ancestor. MOHRSS has modified its curricula and added other training content and programmes, including training for e-commerce that it includes as part of the national programme. It has its own theme song, mascot and logo, and competitions are held to select the best trainer in China, attracting extensive media coverage. MOHRSS also developed its own online management information system for the programme, and was reported to be somewhat reluctant to share information on programme performance with the ILO.

SIYB's vast expansion in China is showcased as its greatest success story in terms of scale and sustainability, and tends to dominate the narrative, despite its unique circumstances there. According to the global tracer study – “The Next 15 Million” – 95 per cent of the 11 million individuals trained in the five years to 2015 were in China.

section 3.1 – Relevance, there are lingering doubts and concerns within the house about the place of SIYB in the contemporary ILO, whether it is really part of a strategy that leads to decent work, and whether it needs to be offered more as a part of an integrated market development approach than as a one-size-fits-all solution to labour market problems. The risk is that it will be just plugged into development cooperation projects simply because countries want a visible and direct form of assistance to individuals, regardless of whether this is in line with the ILO's mission and purpose. As one person at headquarters said, SIYB is “not an answer to decent work unless you combine it with other measures”. See section 5.4 – Recommendations.

Work related to cooperatives and the Social and Solidarity Economy featured prominently in reported CPOs and development cooperation projects, and often supported peace and resilience strategies, and efforts to empower women and youth.

There were 11 CPOs reported in the period under the sustainable enterprises outcome that made explicit reference to cooperatives and SSE. These included results relating to training and capacity-building, enhancing the enabling environment for cooperatives (including policy and legislative reform and access to finance), and direct support for cooperative formation and access to markets (see table 9). Cooperatives also feature as a tool or intervention strategy under other outcomes (such as those related to the informal economy, the rural economy,⁵⁴ migrants and refugees), but these were not examined in detail by the evaluation.

There were 20 projects in the period also linked to the sustainable enterprises outcome, with a total budget of US\$19,451,820. A large majority of funds (88 per cent) were for projects in Africa – especially North Africa

⁵⁴ COOP provided the evaluation with a list of nine CPOs linked to Outcome 5 where the unit was actively involved. These included Egypt, Zimbabwe, Indonesia, Lebanon, Sri Lanka, Haiti, Bolivia (Plurinational State of), Nepal and South Africa.

and the Sahel region, which together had more than half the global project funds (54 per cent). Global projects were next (6 per cent) followed by Asia–Pacific (3 per cent), the Americas (2 per cent) and the Arab States (1 per cent). Some examples are in table 10.

Work in the field of cooperatives and SSE contributed to peace and resilience strategies, including, for example, in Tunisia, Sudan, Colombia, Mauritania and the Occupied Palestinian Territory. Such work was not always attached to Outcome 4 in the results-based management system – for example, the “Empower: Building peace through the economic empowerment of women in northern Sri Lanka” project (LKA/17/03/UND) was recorded under Outcome 3 as part of the “Jobs and Peace for Resilience” ILO flagship programme, despite being focused on cooperative enterprise development (see box 16).

Many CPOs and projects set out below also often focused on women and youth – for example, CPOs for Tunisia, Zimbabwe, Egypt, Sudan, Rwanda, South Africa, the United Republic of Tanzania and projects in Tunisia, Algeria, Sri Lanka, Cambodia and the Lao People’s Democratic Republic.

► **Table 9. Overview of CPOs related to cooperatives and the Social and Solidarity Economy, 2014–19**

Biennium	Country/CPO	Summary of results
2018–19	Tunisia (TUN103)	Government introduced new finance mechanisms from national budget for SSE – specifically for social enterprises launched by young people. In 2019, 32 such enterprises were formed, employing more than 400 people.
	Nigeria (NGA103)	23 people were certified as Trainers on Cooperative Development in January 2019 and, with the skills acquired from the training, 5 new cooperatives were formed.
	Cambodia (KHM204)	Integration of Think.Coop and Start.Coop into national cooperative development work plan. Department of Agricultural Cooperative Promotion allocate budget for pilots – 450 farmers, new cooperative members and officials trained in the tools.
	Zimbabwe (ZWE103)	Through the African Development Bank, funded Women and Youth Empowerment Project, women and young people were supported to form cooperatives and other enterprises.
2016–17	Egypt (EGY106)	Through a UN Trust Fund for Human Security project, cooperatives targeting women and disadvantaged youth were supported in the Bedouin handicrafts and in the aromatic plants sector in the governorates of Aswan and the Red Sea.
	Sudan (SUD105)	The ILO provided training of trainers to 72 community representatives using My.COOP, GET Ahead and Entrepreneurship Services for Agribusinesses, supporting 518 women and youth to start small-scale income-generating business activities.
2014–15	Egypt (EGY105)	The ILO supported social partners in developing the process for cooperatives reform, including an assessment of enabling environment.
	Rwanda (RWA101)	The ILO enhanced the entrepreneurship capacities of 80 women in 4 cross-border trader cooperatives (through SIYB).
	United Republic of Tanzania (TZA102)	The ILO organized small-scale farmers into associations and cooperatives to achieve economies of scale and improve production quality. Focused on young men and women.
	Tunisia (TUN103)	Trainer training was delivered for My.COOP within nine national institutions to support youth and women to establish cooperatives.
	South Africa (ZAF101)	Trainer training facilitated training for 84 women and 36 men in waste management and agricultural production cooperatives.
	Bahamas (BHS101)	The ILO tool Begin and Expand Your Cooperative (B.E.Coop) was introduced to over 65 participants at a training workshop.

► **Table 10. Examples of projects linked to Outcome 4 and relevant to COOP's work, 2014–19**

Years	Country/region	Project code	Title	Budget	Other P&B outcomes?
2016–20	Tunisia	TUN/16/01/NLD	PROMESS: Promotion of Organizations and Mechanisms of Social and Solidarity Economy	US\$2,848,467	
2016–19	Algeria	DZA/15/02/EUR	AAMAL - Local actors working together for the employability and placement into work of young people	US\$1,816,640	
2017–20	South Africa	ZAF/16/01/FLA	Development of a Social Economy Policy in South Africa	US\$1,022,062	
2019–20	Occupied Palestinian Territory	PSE/17/03/SPE	Land and Rights – Paths to Social and Solidarity Economy in Palestine	US\$214,213	
2018–20	Sri Lanka	LKA/17/03/UND	Empower: Building peace through the economic empowerment of women in northern Sri Lanka	See Note 1	Outcome 3
2015–17	Cambodia, Lao People's Democratic Republic	RAS/17/52/JPN	Cooperatives to Strengthen Youth Empowerment and Employment Readiness among Vulnerable, Marginalised and At-Risk Groups	US\$250,000	
2019–20	Asia-Pacific	RAS/19/02/KOR	Strengthening Social and Solidarity Economy (SSE) Policy in Asia	US\$273,958	
2015–19	Global	GLO/15/66/FRA	Joint Research Initiative on "The role of Social and Solidarity Economy and Social finance in sustainable development and the future of work"	US\$352,858	

Note: Part of the "Jobs and Peace for Resilience" ILO flagship program, this the US\$1.5 million project was attached to Outcome 3 (despite its focus on development of cooperative enterprises).

► **Box 16. Empower: Building peace through the economic empowerment of women**

Funded by the UN Peace building Fund, this project aimed to enhance economic empowerment, social integration and resilience of female former combatants and other disadvantaged and conflict-affected women members of the Puthukkudiyiruppu Women Entrepreneurs' Cooperative Society (PTK) in northern Sri Lanka, by connecting their cooperative enterprises with new markets, networks and opportunities.

In the Mullaitivu district, the conflict decimated the local economy. The most disadvantaged women were farmers who were heads of households, ex-combatants and war widows, and had not previously been included in local social and government decision-making processes. Young women were especially vulnerable, having often been victims of sexual and gender-based violence.

The project's theory of change proposed that: if war-affected women and female-headed households are engaged in income-generating activities in the agricultural sector, participate in the management of cooperatives, and develop networks beyond their own communities and ethnic groups; then they are more likely to gain greater decision-making roles in their community and be more involved in reconciliation and conflict risk mitigation; because they will be able to make visible and economically independent contributions and benefits to their society.

By the midpoint of the project, the PTK cooperative was reported to have increased its collective revenue by 35 per cent and formed a new cooperative venture selling ginger in Jaffna.

The ILO's work through the Social Finance Programme was especially effective in its promotion of access by vulnerable groups to insurance.

The Social Finance Programme is highly centralized in its operation, and this work did not figure prominently in CPOs. Of the 22 development cooperation projects identified by the evaluation, only one was administered in the field – the US\$3million PROMISE IMPACT project in Indonesia, which received technical support from Geneva.

Of the 22 projects, 16 (73 per cent) were focused on insurance services, with 7 of these closely linked to the ILO's Impact Insurance Facility. Other intervention types related to social and environmental system development (1), SME access to financial services (1), capacity-building for social compliance investments in the agriculture sector (1), financial education of vulnerable people (1), knowledge-sharing (1) and insurance market development (1). One was unclear (see table 11).

► **Table 11. Summary of Social Finance Programme projects, 2014–19**

Years	Country/region	Project Code	Title	Budget
2018–20	Global	GLO/18/19/FCC	Social and Environmental Management System Development	US\$65,510
2018–21	Global	GLO/18/15/IFA	Partnership with Insurance for Rural Resilience and Economic Development (INSURED)	US\$429,488
2018–19	Global	GLO/17/31/GBG	Mainstreaming Impact Insurance Globally	US\$99,970
2017–18	Global	GLO/17/07/DEU	Development of inclusive insurance markets	US\$47,225
2017–19	Global	GLO/17/11/AXA	Delivering impact insurance	US\$227,578
2016–20	Global	RAF/16/03/FSD	Change Management to achieve impact with insurance – Phase II	US\$1,702,093
2015–19	Global	RAF/14/05/FRA	Strengthening the role of financial institutions for micro insurance development in Africa	US\$3,331,507
2014–20	Global	GLO/13/39/UCD	A Global Action Network to make agriculture insurance work better	US\$2,140,012
2014–18	Global	GLO/HQ/63/RBS	Support global products part of the ACI on "Productivity and working conditions in SMEs"	US\$238,304
2012–21	Global	GLO/12/08/AAT	Building capacity for social compliance of investments in agriculture in Africa	US\$3,166,378
2015–19	Indonesia	INS/15/04/SWI	Promoting Micro and Small Enterprises through improved Entrepreneurs access to Financial services (PROMISE IMPACTS)	US\$3,012,208
2019–20	Pakistan	PAK/19/03/DEU	Technical Assistance, Monitoring, KPI Development	US\$55,435
2017–20	The Americas	RLA/15/02/MII	Climate Risk Adaptation and Insurance in the Caribbean	US\$752,425
2018	El Salvador	RLA/17/10/CHE	Microinsurance client value assessment and evaluation of the Central America Disaster Microinsurance Expansion (CADME) Project	US\$47,714
2018–20	Rwanda	RWA/17/03/AFR	Inclusive Insurance Market Development in Rwanda	US\$184,478
2018–20	Uganda	UGA/18/01/FSD	Mainstreaming Inclusive Insurance in Uganda	US\$180,725
2017–20	Egypt	EGY/17/07/NLD	Promoting Financial Literacy among Vulnerable Populations in Egypt	US\$99,839
2013–15	Senegal	INT/13/14/CDF	Promoting access to micro insurance for financial inclusion and decent work – Phase II 2013–2014	US\$300,000
2017–19	Mozambique	MOZ/17/02/FSD	Stimulating innovation and organizational change	US\$200,000
2018	Zambia	ZMB/18/04/DEU	Workshop on role of insurance for an integrated climate and disaster risk management 5 November 2018	US\$23,120
2018–19	Zambia	ZMB/18/06/DEU	Capacity-building and technical assistance to support the development of agricultural insurance in Zambia	US\$87,591
2018–19	Côte d'Ivoire and Nigeria	RAF/18/10/DEU	Development of inclusive insurance markets in Nigeria and Côte d'Ivoire	US\$56,818

The evaluation's analysis of CPOs and development cooperation projects highlighted how the ILO has effectively embedded green jobs as a cross-cutting element of its work.

Being housed within ENTERPRISES, the Outputs of the Green Jobs Programme are often linked to the sustainable enterprises Outcome 4. CPOs linked to this outcome included many references to activities designed to either form new green enterprises or green existing enterprises (see table 12).

However, there were strong indications that the green jobs agenda was also influencing other ILO work. In 2018–19, “just transition to environmental sustainability” was added as a cross-cutting policy driver and 37 CPOs that were related to other outcomes reported having made a “significant contribution” to this goal. Two reported the higher level of “targeted action” in these results.⁵⁵

Activities included both headquarters-run and country office-run programmes. Of the 16 projects linked to Outcome 4 that were identified by the evaluation (see table 13), 8 were administered at a country office level, 4 were administered by headquarters and the remaining 4 were coadministered.

The Partnership for Action on Green Economy (PAGE) offers a good example of inter-agency cooperation, with collaboration between the ILO and UNEP, UNDP, UNIDO and the United Nations Institute for Training and Research (UNITAR).

Constituent or stakeholder capacity-building was the focus of 11 of the 16 projects. Other projects focused on research (1), green construction (1), youth training and employment (1), a green enterprise competition (1) and the promotion of greener business models.

► **Table 12. Overview of sustainable enterprises CPOs related to green jobs, 2014–19**

Biennium	Country/CPO	Summary of results
2018–19	India (IND103)	125 green businesses started by youths in Kerala, with support from Department of Industries in Kerala using green SIYB
	Philippines (PHL903)	Integration of the ILO green business approach in current training programmes; dialogue on just transition in the transport sector; technical input and social dialogue to support introduction of Green Jobs Act's tax incentive scheme
	Zambia (ZMB133)	Through the Green Jobs Finland-funded project, built capacity of 26 enterprises and potential enterprises in Start and Improve Your Green Construction Business
	Zimbabwe (ZWE103)	Through Green enterPRIZE programme, 117 SMEs submitted green business plans, with 28 SMEs receiving financial and non-financial support for implementations
	Ghana (GHA103)	Produced country study “Skills for Green Jobs”, which analysed the gaps and good practices, and made recommendations that assisted the development of the Green Jobs Strategy
2016–17	Montenegro (MNE130)	The ILO commissioned a study on green economy and green jobs in selected northern municipalities
	Peru (PER904)	Led the implementation of the PAGE project – technical assistance to public institutions and constituent awareness-raising
	Senegal (SEN103)	Led the implementation of the PAGE project – technical assistance to public institutions and constituent awareness-raising
2014–15	Mongolia (MNG178)	Technical inputs to the Ministry of Environment, Green Development and Tourism in the development of the National Green Development policy
	Honduras (HND129)	Adapted the ILO's Greener Business Asia methodology, training 25 people to pilot in 10 participating hotels

⁵⁵ Significant contribution by outcome indicator reported in 2018–19 (other than Outcome 4): 1.2 (6), 1.3 (4), 1.4 (8), 5.1 (4), 5.2 (4), 5.3 (1), 6.1 (1), 6.3 (1), 7.1 (1), 8.1 (2), 9.2 (1), 10.2 (1), 10.5 (2), A2 (1); targeted action: 1.3 (1), 1.4 (1).

► **Table 13. Summary of Outcome 4 Green Jobs Programme projects, 2014–19**

Years	Country/region	Project code	Title	Budget	Other P&B outcomes?
2019–20	Algeria	DZA/19/01/GBR	Tawdif: Skilling youth for work	US\$1,106,415	Outcome 1 (skills)
2013–18	Zambia	ZAM/13/01/FIN	UN Green Jobs Programme: Enhancing competitiveness and sustainable business among micro, small and medium enterprises MSMEs in the construction industry (Phase II)	US\$7,567,864	
2017–20	Zimbabwe	ZWE/17/01/SWE	Green enterPRIZE Innovation and Development in Zimbabwe	US\$2,215,763	
2016–18	Ghana	GHA/18/51/SWE	More productive and competitive SMEs and MNEs contribute to and provide sustainable and decent employment, and a just transition to environmental sustainability	US\$152,265	
2018–19	Peru	RLA/18/03/IDO	Strengthening of national initiatives in Waste of Electronic or Electrical Equipment (WEEE) in Latin American countries	US\$224,672	Outcome 3
2014–15	Honduras	HND/14/02/RBS	Support productivity and improved working conditions in SMEs through the adoption of greener business models	US\$162,897	
2016–18	Uruguay	URY/16/50/SWE	Just Transition to a green economy	US\$153,084	
2016–18	Philippines	PHL/16/51/SWE	Just Transition to a green economy	US\$147,290	
2016–18	Ghana	GLO/16/51/SWE	Just Transition to a green economy	US\$157,148	
2015–18	Asia–Pacific	RAS/14/05/JPN	Workplaces and industries for sustainable and inclusive growth through sharing good practices of GBA, occupational safety and health and IR projects	US\$1,618,498	Outcome 7 (occupational safety and health, IR)
2017–18	Global	GLO/16/64/FRA	Green Jobs and Trade	US\$26,277	
2017–22	Global	GLO/17/17/UND	Partnership for Action on Green Economy – Workplan 2017	US\$3,663,249	
2018	Global	GLO/17/41/UNP	Partnership of Action on Green Economy (PAGE) – Phase III	US\$63,065	
2016–17	Global	GLO/16/30/UNP	Partnership of Action on Green Economy (PAGE) – Phase III	US\$377,008	
2015–17	Global	GLO/15/32/UNP	Partnership for Action on Green Economy (PAGE) – Phase II	US\$1,099,497	
2014–15	Global	GLO/14/12/UNP	Partnership for Action on Green Economy – (PAGE)	US\$1,504,423	

There has, seemingly, been little direct work with businesses. The Core Offer document⁵⁶ rehearses all the ILO activities and offers that potentially contribute to the green agenda. While this may primarily be a marketing document, it does promote SCORE's module 3 with its focus on productivity through cleaner production. As noted in paragraph 173, out of 2,222 enterprises that have completed SCORE training, just 224 completed module 3.

Recognizing that the ILO's work on the green economy is still at an early stage, the focus hitherto seems to have been on research, publication and policy proposals. This may be enough, since ultimately it is governments that have to take decisions – but if the ILO is going to have an offer for businesses, then arguably it needs to reach more than a couple of hundred if it is ever to make a difference.

⁵⁶ UNEP, *PAGE Core Offer: Tools & Services*, 2018. UNEP on behalf of PAGE, available at www.un-page.org/files/public/page_core_offer_print.pdf.

The Green Jobs Programme has had some success in reforming policy, but has been weaker in working directly with businesses.

The Green Jobs Programme is included within ENTERPRISES for the purposes of management, but the work is cross-cutting, ranging over much of the ILO's activities. Possibly as a consequence, much of the work has focused on work related directly to firms. This may partly be addressed in the 2020–21 biennium, with an Outcome 3 indicator: increased capacity of Member States to formulate and implement policies for a just transition towards environmentally sustainable economies and societies. This may also resolve some of the other issues.

The evaluators gained the impression that most of the work has been around research and making proposals to improve public policy, especially around integrating employment policies and environmental policies, but there has also been some direct work with businesses. Furthermore, the interviews suggested a degree of confusion around whether green jobs describes environmentally sustainable jobs in any business, or jobs in businesses that are working in the green economy.

This confusion is quickly apparent in the Green Business Booklet, developed to fit in to the SIYB suite of business support, which mainly focuses on people who may want to start businesses in the green sector, but occasionally talks about other businesses greening their processes.⁵⁷ There may well be merit in having a module on finding a business idea – but that focus should not be just on green businesses. There are many opportunities for green businesses, but there continue to be opportunities for many other businesses as well. There is certainly merit in encouraging businesses to think through how they can be environmentally sustainable – but this should run through all the SIYB materials (and indeed other materials as well, such as SCORE). Being environmentally sustainable is about being responsible, but is often about saving money as well.

The Zambia Green Jobs Programme was mentioned as an exemplar development cooperation project of the Green Jobs Unit. This focused on enhancing competitiveness and sustainable business among MSMEs in Zambia's building construction sector. It launched in 2013 and concluded in 2017. It is regarded as having been a successful project. However, more than half the outputs were changed or dropped following the mid-term review in 2016. The evaluation noted that "Determining, or predicting, the level of sustainability... would not be reliable, as several activities were still under way", and concluded the "impact on green construction policies has been mixed".

On the other hand, the ILO has been rather more effective in its research and policy work in the area of green jobs. It has published several reviews and policy contributions. For example, work by Green Jobs in Mexico City with all the social partners led to the signing of a Memorandum of Understanding between the Secretary of Employment and the Secretary of the Environment to do more to foster green jobs. Earlier,

► Box 17. What stakeholders said about effectiveness

"We focus mainly on providing trainings without really ensuring the outcomes of the trainings and how many beneficiaries have been able to start up their businesses ... Stronger focus needs to be given to monitoring of beneficiaries beyond the trainings."

"ILO has been very effective in working with financial sector stakeholders towards promoting decent work as criteria for financing and investment decisions."

"The work has mainly been related to projects. When projects end there has been limited follow-up on the results of the activities."

⁵⁷ For example, the first sentence of the section that describes the content of the booklet says, "The GBB is designed to assist potential entrepreneurs to identify a suitable green business idea and to develop a business plan for their future green business..." which sounds very clearly about setting up a business in the green business space, but then continues "...and to help entrepreneurs who already have an enterprise to green their business". It is not immediately clear whether that means adding a green product or service or making current processes more environmentally sustainable. However, the accompanying graphic suggests that (a) the focus is on ideas for green business, and (b) "greening your processes" follows on from, rather than paralleling, a green business idea. The chapter on greening your processes even starts by saying that entrepreneurs can add a green product or service, and only subsequently talks about the greening of processes.

the ILO had provided technical assistance to prepare competence standards covering green workplace practices, and further work has built capacity among government agencies on how to embed a green jobs approach. In 2019, the ILO and the Government of Mexico City organized a seminar on strategies for developing green jobs. However, it is unclear what has changed on the ground as a result of these initiatives. In Peru, a chapter on the green economy has been added to the national competitiveness plan. See section 5.4 – Recommendations.

3.4 Efficiency

Available data do not give a detailed picture of the efficiency of the ILO’s various work in sustainable enterprises – tracking of resource allocation is imprecise and a lack of impact data prevents cost-benefit analysis.

As has been noted in previous evaluations, the ILO’s systems do not allow an analysis of the regular budget costs associated with specific activities (or thematic areas) and their reported results. This type of analysis would require data on the cost of all resources used to undertake activities, information on how these activities were linked to outputs, and how they contributed to the achievement of outcomes. The fact that much of this work is dispersed throughout the ILO makes such an analysis even more problematic.

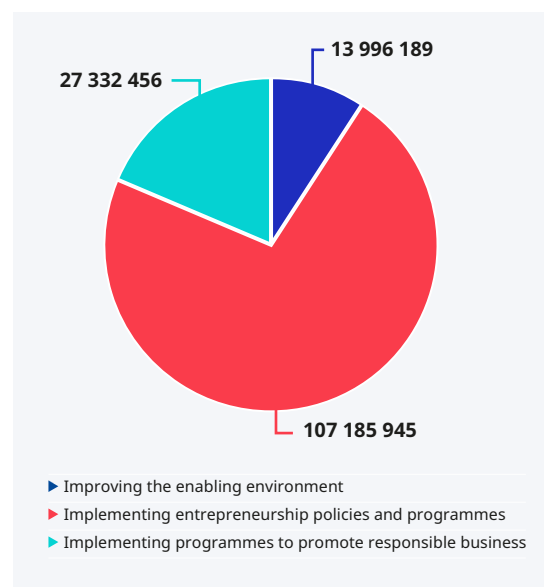
Efficiency reflects the extent to which scarce resources are converted to results in the most optimal manner. Other than noting the challenge of assessing efficiency, and describing several new approaches, the 2013 evaluation did not comment in any depth on efficiency. There is indeed a challenge, since the ILO’s resource allocation cannot be fully tracked in existing implementation reports and, in any event, a good measure of efficiency is expenditure divided by impact, for example, the cost per business created or the cost per job created. This can then be used for year-on-year comparisons and organization comparisons. However, such measures are hampered by the lack of impact data. The evaluators do have some comments on the way in which projects are implemented, and believe that projects could be managed more effectively but, overall, programmes are managed reasonably efficiently.

One of the difficulties this lack of data creates is that it makes judgements about the cost-effectiveness of the ILO’s work almost impossible to make. This includes assessing the relative contributions made by headquarters-based departments and units and specialists in the field. It is, for example, difficult to determine if the effectiveness and efficiency of the ILO’s sustainable enterprise work would be improved if more of its technical direction and development were led in the field rather than headquarters. Similarly, it is hard to judge if it would be more efficient to provide more support, resources and incentives for locally developed approaches that can achieve scale, local ownership and sustainability, than to run large global programmes from headquarters. Few measures are in place that would enable such issues to be analysed.

Overall expenditure against P&B outcome indicators was concentrated on implementing entrepreneurship policies and programmes.

Expenditures from the Regular Budget Supplementary Account (RBSA), Regular Budget Technical Cooperation (RBTC) and Extra budgetary Technical Cooperation (XBTC) were analysed by outcome indicator.

► **Figure 7. Project expenditure by indicator**



Source: ILO Finance Department.

To summarize the figures for the six-year period, the indicators were mapped across the three biennia to give three indicators (figure 7). Some 72 per cent of the total spent has been on developing and implementing entrepreneurship policies and programmes, with 18 per cent on promoting responsible business practice and just 9 per cent on improving the enabling environment. While these budgets do not give the full picture – because not every project has been captured against an indicator in the financial reporting system, as this only captures the direct costs incurred by the ILO and excludes both staff time and the contributions of partners, and because it is based on expenditure rather than budget – it does provide a good proxy.

Further discussion within the ILO on whether this balance is appropriate is needed. Creating the right conditions for enterprise – which includes ensuring that there is an appropriate and supportive, predictive and stable, rules-based environment – is essential if there is to be rapid growth in new business starts and in employment created by small businesses. However, small businesses generally suffer from asymmetric information – that is, others can find out about them, but they struggle to identify worthwhile opportunities within both domestic and international markets. This is where work on market systems development, and especially value chain development, can begin to make a difference.

The evaluation's analysis of development cooperation projects related to sustainable enterprises for the period 2014–19 identified 227 projects, with a total budget of more than US\$250 million. Some 50 per cent of total funds were allocated to Africa, with the next highest being Asia–Pacific, at 24 per cent. Projects relevant to the work of the SME Unit attracted 72 per cent of total funding.

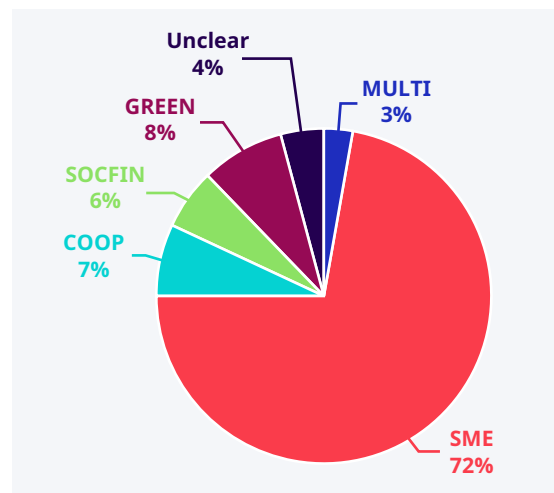
Using the ILO's Development Cooperation Dashboard, the evaluation also identified 227 development cooperation projects that were active in the period 2014–20.⁵⁸ Projects on this list were then examined and categorized according to their broad relevance to the five headquarters units/programmes in ENTERPRISES (MULTI, SME, COOP, Social Finance and Green Jobs) based on descriptions on the dashboard and, where these were unclear, on other documents found through a web search. Results were then analysed (see table 14).

The total budget of these 227 projects (including projects that were also active before or after the period of this evaluation) was US\$255 million.

Of these funds, US\$182 million, or 72 per cent, was for SME-related projects, followed by Green Jobs projects (8 per cent), Cooperatives (7 per cent), Social Finance (6 per cent), and Multinational Enterprises (3 per cent) (see figure 8).⁵⁹ The share of SME-related sustainable enterprises projects in some regions was even higher – for example, 98 per cent in Europe and Central Asia, and 92 per cent in Arab States.

Around half of all funds were for projects in Africa. Asia–Pacific projects received 24 per cent and global projects 15 per cent. Figure 10 illustrates the geographic distribution of project funds. (Note that the global projects may themselves concentrate activities in specific regions.)

► Figure 8. Enterprise projects by work area



Source: ILO Development Cooperation Dashboard.

⁵⁸ Any projects commencing prior to 2010, but active in the period 2014–19, were not included. Note that these figures relate to total project budgets, not expenditure, including budgets allocated for years outside the period of evaluation.

⁵⁹ A total of 3.6 per cent of the funds was allocated to projects where the links were unclear or for which little information was available.

Enterprise project activity in some regions was concentrated in specific subregions. For example, in the Americas, 67 per cent was in the Andean countries. The area of work that had the highest proportion of global project funding was Social Finance⁶⁰ at 70 per cent, followed by Multinational Enterprises at 42 per cent and Green Jobs at 36 per cent. Cooperatives had the smallest at 7 per cent.

► **Table 14. Development cooperation project funding for sustainable enterprises, 2014–19**

Region	Total project budget US\$	Project relevance to HQ ENTERPRISES Unit					
		MULTI	SME	COOP	SOCFIN	GREEN	Unclear
AFRICA PROJECTS	126 600 000	500 000	93 700 000	17 000 000	1 100 000	11 000 000	3 300 000
% of region by work type		0%	74%	13%	1%	9%	3%
AMERICAS PROJECTS	16 300 000	1 400 000	11 800 000	500 000	800 000	500 000	1 300 000
% of region by work type		9%	72%	3%	5%	3%	8%
ARAB STATES PROJECTS	11 500 000	0	10 500 000	300 000	0	0	700 000
% of region by work type		0%	91%	3%	0%	0%	6%
ASIA AND THE PACIFIC PROJECTS	60 500 000	2 700 000	49 100 000	500 000	3 100 000	1 600 000	3 500 000
% of region by work type		4%	81%	1%	5%	3%	6%
EUROPE & CENTRAL ASIA PROJECTS	2 200 000	0	2 200 000	0	0	0	0
% of region by work type		0%	100%	0%	0%	0%	0%
GLOBAL PROJECTS	38 100 000	3 200 000	15 100 000	1 100 000	11 400 000	7 000 000	300 000
% of region by work type		8%	40%	3%	30%	18%	1%
ALL PROJECT TOTAL	255 200 000	7 800 000	182 400 000	19 400 000	16 400 000	20 100 000	9 100 000

Source: ILO Development Cooperation Dashboard.

The figures reported in the P&B documents show that the Outcome 4 expenditure accounted for 10 per cent of ILO's total expenditure across the six-year period (table 15) and amounted to some US\$329 million. Of this, just under half (49 per cent) came from the Regular Budget, implying that ENTERPRISES has been very successful at raising additional funds to undertake specific projects and programmes.

The synthesis review noted that “the majority of reports stated that projects had been adequately resourced and that these resources had been used efficiently”.

The synthesis report further noted that projects that fostered synergies or that were able to leverage funds from other initiatives or that benefitted from support of other ILO programmes or experts reduced costs and increased efficiency. Good relationships between the ILO and partners on the ground were also positive factors, as were the expertise and technical experience of national staff and experts. While this is all positive, the report also noted that issues with financial disbursement and short funding cycles led to delays in and inefficiencies.

The staff survey specifically asked about efficiency, and both surveys asked whether the ILO had a clear approach to promoting sustainable enterprises. While this second question is not about efficiency per se, having a clear approach will make it more likely that projects will be implemented efficiently. This second

⁶⁰ These data exclude the US\$38 million Microinsurance Innovation Facility global project, funded mainly by the Bill and Melinda Gates Foundation, which ran from 2008 to 2015.

► **Table 15. Outcome 4 total resources for period 2014–19 (millions of United States dollars)**

		Regular Budget	Extra Budget	RBSA	Total	
2014–15	Outcome 4	55	51	3	109	10%
	Total ILO	606	430	32	1067	
2016–17	Outcome 4	62	54	2	118	11%
	Total ILO	632	382	31	1044	
2018–19	Outcome 4	45	55	2	102	10%
	Total ILO	491	470	23	983	
		49%	48%	2%		

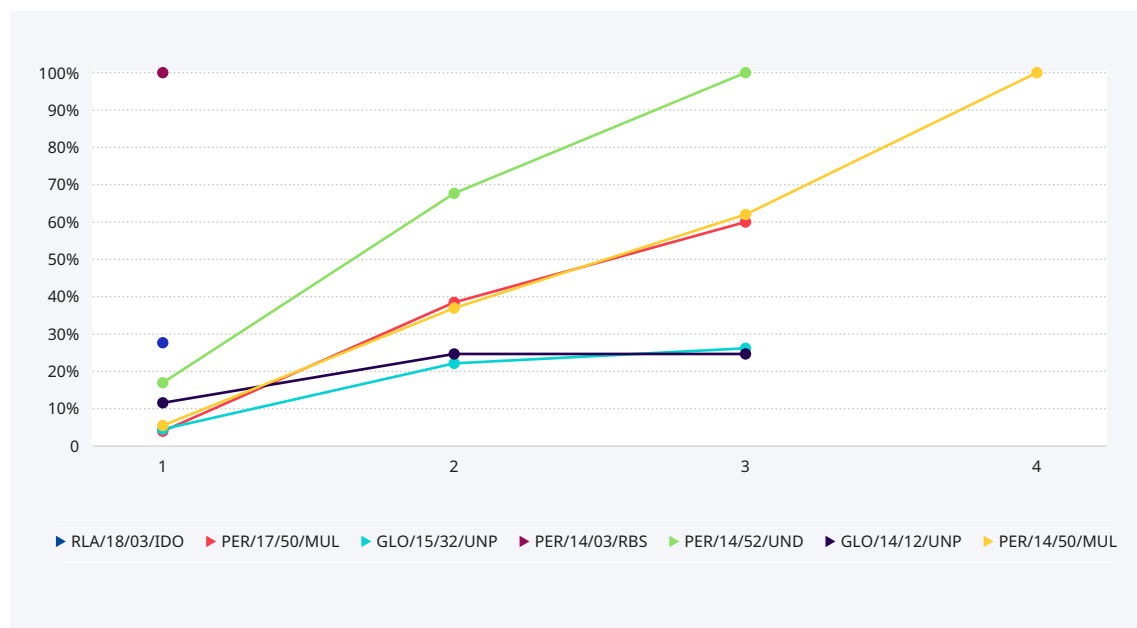
Sources: P&B 2016–17, P&B 2018–19, P&B 2020–21. RBSA: Regular Budget Supplementary Account.

question was rated at 4.9 by constituents and at 3.9 by staff. Staff additionally rated the ILO's estimate of efficiency at 4.0 (out of a possible 6). The evaluators endorse that score.

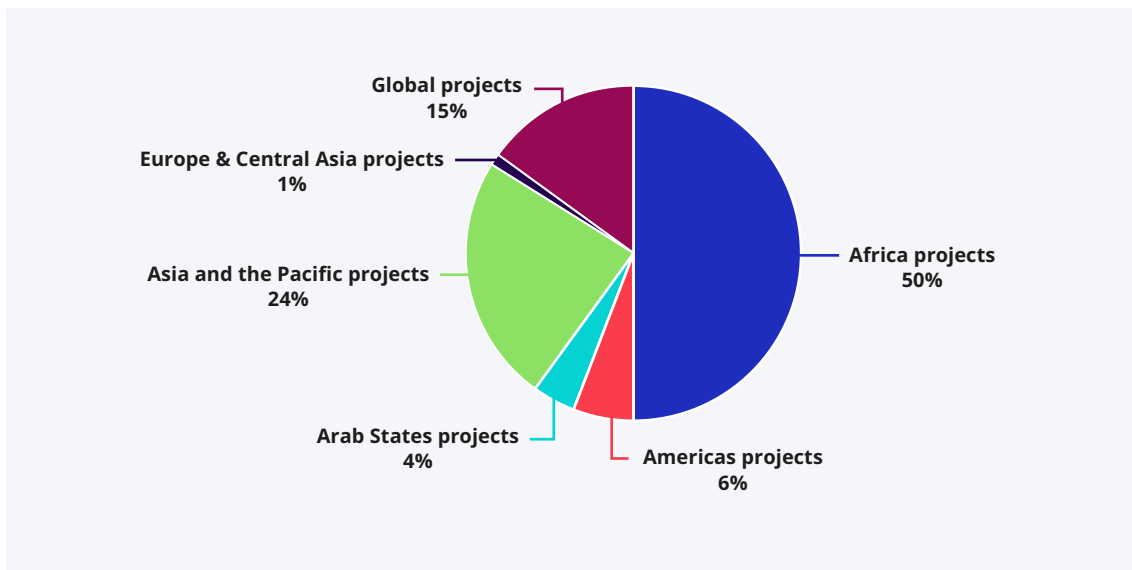
It is revealing to look at the rate of spend for projects. One country, Peru, has been highlighted, though this mix of rates of spend is not unusual. Figure 9 shows percentage of budget, cumulatively, from the start of the project. Of the seven outcomes for the four projects, one spent its entire budget in the first year (though such rapid expenditure is unusual); the rest took a long time to get going. Often, this is due to the length of time required to recruit a CTA to manage a project, but a review should identify mechanisms that could be adopted to speed up this process.

The resources, on top of the staff, allocated by ENTERPRISES to EESE was US\$698,000 in 2014–15 and US\$592,000 in 2016–17. ACT/EMP, while contributing fewer staff, has allocated more funding, amounting to US\$1.2 million in 2014–15 and US\$510,000 in 2016–17. This means that the rough cost of an EESE assessment was US\$238,000 in 2014–15 (though this is likely to include significant support for EOs to advocate

► **Figure 9. Rate of spend: Sustainable enterprise projects, Peru**



Source: ILO Development Cooperation Dashboard.

► **Figure 10. Enterprise projects by region**

Source: ILO Development Cooperation Dashboard.

the adoption by government of the policy proposals emanating from an assessment) falling to around US\$74,000 in 2016–17. The number of assessments completed exceeded the target, reducing the average cost to around US\$50,000. Assuming that the latter figure represents the current cost of undertaking such an assessment, this looks like very good value for money.

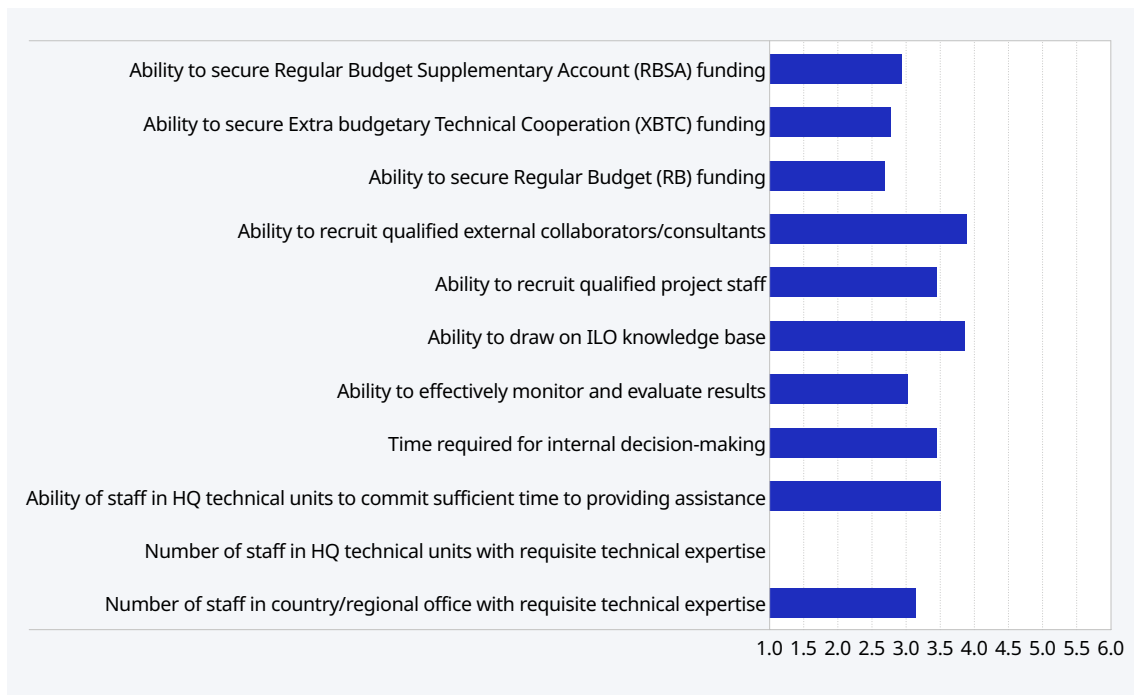
Better coordination across departments within the ILO can contribute to efficiency, through providing access to more institutional memory, to wider networks and by harnessing synergies between different programme elements. Our assessment is that coordination and collaboration are improving in the ILO, but that they could still be improved further. A project in Ethiopia was mentioned as a possible template for working in a more collaborative way, using a programmatic approach that chooses a long-term strategic array of specific yet interconnected interventions that support an overall programme objective. Focusing on the garment and textile industries, this project weaves together the work of various ILO departments and programmes – including SCORE, Better Work, INWORK, Employment Injury Insurance, Labour Inspection/Occupational Safety and Health Branch and Vision Zero Fund – in a novel way.

Significant constraints on efficiency and effectiveness were identified through the survey.

The evaluation survey asked respondents to rate the extent to which 11 issues imposed constraints on the ILO's ability to achieve its enterprise promotion goals. A six-point scale was used ranging from "not a constraint" to "very substantial constraint" (see figure 11).

The most significant constraints identified by respondents all related to funding: "ability to secure Regular Budget funding" (which had an average score of 4.3 out of 6), "ability to secure XBTC funding" (with corresponding results of 4.2), and "ability to secure RBSA funding" (4.1). Other factors rated highly, as constraints were "number of staff in country/regional office with requisite technical expertise" (3.9), ability to effectively monitor and evaluate results (3.9) and "time required for internal decision-making" (3.6).

There appears, however, to be a tendency to keep on delivering tried and tested programmes. Although the ILO has made efforts to innovate and develop new approaches to support entrepreneurs, the question should be asked as to whether it is appropriate for the ILO to keep supporting these programmes or to

► **Figure 11. Survey results: Staff perceptions of constraints on efficiency**

hand them over to others – which could include any combination of governments, consultancies and not-for-profit business support organizations – to take forward.

The ILO can be slow to launch new projects, and this adversely affects efficiency.

When countries implement new projects, there is a need to recruit staff to manage them. The evaluation found that it is common for there to be considerable delay in the recruitment of staff, and thus in the launch of programmes. This can lead to tension with donors and sometimes a rush to spend funds as the project nears completion. This could be obviated by either improving the recruitment process or by building the required time into project designs. CTAs whose projects are coming to an end cannot just transfer to managing a new project; instead, they have to go through a completely new recruitment procedure. One consequence is that CTAs look for more stable employment elsewhere.

► **Box 18. Taking SIYB forward in Egypt**

The ILO has worked with the Micro, Small and Medium Enterprise Development Agency (MSMEDA) of Egypt since 2008. Up until 2012, it offered more than 48 different enterprise development programmes, but has now simplified the offer to 10 programmes. A key programme for MSMEDA has been SIYB, which is offered as a two-year development programme for participating entrepreneurs. Just 25 per cent of applicants are accepted to the programme. Prospective entrepreneurs participate in a 45-hour training programme, after which they prepare a business plan, aiming to start within a further six weeks, and then have access to mentoring support for up to two years. About three quarters of those who receive training complete a business plan. About one third of those who start training actually start businesses and, it seems, some 99 per cent of those people are still in business at the end of two years. This is a remarkably good track record.

► **Box 19. What stakeholders said about efficiency**

“Biggest constraint: [Regular Budget] resources allocation to the enabling theme of social finance (2 tech RB) => technical cooperation projects are cross-subsidizing regular tasks to a very high level, which is not healthy for staff in these positions.”

“Only two officers manage the SCORE programme in [country name] working through management, administration, relations with partners, M&E, etc. We are always overwhelmed with the load of work. This has a bad effect on our health and social/family life.”

“The internal structure of ENTERPRISES needs reform.”

“Too many staff headquarters – should decentralize more (for example, why is The Lab team completely in headquarters?), too many headquarters- or regional office-driven initiatives that don’t make sense at the country level.”

3.5 Impact and sustainability

The ILO does not pay enough attention to measuring the long-term impact and sustainability of its work in promoting sustainable enterprises.

The ILO makes considerable efforts to monitor results, but only during the period of a project, so post-project outcomes and impacts are generally not captured. The 2013 evaluation says that “impact is hard to measure” (p. 56). Acknowledging that assessing impact and the sustainability of the ILO’s work takes time and effort, more attention is needed on measuring both the “downstream” results for participating enterprises and the lasting “upstream” changes to local systems and institutions.

In the case of the downstream results, impact evaluations of ILO entrepreneurship programmes have been carried out in some countries (see below), and these have provided useful insights on what works and for whom. But such studies are scarce. The ILO has commissioned some tracer studies – which have contributed to understanding the outcomes delivered by projects – but largely still fail to capture impact. In the case of upstream systemic results, there are some high-profile success stories (such as SIYB in China and, in a different way, in Sri Lanka), but very little is known about what has happened with some programmes over time in many other countries.

For example, one of the HLE’s international consultants had previously evaluated SIYB’s implementation in five Pacific Islands countries – Papua New Guinea (2008) and Samoa, Vanuatu, Kiribati and the Solomon Islands (2010). None of these countries were included in the “handover note” provided by ENTERPRISES, which gave a global snapshot of the programme’s current status. Presumably, SIYB is now inactive (or maybe invisible) in these places. Regardless, there is a story to tell about the impact and sustainability of SIYB in these countries, but the ILO has given no attention to documenting this story or the lessons it might offer for the programme’s future use.

ILO monitoring tends to focus on outputs – and, insofar as they are delivered during a programme, on outcomes – but impacts are only ever discovered if a more detailed evaluation or tracer study is commissioned later. However, these studies fail to offer sufficient detail about benefits arising from the interventions. More effort should be made during the design stage of projects to consider the most appropriate indicators of impact – and then put in place mechanisms to encourage appropriate data recording. In most cases, mentors or coaches would find their roles much easier if businesses were recording performance data on a regular basis so this would not impose a burden beyond what an effective business should already be doing. Without a randomized control trial, this would not be entirely rigorous, but it would give a good indication of impact – and this could then be used to calculate benefit–cost ratios.

ENTERPRISES has attempted to define sustainability in a short brief prepared by The Lab.⁶¹ This explains that “to be truly sustainable, changes in behaviour should be observed not only at the individual or enterprise level, but at the level of the system itself”. It goes on to explain that “behaviour changes in the system must first deliver a desired benefit without external support and then adapt and evolve such that benefits are sustained in the face of changing conditions, shocks or other threats”. The document argues that three factors are necessary to underpin sustainability: programmes must catalyse change; sustaining impact requires that there has been demonstrable impact in the first place; and changes are adopted and owned by local players.

The evaluators have no disagreement with any of this, and indeed would encourage the ILO to use this as the basis for an internal debate on sustainability. In our interviews, especially among ILO staff, the view seemed to be that moving a programme to a constituent and having some organization other than the ILO pay for it delivered against the sustainability objective. That, however, is not the same as delivering on the three factors outlined by The Lab. In our view, the most important factor is impact. If a programme confers a benefit to a participant that is in excess of the cost, then there is a reasonable chance that participants will pay so that they can benefit in the same way. However, and this is particularly true among new and small businesses, there is a market failure: the businesses either do not have the money up front, or do not sufficiently perceive the potential benefit, and thus refuse to pay for the service. This has been the experience of SCORE in Ghana, for example, but appears to be true also in many other countries where SCORE is offered. The alternative to the business paying is that governments think that this is important enough for them to pay instead. Sustainability requires evidence that such continuing support makes enough difference to tax revenue or reductions in other public expenditure that it is worthwhile funding the programme.

This, however, makes it even more important for the ILO to assess impact of programmes that it supports, so that it has the data available to support its arguments that these programmes really do make a difference.

Some work has been done to measure the impact of the ILO's entrepreneurship programmes, and these were generally positive, and revealed some lessons for future programme design, especially those targeting women.

The Department provided details of several studies, including some impact evaluations using quasi-experimental methods involving a range of treatments and control groups. McKenzie and Puerto (2017)⁶² conducted a “market-level randomized experiment in Kenya” for the World Bank in 157 rural markets and 3,537 businesses in Kenya to test how the ILO's GET Ahead programme affected the profitability, growth and survival of female businesses, and to evaluate whether any gains in profitability came at the expense of other business owners. It found that “Three years after training, the treated businesses are selling more, earn higher profits, and their owners have higher well-being. There is no evidence of negative spill overs on the competing businesses, and the markets as a whole appear to have grown in terms of number of customers and sales volumes.”

Fiala (2014)⁶³ conducted a randomized experiment with microenterprise owners in Uganda, with businesses randomly selected to receive loans, cash grants, business skills training (through SIYB), or a combination of these. He found that male business owners who received training and loans reported significantly higher profits than those receiving other combinations of support or those in the control group. Selection of businesses was an important factor in these positive results, as these were business owners who had expressed interest in growing their businesses further, had loans in the past and were now looking for additional credit for expansion.

61 ILO, *Can development results last a decade? A sustainability assessment of an enterprise development project in Sri Lanka*, 2020.

62 David McKenzie, Development Research Group, World Bank and Susana Puerto, Employment Policy Department, *International Labour Organization, Growing Markets through Business Training for Female Entrepreneurs: A Market-Level Randomized Experiment in Kenya*, World Bank Policy Research Working Paper 7993, March 2017.

63 Nathan Fiala, *Stimulating Microenterprise Growth: results from a Loans, Grants and Training Experiment in Uganda*, 2014.

In contrast, he found that none of the interventions helped “women in the short run, and all appear to have led to a decrease in profits over time”. He attributed this counterintuitive result to family pressure – “keeping cash in hand is difficult when there is pressure to spend money on school fees, health care and funerals”. Results from the “loan-with-training” combination were positive for women with family who were outside of their districts.

Tailoring of entrepreneurship training to better cater to the circumstances of women appears to be an important design consideration. Huis et al. (2019)⁶⁴ conducted another randomized control trial of GET Ahead in Viet Nam, which focused on different dimensions of women’s empowerment in that country context (personal and relational). They concluded that “training tailored to the needs and experiences of women may have stronger impacts for female entrepreneurs than offering a general business training”, and that those aiming “to strengthen women’s position in society through business training should consider the potentially promising contribution of adding a gendered perspective to these trainings”.

It is unclear if and how these rare insights into the impact of entrepreneurship programmes have influenced the ILO’s subsequent approach. It may be that more work is needed to get a better picture of the different conditions – economic, societal and cultural – that can influence impact and adjust this approach accordingly.

Although reported decent work results indicated strong links to the Sustainable Development Goals, the evaluation was unable to draw any conclusions from available data about how much the ILO’s work has contributed to meeting relevant SDG targets.

The evaluation reviewed country results for the ILO’s work in promoting sustainable enterprises as set out in the implementation report dashboards (last two biennia only). Most CPOs reported against P&B Outcome 4 indicated that they had contributed to SDG Indicator 8.3⁶⁵ – 66 such links were reported in 2016–17 and 37 in 2018–19. Links were also reported with SDG Indicators 8.5, related to full employment (10 in 2018–19); 8.2, related to productivity (4 in 2018–19); 8.6, related to youth (4 in 2018–19); 8.8, related to labour rights and occupational safety and health (3 in 2018–19 and 1 in 2016–17); and 8.4, related to environmental sustainability (1 in 2016–17). CPOs were often also linked to other SDGs, including those relating to gender equality (SDG 5 – 13 links in total), climate change (SDG 13 – 6 links), and lifelong learning (SDG 4 – 4 links).

There is no narrative attached to these CPOs that explains how they advance these goals. A link is simply flagged. The rationale for recording such links is unclear and appears to be somewhat random – on reading the CPO descriptions, it appears that some could just as easily lay claim to advancing in some way a particular SDG, but do not.

The evaluators looked for other data that might help to quantify the ILO’s contribution to the SDGs from its sustainable enterprises work, but were unable to find any. The ILO’s Statistics Department collects macro level data at a country level for the indicators for which the ILO is the “custodian”, but none of these were illuminating.

The lack of comprehensive impact data for the ILO’s work, and the small scale of this work, may be the real issues behind this apparent gap. While project designs align in principle with the SDGs, their latest results are often unknown. Even if projects are successful, they are generally too small for their impact to make a discernible difference to the target and, even if there is evidence that the target is being delivered, it is difficult to attribute to specific activities. The focus should thus remain on designing programmes and projects which, if successful, will contribute. A consequence of this, however, should be that successful programmes will require to be scaled up quickly, and this will almost certainly mean the ILO demonstrating that approaches work and then handing them over to others to continue.

⁶⁴ Marloes Huis, Robert Lensink, Nhung Vu, Nina Hansen, “Impacts of the Gender and Entrepreneurship Together Ahead (GET Ahead) training on empowerment of female microfinance borrowers in Northern Vietnam”, *World Development*, 120 (2019) 46–61.

⁶⁵ Indicator 8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium-sized enterprises, including through access to financial services.

The interviews highlighted several programme-specific issues related to impact and sustainability.

Discussions with staff at headquarters and in the field raised some specific issues related to the impact and sustainability of different programmes and tools:

- The nature of MULTI's work with countries to maximize the social and economic benefits of the operation of multinational enterprises made it a long-term investment with few immediate results, other than establishing mechanisms for engagement.
- MULTI's proposal to measure the impact and effectiveness of the Help Desk service – for example, by conducting surveys of users – was vetoed by the constituents on confidentiality grounds. There is thus no mechanism to assess whether the service makes a real difference.
- The impact of cooperatives and the Social and Solidarity Economy on decent work and gender equality in some sectors suggests that the ILO could invest more in these enterprises. For example, ILO research into the care economy suggests that care cooperatives provide better and fairer wages and benefits to workers in this rapidly growing field, where women comprised most workers and members. In the waste management sector, cooperatives in these areas have had an impact on formalization, skills development, occupational safety and health, and access to finance.⁶⁶
- The market systems development approach offers some valuable lessons on sustainability, and represents a possible new operational model. Research conducted on the Enter-Growth project, which ran in Sri Lanka between 2005 and 2009, found that a substantial number of the systemic and behavioural changes introduced has been sustained ten years later. What is more, this type of retrospective research is exactly what the ILO needs if it truly wants to measure the impact and sustainability of its work.
- With SCORE, following an evaluation of Phase II, the ILO has been following its recommendation to “get out of the driver's seat” in the interests of improving sustainability. It recognizes that, unless public agencies embed SCORE or something like it into their SME or skills development systems, it cannot be sustained or achieve scale. The ILO reported that it had made significant progress towards this goal in some countries (including in China, Viet Nam, Indonesia and Peru).
- The introduction of SIYB in the “greenfield” site of Myanmar illustrates that if enough work is done to develop a market of providers and to demonstrate the benefits of the training, a sustainable, largely unsubsidized, user-pays system can be introduced to a less developed country (see box 20).
- Alternative programme delivery models may offer another path to sustainability – as well as impact at scale and value for money – in some contexts, and the organization needs to be more open to testing these. The activity-based enterprise development products developed by the Asia-Pacific DWT may be well suited to the needs of countries in other regions and should not be dismissed, even if the logistics of providing support to multiple programmes can be challenging (see box 3).

► Box 20. Sustainability and SIYB in Myanmar

Slowly emerging from a closed economy under the control of an authoritarian regime, and with no recent history of enterprise development activity, Myanmar has been a most unlikely success story for the ILO's SME work. The ILO was one of the only development actors active in the country prior to the recent reforms, focusing on human rights violations related to forced labour. It was therefore well-positioned to engage in other development work when the situation changed.

⁶⁶ ILO COOP, *Cooperative and Social and Solidarity Economy: Responses to key issues in the report on the Global Commission on the Future of Work*, May 2019. The coop training family of tools Think.Coop, Start.Coop and Manage.coop are being used by women coops that are working in the care sector in countries such as Turkey, India and Iran (Islamic Republic of). Provision of care through cooperatives is an area we are exploring including getting existing agricultural and financial cooperatives in Kenya and Cameroon to get involved in care provision, including health care. Similarly, in waste management, ILO is supporting initiatives in Senegal and Cameroon in partnership with GreenJobs and ACTRAV involving cooperative development among waste pickers in these countries.

With no history of other SME programmes offered within the country, the ILO was in a position to break new ground when the Government of Norway funded a project in 2013. Significantly, the project adopted an unconventional – even counterintuitive – approach by seeking to make the delivery of entrepreneurship and business management training programmes sustainable from the outset. Training was largely unsubsidized and relied instead on the willingness of local enterprises to invest in business development services that had been largely absent from the country in the past.

The project strategy was first to identify potential business development services providers. This was a challenge, as there had been no established market for such services. Initially, there were just a few small training institutions operating, some of which were operating in narrow fields (for example specializing in the certification processes required to enter regional universities). Although it took time, gradually the project identified and trained a network of providers in the use of SIYB tools and methods, and supported marketing efforts so that they could sell the service on a fully commercial basis from the outset. Assessment of the providers' ability to sell the product was an integral part of the selection process – that is, if a provider wanted to be trained, it had to demonstrate that it could sell the product.

Over the course of this first project (2013–17) some 1,000 trainers from over 400 partner organizations were trained, and these have provided services – without subsidy – to over 20,000 entrepreneurs. A second project, funded by Norway and Switzerland, has built on the training infrastructure established through the SME project, and has introduced SCORE, including a targeted use of the programme in the food processing and tourism sectors. As with SIYB, SCORE has also been delivered without subsidies in Myanmar, with SMEs paying a full market rate for the training. Responding to other market needs and opportunities, other training and awareness-raising programmes have been introduced, such as the Leht Li programme for SMEs in the Coca-Cola retailer network and the rural entrepreneurs “Business Eye Opener” programme, which caters for people who may have no experience of training and require a taster course. This latter course is driven by local governments and NGOs, and is a pathway to other training.

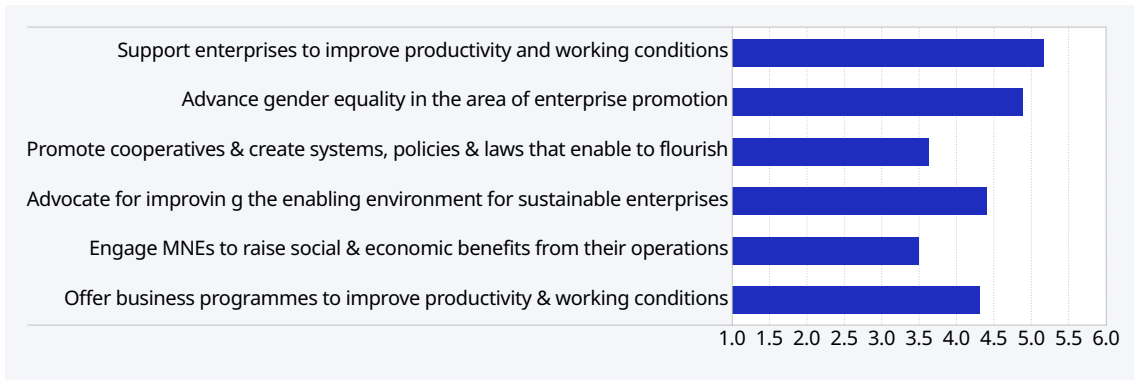
The unique circumstances of Myanmar need to be considered when looking at the sustainability of entrepreneurship training there. Myanmar was something of an untouched market, and was not used to getting this sort of support for free, as is often the case in developing countries, where donors or NGOs can inadvertently establish these habits. The ILO was the early bird. It had been there for a long time and was an established high-profile institution recognized within government structures – a necessary precondition for getting into certain regions. Regardless, its success in establishing a viable market for business development services in a country with Least Developed Country status is a significant achievement.

The surveys suggest that both constituents and staff perceive the ILO to have improved local capacity to sustain the ILO's work without further support or funding, though constituents have a rather more positive view than staff.

The surveys asked constituents and staff to rate on a six-point scale the extent to which the ILO's work had improved local capacity to achieve specific results without further support, funding or subsidies. The results are set out in figures 12 and 13.

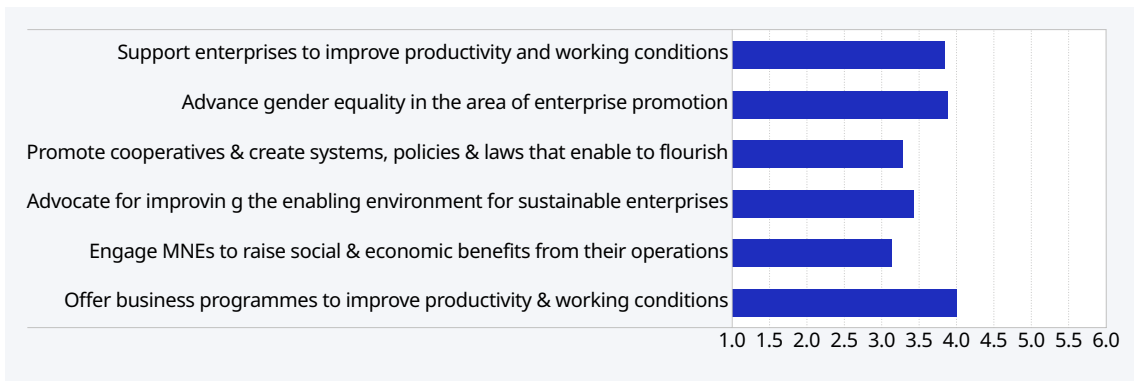
Constituents rated local capacity to “support enterprises to improve productivity and working conditions” as being the area where the ILO had most improved local capacity (average score of 5.17 on the six-point scale) followed by “advance gender equality in the area of enterprise promotion” (4.9) and “advocate improving the enabling environment for sustainable enterprises” (4.4). They saw local capacity to engage with multinational

► **Figure 12. Constituent views of ILO programmes and sustainability**



N=23.

► **Figure 13. Staff views of ILO programmes and sustainability**



N=37.

enterprises as the lowest area of improvement (3.5), along with work to promote cooperatives (3.6). The overall average score across all surveyed areas⁶⁷ was 4.3.

Staff overall rated local capacity to continue sustainable enterprise work without further support or funding lower than constituents did – they gave an average score across all surveyed areas of 3.6. They rated local capacity to run entrepreneurship programmes and programmes to improve productivity and working conditions the highest (3.9), followed closely by advancing gender equality (3.8). In line with constituent views, they rated local capacity to engage with multinationals the lowest (3.1).

Support over a longer period may lead to improved outcomes and impact.

Several respondents noted that business support programmes were too short to ensure long-lasting results. In Tunisia, in particular, there were many requests that programmes be given longer durations, mainly so that there could be a “post-creation [of business] follow-up”. While continuing to offer mentoring would both reassure the participating businesses and allow the ILO to gather impact data, if advice is available for free, there will always be demand, so support programmes should ensure from the start that they are clear that businesses will need to transition from free to fully paid. Where ILO might be able to improve is in starting this process prior to the end of programmes, so that businesses are already moving in the direction of paying when they need further help.

67 Note: Due to an error in the survey design, this question did not measure perceptions of capacity improvement related to Green Jobs and Social Finance.

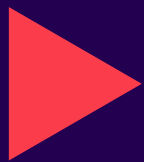
▶ **Box 21. What stakeholders said about impact and sustainability**

“‘Being gone’ should be our end goal! Not an everlasting programme with our team – and donor funding – keeping the plates spinning.”

“The focus is on the garment industry now, but in ten years these jobs will be gone. Governments need to think of their transition strategy now. The garment sector in places like Bangladesh are declining now. ENTERPRISES can bring business into this discussion to look at industrial and sectoral policy.”

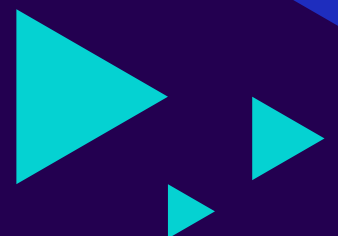
“The ILO doesn’t create jobs – or maybe a few in crisis situations. The challenge is to add our effort to those who do and to focus on job quality.”

“Sustainability and scale are our Achilles heel.”



4

Promoting sustainable enterprises in the post pandemic world



► 4 Promoting sustainable enterprises in the postpandemic world

High-level evaluations provide an opportunity to look back on the ILO's strategy and action in identified areas of work, and to learn lessons that can guide future decisions and improve organizational performance. The current HLE set out to do just that, but from the moment it commenced, it was clear that the ILO was about to enter a completely new and unpredictable period where the lessons of the past may no longer hold and where existing strategies may no longer be fit for purpose or for the "next normal". As the old joke put it, the future is not what it used to be.

The ILO has responded well to the emergency phase of the pandemic, but needs fresh thinking to guide its work in the recovery phase.

The ILO has been quick to respond and ENTERPRISES has been providing advice on the immediate workplace challenges posed by the health emergency, and in supporting business continuity. It has also begun to generate some ideas on the recovery phase and on "rethinking new ways of doing business", but these ideas seem to be still at the formative stage and lack detail. For example:

- Speaking on International MSME Day, the ILO's Director-General stressed the role of these enterprises as "engines for inclusive economic recovery", and reinforced the ILO's role in ensuring that they "not only generate incomes and livelihoods, but also provide a safe workplace with decent working conditions".
- A brief, "Interventions to support enterprises during the COVID-19 pandemic and recovery"⁶⁸ raises the possibility of "new forms of cooperation between large and smaller enterprises, particularly in sectors devastated by the shock", encourages more investment in entrepreneurship training and "fresh thinking" on facilitating growth, but provides no detailed guidance on how this might be done.
- A research brief, "The effects of COVID-19 on trade and global supply chains",⁶⁹ highlighted the potentially damaging effects of a possible reconfiguration of GSCs in certain industries that might involve re-shoring and/or near-shoring, and increased automation. It details how SMEs may struggle to cope with these changes, and to manage supply and staffing shortages and reductions in productivity. Without government intervention, "they are also less able to access credit to remain solvent in a downturn, to retain workers and to keep paying wages". It concludes, "stronger and more effective dialogue is required among the multilateral institutions" to ensure a free and fair trading system, and that the ILO could play an important role in this.
- The ILO-chaired United Nations Inter-agency Task Force on Social and Solidarity Economy released a statement on "What role for the Social and Solidarity Economy in the post COVID-19 crisis recovery?"⁷⁰ This statement highlighted the potential role of this sector in the recovery phase through local economic development, harnessing its people-centred approach, and its deep links with local communities, but again was short on practical details or examples.
- In the area of green jobs, the ILO has highlighted how some behavioural changes brought about by the pandemic might point the way for a post-pandemic recovery that is not a return to business as usual, and positions economies and societies to be both more resilient to future shocks and more sustainable and less damaging to human health, ecosystems, jobs and incomes.

68 Available at www.ilo.org/empent/areas/covid-19/WCMS_741870/lang-en/index.htm, accessed 20 September 2020.

69 Available at www.ilo.org/global/research/publications/WCMS_746917/lang-en/index.htm, accessed 20 September 2020.

70 Available at www.ilo.org/global/topics/cooperatives/publications/WCMS_748794/lang-en/index.htm, accessed 20 September 2020.

So, in the light of this evaluation's review of the ILO's current approach to promoting sustainable enterprises, what are some of the key issues that need to be considered in shaping its future work?

- As the research brief cited above points out, global supply chains are likely to be restructured. Even before the pandemic, talk of reshoring of jobs and investment was part of the populist narrative of “taking back control”, and companies have since found themselves to be vulnerable because they cannot find the parts they need when these supply chains are disrupted. Already, Japan has earmarked US\$2.2 billion to help manufacturers shift production out of China,⁷¹ and there have been similar calls in the United States and elsewhere. Apart from reshoring, there is also the danger that, in the face of a protracted global recession, some MNEs might be less inclined to play as active a role in advancing decent work and human rights in their supply chains.
- The ILO has already played a role in developing with the social partners a “Call to Action” in the global garment industry to help address workers’ income, health and employment needs during the crisis.⁷² The ILO needs to continue such engagement in this and other global supply chains to ensure that scrutiny of working conditions is maintained and, in line with the aims of the MNE Declaration, actively work to minimize and resolve the difficulties that may arise in their global operations in the wake of the crisis.
- The already strong demand for practical entrepreneurship training tools such as SIYB is likely to increase as countries face job losses and new “necessity-based entrepreneurs” enter the market. The brief, “Interventions to support enterprises”, cited above, encourages such an investment in entrepreneurship training, but it also calls for “fresh thinking”. As the evaluation has suggested, the ILO may need to do some fresh thinking of its own on where such programmes fit in the big picture of the ILO's work. Demand could be huge and some donors might be willing to invest heavily in them as stand-alone solutions to unemployment. Other options that perhaps offer more scope for speed of implementation, greater scale and sustainability should be considered. Now is a time for innovation and creativity.
- The post-pandemic role envisaged for the SSE in the United Nations Inter-agency Task Force on Social and Solidarity Economy statement could be better defined and more actively promoted by the ILO. Intervention models and a theory of change need to be more clearly articulated. Some ILO staff may be less familiar with this emerging area of work, and may need guidance and inspiration. PARDEV indicated to the evaluation that donors were increasingly interested in this work. Opportunities need to be identified and assessed in the field, and creative proposals called for and developed.

The need now is to build resilience.

While the health crisis is a worse disaster than anything in recent memory, hitting all parts of the world, it is unlikely to be the last. Some places – notably Taiwan Province of China, Singapore and Viet Nam – were prepared but most were not, and most businesses were shown to be wanting as well. The ILO is well placed to promote the importance of resilience and, further, that the need is at three levels:

First, businesses of all sizes need to build resilience – through ensuring, inter alia, that they:

- maintain up-to-date risk assessments;
- prepare business continuity plans, ideally through considering a range of scenarios and developing appropriate responses;
- diversify their customer bases, so that they are not entirely dependent on a single market (though it is recognized that for many service businesses, this will not be possible);
- ensure not only that they are profitable, but also that they salt away some money into a rainy-day reserve;

⁷¹ Available at www.bloomberg.com/news/articles/2020-04-08/japan-to-fund-firms-to-shift-production-out-of-china, accessed 20 September 2020.

⁷² Available at www.ilo.org/global/topics/coronavirus/sectoral/WCMS_742343/lang-en/index.htm, accessed 20 September 2020.

- ▶ watch the costs at all times;
- ▶ build in flexibility (including, for example, in the way that they work – home working instead of office working, say) and in the way that they contract people (with arrangements other than permanent employment contracts).

Workers' organizations (WOs) will have as much of an interest in all this as employers' organizations (EOs) because they want to protect the income of their members, but also because they want firms to stick around to keep on generating that income. There is thus a clear role for the ILO to work with both WOEs and EOs to think through what makes firms resilient.

Secondly, governments want to make their economies more resilient. This requires more than simply planning for pandemics or other disasters and ensuring sufficient stocks of personal protection equipment or having plans for track and trace. It requires that governments think through the regulatory regime that will make it easier for firms to diversify, make it easy for firms to be flexible and make it easier for firms to do business, so that they can indeed build reserves. This will require close cooperation with the employers' and other business representative organizations, and with WOEs. It should not dilute the ideals of decent work, but it may lead to fresh thinking about what firms do in times of crisis and how they do it, since at present often the easiest route is simply to shed labour.

Thirdly, the ILO needs to think how it builds this thinking into its own programmes. In some cases, such as SCORE, there may be scope to rethink the programme. The core requirements – improving working conditions, reducing accidents, reducing costs and increasing productivity – may remain, but they could all be incorporated into a programme called, say, Resilience Readiness, which may make it rather more attractive to prospective participants. Similarly, MNEs that fail to read the runes about responsible capitalism will feel a hard rain, so helping them to understand what they need to do now to avoid issues in the future could be attractive to many more businesses.

▶ **Box 22. What stakeholders said about the COVID-19 response**

"The activation and adaptation of business development tools to new concepts and challenges would be essential to provide support and promote sustainable companies in our country."

"The ILO needs to plan to support SMEs to overcome the challenges of demand and workload variation, changes to daily management routines, different work procedures, workplace contamination in (handling contaminated materials/components, difficulty maintaining a safe distance between workstations, contamination through shared documents and equipment, use of common spaces such as the kitchen or break room, and small casual meetings within safe distances), habits and culture, and improve the processes of (standard work, layout design and workload levelling) for improvement of crisis management, organization, strategy and operations."

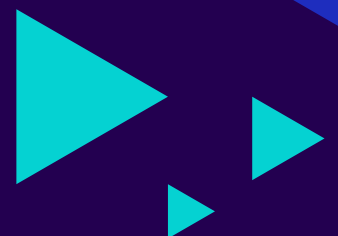
"We need to further involve the private sector in our projects and programmes. We need to move gradually from programmes that directly intervene (which lower the impact and value of money) to programmes that facilitate interventions (which ensure a higher impact with our beneficiaries and national partners)."

"The ILO's approach is very much driven by its available tools, while the current situation requires specific policy discussions and recommendations based on an in-depth analysis of the impact of the pandemic."



5

Conclusions, lessons learned, ratings and recommendations



► 5 Conclusions, lessons learned, ratings and recommendations

5.1 Conclusions

The ILO's work in promoting sustainable enterprises is of vital importance to the achievement of its overall decent work goals. Although this work is sometimes characterized as being more relevant to the priorities of employers, it has equal relevance for workers, and warrants their more active engagement. The various policy instruments guiding this work reinforce the need to balance the pursuit of growth and productivity with social and environmental considerations and rights at work. Demand from Member States for this work is strong; it advances the situation of women and youth, and will form a vital part of the post-pandemic recovery.

The 2013 HLE was positive about the work to support sustainable enterprises, noting that the ILO had “developed or refined high quality tools and materials”, had “been prolific in generating relevant studies and analyses”, had “engaged in policy dialogue and collaboration with tripartite partners”, and had introduced innovations at country level. However, it also noted “high dependence on donor funds, short duration of projects and wide geographical and sectoral spread” leading to limited flexibility and some lack of coherence.

Since the 2013 HLE, this work has maintained a similar strategic approach, emphasizing entrepreneurship training, the development of tools, the conduct of research, and collaboration with tripartite partners and other development agencies. There has been an expansion of the ILO's work promoting the productivity and working conditions of SMEs (primarily through SCORE), and increased attention has been given to the enabling environment for enterprise (through more EESE assessments). Both programmes still need to address some design and implementation issues to maximize their effectiveness and sustainability. Work in value chain development has evolved, and more attention is being given to market systems development. COOP has changed its strategic focus since the 2013 HLE, moving away from direct delivery of programmes for primary level cooperatives and towards “macro and meso” level activities in this sector. Work in the area of social finance and in promoting the MNE Declaration is not covered by the 2013 HLE, but these areas of work have also expanded.

Improvement is still needed in the overall coherence of this work, and a strategic framework would help in this. It could also help drive more collaboration across the Organization, set the stage for the challenging period ahead, and provide an opportunity to develop and apply fresh ideas. Innovation and flexibility will be vital in the years ahead.

Only 60 per cent of P&B targets across the three biennia were achieved, but overall the ILO's work in promoting sustainable enterprises was diverse and quite effective – there was a huge range of projects completed across the various work areas in response to demand from Member States, and these generally achieved their objectives. Work in SME development represented nearly three quarters of this activity, and the delivery of entrepreneurship training programmes remains the biggest intervention type.

Measuring the long-term impact of the ILO's enterprise work and ensuring its sustainability remain weak, and this also restricts assessments of efficiency, especially cost-benefit analyses. Some impact studies of entrepreneurship programmes have been instructive and, while positive, highlight the need to do more to improve programme design and targeting.

5.2 Lessons learned

Continuing high demand for entrepreneurship training programmes reflects the hunger of Member States for practical services that they can offer to citizens, and which can be held up as visible responses to labour market problems. Concerns remain about the contribution of these programmes to decent work, their

impact and sustainability in some contexts, and of the organizational costs of maintaining and updating them, and thus whether the ILO’s role should be to innovate, to demonstrate and then to transfer.

Entrepreneurship can be an effective means to empower women and create employment, but women continue to face gender-based barriers to starting and growing their businesses. The fact that the ILO has tools designed to address these barriers does not in itself guarantee that the issue will be owned by local stakeholders – for example, the surveys showed that constituents generally thought that too much attention was given to gender, and the CPO analysis showed that references to the use of these tools have declined in recent years.

There have been instances where the ILO has had a beneficial and dialogue-facilitating effect, where there has been conflict between the social partners. The key lessons from this appear to be that bringing all the social partners together and finding even minimal common ground can offer a starting point to promote dialogue and collaboration. In this sense, while delivering the project objective remains important, there is a further, perhaps as important, hidden objective.

Several respondents drew attention to the importance of integrating the social partners at the start, or even before the start of a project, and that doing so contributes significantly to the delivery of results.

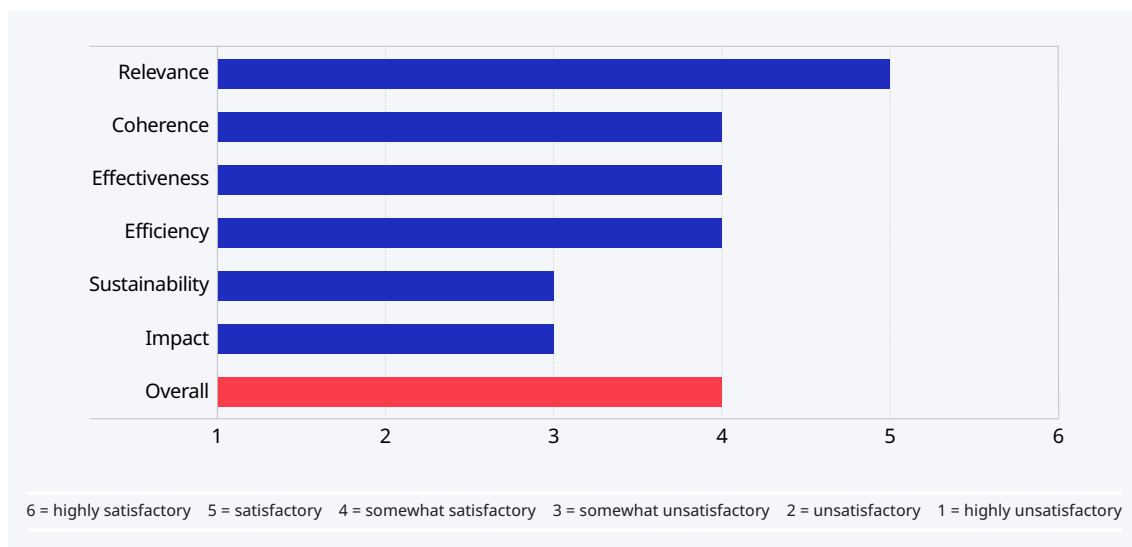
There is often a tendency to identify a need, to prepare a response and to jump in with a solution – which may then fail for unforeseen reasons. However, the likelihood of success can be improved with more input from both local partners, who understand the environment, and potentially others who have experience of similar approaches elsewhere. They need to be actively involved at all stages – thinking, planning and implementation. A good CTA can then focus on building the capacity of the local partners, which will improve the likelihood of programmes being sustained, and on monitoring performance.

Devising responses in this way may reveal that there are cheaper and more sustainable ways of delivering programmes that can achieve impact and can be more readily scaled up. Local innovation and local tools, developed through consultation with local partners and constituents, should be encouraged. One size does not fit all.

5.3 Ratings

The following ratings take into account the independent consultants’ assessment (50 per cent of total score for all criteria), the synthesis review of sustainable enterprises project evaluations (25 per cent for all criteria except impact) and the average scores of the staff and partner/constituent surveys (25 per cent for

► Figure 14. Assessment of performance



all criteria except impact). Constituents and staff were not asked to assess impact, so the weighting was one third for the synthesis review scores and two thirds for the evaluator. In the case of effectiveness, P&B results were also included.

5.4 Recommendations

General recommendations

Recommendation 1

Develop a strategic framework for the ILO's work in promoting sustainable enterprises that builds on and updates the 2010 Sustainable Enterprise Programme: Strategic Framework* and that repositions this work to respond to the challenges of the post-COVID-19 world.

This framework needs to:

- ▶ **Start from first principles – ensuring decent work (as encapsulated in the ILO's mission and in the SDGs)** – and link its work supporting enterprises of all sizes and types directly to the creation and maintenance of decent work.
- ▶ Separate clearly roles intended to stimulate thinking about policy responses from activities intended to demonstrate the efficacy of specific approaches and interventions – and **focus more clearly on the policy role.**
- ▶ **Build impact assessment into the design of direct interventions**, so that impact can be assessed more clearly and thus be demonstrated to the social partners.
- ▶ Reflect the broad stages of forming and growing a business and then clearly articulate an **intervention logic for the promotion of sustainable enterprises**, considering the new challenges brought about by the pandemic, recognizing the ILO's strengths in promoting collaboration between the social partners, and focusing on innovation and demonstration rather than long-term support.
- ▶ **Take an organization-wide perspective of this work** that goes beyond the existing activities, programmes and structure of the Enterprises Department and defines clear strategic operational linkages with other parts of the ILO to encourage co-design of interventions and collaboration.
- ▶ **Integrate the ILO's work in global supply chains and define strategic goals in this area** – coordination of this work across the house will be vital given the likely changes ahead. The ILO should build on its current engagement with global supply chains to ensure that scrutiny of working conditions is maintained and, in line with the aims of the MNE Declaration, actively work to minimize and resolve the difficulties that may arise in their global operations in the wake of the current crisis.
- ▶ **Reinforce the need to apply holistic approaches** to achieving the ILO's goals (for example, through market systems development and closer cooperation with EMPLOYMENT) rather than product-driven approaches.
- ▶ **Encourage and support efforts in the field to innovate** in order to respond to local needs and circumstances – and then share the lessons from those innovations.
- ▶ Update the ILO's approach in its enterprise work to achieving **gender equality and the inclusion of vulnerable and disadvantaged groups** (for example, people with disabilities, indigenous peoples, refugees and their host communities), including updating the women's entrepreneurship development strategy approved by the International Labour Conference in 2008.
- ▶ **Clarify the role of field specialists** in advancing the goals of this strategic framework in the context of their regions and countries – including the role expected of them in work areas in which they may not be currently active (for example, related to the MNE Declaration, the SSE, EESE and Social Finance).
- ▶ Differentiate the sustainability of a behaviour change in a business as a result of an intervention from whether a programme will continue to be provided post-ILO support.

* The Governing Body document GB.340/PFA/7 High-level evaluations of strategies and Decent Work Country Programmes notes the reference to the 2010 strategy as the 2010 Framework Agreement on Inclusive Labour Markets, this is an error and the correct reference is the one above.

- Become more effective at demonstrating economic or financial benefit by including appropriate impact measures during the design stage and then selectively undertaking assessments of impact and sustainability.
- Embed elements in programme design that encourage enterprises to take action to improve their resilience.

Recommendation 2

Establish a more effective mechanism at the operational level to get the input of the Bureau for Employers' Activities (ACT/EMP) and the Bureau for Workers' Activities (ACTRAV) to improve programme design and implementation, and to resolve any concerns.

The evaluation found that there were sometimes unresolved issues about some ILO programmes that were clearly of lingering concern to the constituents. For example, the issue of SCORE operating in some non-unionized workplaces and the perception that the Green Jobs Programme was not paying enough attention to the economic dimension of the Just Transition guidelines. Interviews with ACT/EMP and ACTRAV representatives suggested that communication about such issues was not always good, and there was a need to improve dialogue at an operational level, so that a path to resolution could be laid. It was not the role of the evaluation to resolve such contentious matters, but the establishment of formal platform for such dialogue is recommended.

Recommendation 3

Undertake longitudinal assessments of impact and sustainability for more projects, and do so one year after and three years after the end of projects, based on impact and sustainability indicators agreed during the design stage.

A budget for monitoring and evaluation is built into all projects. However, there is a desire to conclude all the evaluation by the end of each project, though it is not clear why this should be. Undertaking follow-up monitoring and evaluation for at least some projects would provide data that could be used to demonstrate effectiveness both to beneficiaries (who might be expected to contribute to the cost of programmes) and donors. Even if funding for more comprehensive assessments is not available, it should at least be possible to schedule and conduct reviews that can determine if systems and programmes introduced by past projects are still in place three years down the track and, if they are, the scale of their operation.

Programme-specific recommendations

Recommendation 4

Review different approaches to the delivery, training and consultancy support of the SCORE programme to identify the modality that provides best value for money and time.

The difficulty of persuading businesses to pay a realistic cost to participate in the full SCORE and the fact that most participating businesses only participate in module 1 suggest that a rethink of the offer is needed. Being better able to demonstrate productivity improvements through better productivity performance data should enhance programme marketing. The SCORE programme should enhance the capacity of participating companies and itself to collect better data that will help them in reviewing the best modality. The technical consultancy is valued by businesses, but should be limited in time and only extended if the business is willing to pay at a commercial rate.

Recommendation 5

Review the design of Enabling Environment for Sustainable Enterprises (ESEE) assessments to promote collaboration and implementation.

ESEE has had some considerable impact in a small number of countries, and it is popular with employers' organizations. However, some assessments have not resulted in any reforms of public policy, possibly

because assessments are largely undertaken independently of government or indeed business membership organizations other than the employers' organizations. There would have merit in (a) engaging in dialogue with government during the process of undertaking the assessment to identify some areas for reform where change could be agreed quickly and which might be a confidence booster for all those involved; (b) engaging with other business membership organizations during the assessment to ensure that the final agenda is largely acceptable to all the private sector (not necessarily by including every last proposal from associations, but by excluding issues that might divide the private sector); (c) engaging with trades unions to ensure that proposals will not have adverse and unforeseen consequences for decent work; and (d) considering before even starting the assessment how the work will be driven forward post-assessment. It is perhaps no accident that the countries where the most progress was made were those where the ILO funded a policy manager in the employers' organization for a period.

Recommendation 6

The Green Jobs Unit should focus on research and policy, which it seems already to be doing well, and mainstreaming a green dimension across all of ILO's work. It should cease the direct delivery of projects. If there is an opportunity and a need for demonstration projects, they should be managed by an appropriate team from elsewhere in ILO.

The Green Jobs Unit is torn between its role as a thinker and policy reformer and as a project manager. Project management skills already exist in other units and there is no need for the Green Jobs Unit to replicate these attributes.

Recommendation 7

As part of a new strategic framework, clarify the positioning of entrepreneurship training programmes in the ILO's overall approach.

While programmes such as SIYB are presented with a high-level goal of developing countries' institutional capacities to help businesses start and grow, they are also used as convenient tools that can be plugged into development cooperation projects to provide direct services to beneficiaries. Rather than work exclusively on policy and local capacity, countries often want a visible and direct form of assistance they can offer to individuals, and these programmes seem to fit the bill. There are some good examples where they have taken root and been sustained, but there are probably many more examples where they were introduced as short-term, project-bound activities, and have subsequently faded away or remained operating at a relatively miniscule scale.

The ILO needs to decide if it is comfortable continuing to offer these programmes in this way and, if it is, under what circumstances (for example, emergency responses and specific short-term needs). If not, it needs to understand better what factors drive success in truly embedding these programmes into national systems, and define what it sees as a scale of delivery that justifies its investment. Two million people trained in China every year is impressive, but what is expected elsewhere?

Recommendations related to the ILO's post-pandemic response

Recommendation 8

Actively encourage and support innovation in sustainable enterprises work that directly responds to the circumstances of Member States as they rapidly change.

The emphasis of this work needs to be on flexibility of design, integration with a market systems approach, speed of implementation, ability to achieve greater geographic reach and scale, cost-effectiveness and sustainability. While existing models and programmes will continue to be useful, they should not be locked in as the ILO way of doing things.

This applies to all the work areas covered by ENTERPRISES. For example, in the area of cooperatives and the Social and Solidarity Economy, work might be done to help Member States (and ILO field staff) to see

opportunities in working with such enterprises to harness their community connections to advance local economic development and to develop intervention models that might be developed and applied.

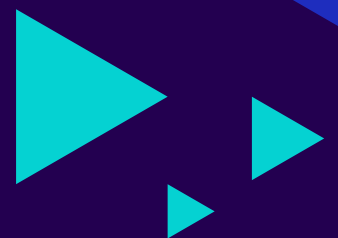
Recommendation 9

Ensure that proposals for policy reform consider ways in which governments can build resilience into their economies; review and amend capacity-building programmes to reflect the need for businesses to take positive action to become more resilient.

It will never be possible for governments or businesses to be resilient to every possible disaster – and some countries such as Viet Nam have demonstrated the value of preparedness – but COVID-19 has demonstrated that too many countries and too many businesses have little understanding of what is necessary to stand firm in the face of disaster. Like greening processes and thinking about gender, building resilience should be integral to the way that governments and business “do business”.



Annexes



► Annex A – Terms of reference

Strategic direction of ILO's work on promoting sustainable enterprises

Promoting sustainable enterprises has been part of ILO's overall strategic framework for over a decade with the primary objective of enterprises becoming a vehicle to create productive and decent jobs. ILO's strategy in this regard follows a multipronged approach to support promotion of sustainable enterprises, especially small and medium-sized enterprises (SMEs), for them to become more productive and sustainable so that they are able to create decent work and contribute to social inclusion and sustainable development. In the ILO's strategic framework 2010-15, it was defined as 'Policy Outcome 3: Sustainable enterprises create productive and decent jobs' under the strategic objective 'Employment' that intended to *create greater opportunities for women and men to secure decent employment and income*.

This policy outcome underwent an EVAL high-level evaluation in 2013, that covered the timeframe 2017-2012 (HLE of [ILO's strategy to promote sustainable enterprises and decent work](#)). The conclusions of the 2013 evaluation emphasized the importance of the promotion of sustainable enterprises as a major tool for achieving decent work, sustainable development and innovation that improves standards of living and social conditions over time. Sustainable enterprises are a principal source of growth, wealth creation, employment and decent work in most countries. Promoting sustainable enterprises is fundamentally about strengthening institutions and governance systems that nurture enterprises and encourage them to operate in a sustainable manner.

The Programme and Budget 2014-15⁷³ based the strategy for delivering Outcome 3 through three mutually supporting building blocks i.e. an enabling environment; entrepreneurship and business development; and responsible workplace practices. The strategy in this period focussed on creating an enabling environment for sustainable enterprises and productivity and working conditions in SMEs.

The transitional Strategic Policy Framework for 2014-15 also introduced the concept of Areas of Critical Importance (ACIs)⁷⁴. 'Productivity and working conditions in SMEs' was one of the 8 ACIs identified in this biennium. The ACI strategy foresaw close collaboration with policy outcomes relating to skills development, working conditions, occupational safety and health, social dialogue and industrial relations and freedom of association and collective bargaining.

In the P&B for 2016-17, the number of Policy Outcomes was reduced from 19 to 10, which also warranted rearranging the Outcomes and indicators. In this period, promoting sustainable enterprises was identified as Outcome 4. The early preparation and finalization of a P&B meant that the findings of the HLE undertaken in 2013 could only be reflected in the 2016-17 P&B preparations. The expected changes in this policy period reflect a greater recognition of factors that hamper productivity and sustainability of enterprises, their growth and formalization. As a result, there was greater focus on strengthening regulatory and institutional environment, investments, improved working conditions, addressing environmental concerns, taking a comprehensive approach to working with value chains, formalization and greater emphasis on enhancing access to financial and non-financial services for existing and potential entrepreneurs.

In the P&B period 2018-19, the strategy identified *'unconducive enabling environments, low productivity, lack of entrepreneurship and skills shortages often linked to poor working conditions and high degrees of informality, insufficient access to appropriate financial services and sometimes difficult industrial relations contexts'* as some of the key challenges facing enterprises. It also called for integrated, systemic approaches that improve

⁷³ The ILO follows a biennial programming and reporting cycle. The Programme and Budget(P&B) and the Programme Implementation Reports (PIR) are therefore biennial documents.

⁷⁴ The ACIs were part of a transitional strategic framework prepared in 2014. They were identified in a manner that would encourage more focussed and collaborative work across policy outcomes and technical outcomes for delivering the decent work agenda. ACIs were not part of formal result reporting system of the ILO. However, the identified ACIs developed strategies and action plans and Country Programme Outcomes and Global Products were aligned with relevant ACIs which made it possible to monitor and report progress on ACIs.

the functioning of entire markets, sectors and value chains, including global supply chains.’ It underlined the need of fewer and larger interventions and a shift in emphasis from direct delivery through small-scale project-specific interventions to facilitating change based on evidence on what works and what does not work in advancing decent work through the promotion of sustainable enterprises based on a broader range of integrated and interdependent interventions.”

Overall, the strategy commits to supporting member states by combining mutually reinforcing elements that include:

- ▶ Creating an enabling environment for sustainable enterprises by supporting policy and regulators reforms;
- ▶ Support implementation of enterprise development policies and programmes so that enterprises contribute to generating and sustaining productive employment;
- ▶ Support member states in adopting policies and programmes in line with Multinational Enterprises and Social Policy (MNE) Declaration;
- ▶ Support member states in designing and implementing programmes that promote responsible business practices at enterprise level, including in the value chains;
- ▶ Promoting social dialogue and freedom of association and collective bargaining;
- ▶ Adoption of responsible and sustainable enterprise-level practices.
- ▶ Improvements in the functioning of markets, sectors and value chains in order to promote decent work.

The work on enterprise promotion is guided by a number of normative and global instruments relating to enterprises such as Job Creation in Small and Medium-Sized Enterprises Recommendation, 1998 (No. 189), the Promotion of Cooperatives Recommendation, 2002 (No. 193) and the [Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy](#) (MNE Declaration)⁷⁵. Several other standards such as those related to fundamental principles and right at work; social protection; governance; and employment guide ILO’s strategy on promoting sustainable enterprises.

In terms of synergies across other relevant policy outcomes, this outcome is closely linked to outcomes 1, 3, 6 and 7 on policies and processes to foster enabling conditions for enterprise development and growth, including formalization; with Outcome 10 for enhancing the capacity of workers’ and employers’ organizations for informed policy dialogue and services to enterprises. Linkages are also strong with Outcome 3 and Outcome 5.⁷⁶

Over the three biennia, ILO’s means of action has encompassed a range of support to stakeholders in general and to its constituents in particular. These means of actions are an integral part of the ILO’s results based management system and are reflected through CPOs and Global Products.

The results Framework

The ILO follows a results based management approach. At the global level, the strategic frameworks and the P&B outline the organisational priorities in terms of policy outcomes and related indicators. At the country level, ILO interventions are delivered through Country Programme Outcome (CPOs), that form part of the Decent Work Country Programmes where they exist. At the global level, ILO focusses on delivering Global Products that are aimed mostly to develop the knowledge products, standard methodology, tools, training modules etc that can be used at country levels with required customization, capacity of constituents and

⁷⁵ The MNE Declaration was first adopted by the Governing Body at its 204th Session (November 1977) and amended subsequently at its 279th (November 2000), 295th (March 2006) and 329th (March 2017) sessions.

⁷⁶ **Outcomes 1:** More and better jobs for inclusive growth and improved youth employment prospects; **3:** Creating and extending social protection floors; **5:** Decent work in the rural economy; **6:** Formalization of the informal economy; **7:** Promoting safe work and workplace compliance including in global supply chains; **10:** Strong and representative employers’ and Workers’ organizations

advocacy. Global products are generally developed in close collaboration with other relevant departments/policy outcomes, which might also include resource sharing (human and financial).

The table below shows the framing of this policy outcome over the last decade. Outcome statements are accompanied by a set of indicators (Refer Annex 1) and 'results criteria' that elaborate the conditions that can make progress reportable under indicators and outcomes. The CPOs and Global Products, at the planning stage, are linked to a Policy Outcome and one or more of its indicators.

► **Table 16. Policy outcomes on promoting sustainable enterprises 2008-19**

P&B period	Promoting Sustainable Enterprises in ILO's Results Framework
2008-09	Intermediate outcome 2C: Sustainable enterprises generate productive jobs (under the strategic pillar of Employment)
2010-15	Outcome 3: Sustainable enterprise create productive and decent jobs (under the strategic pillar of Employment) Was part of area of critical importance (ACI) 4: Productivity and working conditions in SMEs in 2014-15
2016-17	Outcome 4: Promoting sustainable enterprises: Member States are better equipped to promote an environment conducive to the growth of sustainable enterprises that is aligned with sustainable development objectives and the creation of productive employment and decent work.
2018-19	Outcome 4: Promoting sustainable enterprises: Member States promote sustainable enterprises as a key element of their development strategies and as a means to create more and better jobs.

As per the internal database of Implementation Planning (IP), the outcome-based workplan for this outcome shows 105 CPOs (58 Target, 44 Pipeline and 3 Maintenance)⁷⁷ for biennium 2016-17. For the recently completed biennium (2018-19, the planning database shows nearly the same number of CPOs (Total 100, of which 54 were target, 44 were pipeline and 2 were maintenance).

Some of the key global products planned under this outcome include⁷⁸:

- Promoting sustainable enterprise development through global policy measures
- Promoting sustainable enterprise development through enterprise-level policies targeting certain size classes, legal forms, or sectors of enterprises
- Promoting the sectoral approach to decent work
- Green Jobs - knowledge, policy instruments and capacity building for greening economies, enterprises and employment
- Sustainable enterprises: a global product for crisis recovery, income and employment creation
- Productivity and working conditions in SMEs (linked to ACI 4)
- Promotion and application of the MNE Declaration
- Innovative finance for SDG 8
- Enabling social and private insurance for enterprises and workplace protection
- Promoting decent work in the rural economy through integrated evidence-based policy advice for the formulation of national and regional rural policies and strategies

⁷⁷ According to the Programming Internal Governance Manual Strategic Programming and Management Department, CPOs are categorised as: **Target:** CPOs identified for completion during the ongoing biennium (resources can be linked).

Pipeline: CPOs on which work will be done during the ongoing biennium but full achievement will not be reached. Pipeline CPOs identify future outcomes that require work during the current biennium.

Maintenance: CPOs relate to country outcomes that were reported as a result in a previous biennium; they cannot subsequently be reported against different measurement criteria, but on-going work on their achievement is foreseen. (no resources linked)

⁷⁸ Source: Outcome Based Workplans 2016-17 and 2018-19

The table below displays the expenditure figures for the biennia 2014-15 and 2016-17 for this outcome.

► **Table 17. ILO strategic expenditure (in million \$) under policy outcome ‘Promoting Sustainable Enterprises’**

	Regular Budget		Extra Budgetary Contributions**		RBSA	
	2014-15	2016-17	2014-15**	2016-17***	2014-15	2016-17
Promoting sustainable enterprises (Outcome 3 in P&B 2014-15 and Outcome 4 in P&B 2016-17)	54.9	62.4	51.04	53.5	3.1	2.2
Total	605.6	632.2	429.7	381.6	32.03	30.6
Share of this Outcome as % (rounded off) of the Total strategic expenditure	9 %	10%	12%	14%	10%	7%

* Strategic expenditure by outcome is inclusive of all other costs other than those related to policy-making organs and management services **Figures exclude programme support income and governance, support and management outcomes *** Excluding programme support costs

Sources: PIR 2014-15 and PIR 2016-17. Expenditure figures for P&B 2018-19 are not yet available.

The ILO Partners with a number of intergovernmental and international agencies to leverage knowledge, resources and its circle of influence. Among UN agencies and UN member based alliances, the key partners are: UN Value Chain Development group; UN Global Compact and the UN Working Group on Business and Human Rights; United Nations Environment Programme (UNEP the Human Rights Council (HRC); UN Partnership for Action on Green Economy; the Committee for the Promotion and Advancement of Cooperatives; the International Cooperative Alliance, and intergovernmental organizations working on responsible supply chain management;; the International Cooperative Alliance (ICA), International Finance Corporation (IFC); Donor Committee for Enterprise Development (DCED); the Micro-insurance Network; the Partnership for Action on Green Economy (PAGE);, the International Social Security Association (ISSA); the International Actuarial Association, and the World Bank Group.

SDG Alignment: The strategy aligns itself to SDG targets 8.3, 8.4, 8.10 and 9.3.⁷⁹ The ILO supports countries in monitoring progress towards these targets primarily through the indicator of the Global Indicator Framework under its custodianship *8.3.1: Proportion of informal employment in non-agriculture employment, by sex*.⁸⁰

Purpose of the evaluation

The independent high-level evaluation (HLE) of P&B Outcome 4 ‘Promoting Sustainable Enterprises’⁸¹ was included in the rolling workplan of EVAL since 2017 and was reconfirmed by the GB in 2018 and 2019 for implementation in 2020. The main purpose of this evaluation is to:

- Provide an account to the Governing Body regarding strategy performance of the strategy and key results;

⁷⁹ 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services; 8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead; 8.10 Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all; 9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.

⁸⁰ A snapshot of sustainable enterprise services can be seen in the brochure published by ENTERPRISES: https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/documents/publication/wcms_175537.pdf.

⁸¹ In 2014-15, this outcome was Outcome 3: Sustainable enterprises create productive and decent work.

- Provide an opportunity to learn what works well and what less well in the implementation of ILO's strategy for promoting sustainable enterprises.
- Support the Office and the constituents in making informed decisions about the future directions on this theme.

The HLEs in ILO take a summative as well as formative approach. They provide insights into the relevance, coherence, effectiveness and efficiency of the ILO's strategy, programme approach, and interventions (summative). They are also forward looking and provide findings and lessons learned and emerging good practices for improved decision-making within the context of the next strategic framework (formative). The evaluation report, together with the Office's response to its findings and recommendations, will be discussed in the GB session of October-November 2020.

Clients

The principal client for the evaluation is the Governing Body, which is responsible for governance-level decisions on the findings and recommendations of the evaluation. Other key stakeholders include the Director-General and members of the Senior Management Team at Headquarters, the Evaluation Advisory Committee and the departments and field units involved in promoting sustainable enterprises. It should also serve as a source of information for ILO donors, partners and policy makers.

Scope

The evaluation will cover the time-period 2014-2019 (three full biennia 2014-15; 2016-17; 2018-19). It will consider all efforts of the Office in supporting the achievement of its commitment towards promoting sustainable enterprises during this period including the work done under the relevant ACI. The findings and recommendations of the high-level evaluation, 2013 should be used to understand the past context of ILO's work on this theme as well as to understand the extent to which the findings and the recommendations informed the Office's work over the last three biennium.

The evaluation will include a review of:

- The role and relevance of the ILO's work in creating an enabling environment for sustainable enterprises as a key element of global and national development strategies and as a means to create more and better jobs
- Evidence on how the Office has increased the coherence, and effectiveness (with respect to achieving results) of its support to Member States and constituents through various forms of direct services and support;
- The Office's capacities and performance regarding the implementation of this approach from headquarters, regional offices and field offices (in selected countries), including management arrangements and global and national partnerships involving constituents and other UN agencies, international allies, development agencies and civil society organizations.
- The results-based framework, the choice and the use of indicators, and the reviewing and reporting of progress with the Programme and Budget (P&B) frameworks as well as the capacity building related initiatives will be discussed.
- Coordination and collaboration across the ILO and between ILO headquarters and the field to maximize the support to constituents in improving sustainability of enterprises, fostering a favourable business environment and decent work.

This would entail an analysis of CPOs, global products, programmes and projects that contribute to this outcome in terms of their strategic fit, effectiveness, efficiency, results, sustainability and potential impact. Analysis of resource portfolio (Development cooperation and other funding modalities) would be an integral part of the scope.

The evaluation will take into account the findings and recommendations of the previous HLE (2013) and assess the adequacy of follow-up to its recommendations .

Efforts made to promote the normative framework that apply to this theme should be covered and emerging lessons in this regard should be documented. At the same time, the evaluation should include in its spectrum, the SDG dimension. ILO's role in inter-agency networks/other relevant global networks and partnerships at national, regional and global levels should be assessed. The Global Commission on the Future of Work⁸² and the [ILO Centenary Declaration for the Future of Work](#) should also be considered especially with regards to the focus and future direction of this policy outcome.

Preliminary discussion with internal stakeholders suggests that ideally the evaluation should focus on the whole portfolio and cover the work done by the Small and Medium Enterprises Unit (SME), the Multinational Enterprises and Enterprise Engagement Unit (ENT/MULTI), Cooperatives (COOP) as well as the Social Finance Programme and the Global Employment Injury Programme,. Work on the Green Jobs Programme was still considered premature for an exclusive evaluation although environmental issues should be looked at as crosscutting issues.

The evaluation will also cover contributions made by other departments and units (both at the HQ level and at the level of field offices), especially under linked outcomes mention is para 9.

The evaluation team will further define the scope after initial desk review and interactions during the inception mission and reflect it in the inception report. The scope, in the course of evaluation, can also evolve to include any other particular area of ILO contribution that might be critical to highlight in the wake of future directions.

Key Questions

The evaluation questions are based on the OECD DAC evaluation criteria of relevance, coherence, effectiveness, efficiency, sustainability and impact.⁸³ Outcome objectives created for the relevant P&B strategies will serve as the basis for the evaluation questions. These questions will seek to address priority issues and concerns for the national constituents and other stakeholders. When designing the questions, the evaluation team will consider availability and reliability of data, how the answers will be used and if the data are regarded as credible. Further evaluation questions will be proposed and refined by the evaluation team during the inception report phase.

The overarching evaluation questions with regard to the strategy, its implementation and outcomes are as below:

Strategy context

- ▶ How well does the strategy fit the needs and concerns of ILO constituents? To what extent is it aligned to the principles advocated under the MNE Declaration, R 189, SME Resolution 2015 and other relevant normative instruments and guidance (refer para 8)?
- ▶ Is the strategy responsive to emerging concerns as expressed in GB/International Labour Conference discussions?
- ▶ How well does it deal with/complements other relevant national institutions and international agencies working on this theme?
- ▶ How well does the strategy address the need of synergies and complementarities with other global outcomes?
- ▶ To what extent does the strategy integrate ILO's normative and social dialogue mandate; ILO's commitment to gender equality and inclusion and other cross cutting policy drivers?

Strategy implementation

- ▶ How well does the strategy guide ILO's actions on ground?
 - ▶ Is the organizational/management structure for delivering the outcome compatible to the strategy/actions?
 - ▶ Are there adequate resources to implement the strategy as intended?
 - ▶ How are contributing outcomes being integrated in the strategy implementation?
 - ▶ To what extent do partners and stakeholders (internal and external) understand and execute their role in delivering ILO commitment to promote sustainable enterprises?
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⁸² Work for a Brighter Future, ILO 2019

⁸³ The high-level evaluation will follow the revised criteria, formally adopted by the DAC in December 2019. The document 'Better Criteria for Better Evaluation' is available at <http://www.oecd.org/dac/evaluation/revised-evaluation-criteria-dec-2019.pdf>.

Outcome

- To what extent has the ILO progressed on its committed outcomes and indicators?
 - To what extent is the strategy and action benefiting the intended beneficiaries?
 - To what extent has the ILO impacted the national policies in favour of creating enabling environment for enterprises?
 - Does the current monitoring and reporting (Outcome and indicators) allow for tracking the progress and informing the strategy?
 - What are the areas of success for the ILO? Are there lost opportunities?
 - What are the emerging lessons and good practices for future?
-

Specific probe areas the evaluation must take into account are:

- To what extent is the design of the ILO's Policy Outcome 4 relevant to global concerns and strategies for promoting sustainable enterprises as a vehicle for growth and decent work? Does it address the challenges facing Member States' governments and social partners?
- To what extent did Outcome 4 work with constituents to improve the business environment for improved operations, performance, business opportunities? How well did it use the strengths and contributions made by constituents?
- Does the ILO strategy and results framework effectively responds to the challenges faced by enterprises of all sizes?
- How well are the means of action, management arrangements, internal coordination mechanisms and partnerships aligned to the strategy and results framework?
- To what extent is the strategy, the results framework and implementation guided by ILO's commitment to SDGs, especially to SDG 8 (refer section on SDG alignment above)?
- How well do the CPOs link to global outcome and indicators? Do the CPOs present an adequate mix of interventions, including promotion of the normative mandate and gender equality and non-discrimination?
- How effective is the collaboration among technical units at the HQ level and between the HQ and field level specialists on project development, tool development, research, joint actions, information sharing etc?
- Have the strategy, the results framework and intervention models shown responsiveness and flexibility to integrate emerging lessons from the field?
- To what extent has the ILO fulfilled its objective as defined, but not limited to, under the strategic policy framework and programme and budgets on ILO?
- How adequate is the financial and human resource and how efficiently is it being used? Have different modalities of funding been used strategically to foster complementarity?
- How balanced is the resource distribution across different indicators?
- Is the management arrangement for implementing and reporting on the strategy and global results effective?
- How has ILO external coordination (with constituents, UN partners, donors and other allies and partners) and internal coordination (between sectors, technical departments, regions and sub regions) promoted the realization of this policy outcome?
- To what extent have ILO actions had impact in the form of increased capacity, necessary tools and policy improvements needed to work towards promoting sustainable and more productive enterprises?
- Do the strategy and actions integrate gender and disability inclusion concerns across its key intervention areas? How well do they consider ILO's other cross cutting policy drivers?
- To what extent are the ILO designed and implemented in ways that maximizes ownership and sustainability at country level?

- What are the emerging recommendations for future strategy and action on the theme of promoting sustainable enterprises?
- What are the emerging good practices and lessons with regard to implementation of ILO mandate on promoting sustainable enterprises?

Methodology

The evaluation will be conducted in accordance with [EVAL Protocol No 1: Policy Outcomes and Institutional Evaluations \(High-level Evaluations\), Version 2, November 2019](#). It is based upon the ILO's evaluation policy and procedures, which adhere to international standards and best practices, articulated in the OECD/DAC Principles and the Norms and Standards for Evaluation in the United Nations System approved by the United Nations Evaluation Group (UNEG) in April 2016.⁸⁴

EVAL proposes an Outcome or Summative Evaluation approach, which determines whether an initiative has achieved the intended outcome. To this end, the evaluation will seek to determine the degree to which the ILO strategy during the three biennia and the results framework has actually translated into desired results. Further refinement of the approach and methodology will be identified during the inception phase.

The evaluation will be participatory. Consultations with member States, international and national representatives of trade union and employers' organizations, ILO staff at headquarters and in the field, United Nations partners, and other stakeholders will be done through interviews, meetings, focus groups, and electronic communication.

The evaluation should pay specific attention to respond to the ILO's normative and tripartite mandate, gender equality responsiveness and contribution of the ILO to the relevant targets set in the 2030 Agenda for Sustainable Development.

The gender and inclusion dimension as well as environmental issues will be considered as a cross-cutting concern throughout the methodology, deliverables and final report of the evaluation. In terms of this evaluation, this implies involving both men and women in the consultation, evaluation analysis and evaluation team as possible. Moreover, the evaluators should review data and information that is disaggregated by sex and assess the relevance and effectiveness of gender and disability inclusion related strategies and outcomes within the purview of ILO's work on promoting sustainable enterprises. Specific measures to reflect gender and inclusion concerns should be elaborated in the inception report, in line with the UN GEEW-SWAP guidance in this regard.

The details of the methodology will be elaborated in the inception report by the selected team of evaluators on the basis of the Terms of Reference (TORs) and initial desk review and interactions. It is expected that the evaluation team will apply mixed methods, which draw on multiple lines of evidence (both quantitative and qualitative) and apply multiple means of analysis.

The overall scope of the evaluation will include, among others, the following:

- Desk review of relevant documents such as
 - Normative frameworks including relevant GB/International Labour Conference discussions, MNE Declaration, relevant conventions, protocols and recommendations.
 - Strategic Framework(s); ACI strategy note and progress reports; and P&B strategies for the period 2014-19;
 - Development Cooperation (DC) portfolio and related reviews;
 - Implementation planning, management and reporting related documents;

⁸⁴ Available at: <http://www.unevaluation.org/document/detail/1914>.

- ▶ Relevant global reports, evaluations and meta evaluations;
- ▶ Decent Work Country Programmes (DWCP)⁸⁵ and country programme reviews, as relevant.
- ▶ Review of Global Products and CPOs directly and indirectly linked to Outcome 4.
- ▶ Review of financial (all sources and all modalities) and human resource portfolio that could inform efficiency related analysis within the scope of the evaluation
- ▶ Review of evidence of follow up to relevant evaluation recommendations (especially the HLE of the ILO's strategy to promote sustainable enterprises and decent work, 2013)High Level evaluation of and use of lessons learned by ILO management;
- ▶ Review of alignment to SDG targets and indicators, in particular to Indicator 8.3.1
- ▶ Interview key stakeholders in a manner that reflects diversity and representation within the Office (relevant sector, technical unit, regions and country situations) as well as of the constituents and relevant partners and institutions.
- ▶ Conducting online surveys and other methodologies to obtain feedback and/or information from a wider set of constituents and other key stakeholders
- ▶ Field visits (5-6 countries);
- ▶ Country Case studies based on field visits (5-6) and desk review (2-3)

Synthesis study of project evaluations 2014-2019

A synthesis review of project evaluation reports (nearly 30-35) on enterprise promotion related projects will be commissioned by EVAL to synthesize findings on the effectiveness, efficiency, relevance and sustainability/impact of ILOs work through development cooperation projects. The synthesis review will examine the types of recommendations and lessons learned reported by evaluators in the evaluation reports and whether there are any trends or recurring themes among them. Good practices will also be identified and can be used for further examination/validation, as required.

The synthesis review covers the period of 2014 to 2019 and the sample was based on a key word search of EVAL's i-track on project evaluations⁸⁶ with a set of related key words.

The findings of the synthesis study will feed directly into the high level evaluation and will be a source of input for the overall rating on the DAC criteria (see below). The synthesis review is currently underway and the final study is expected to be available in March 2019.

Country Case studies

The purpose of country case studies is to conduct in-depth analysis of the ILO's strategic and programmatic means of action aimed at promoting sustainable enterprises. The case studies will seek to determine the result of ILO's interventions on ground, and determine if these interventions had any observable immediate impacts, and to the extent possible determine the links between the observed impacts and the ILO interventions. The country case studies may also highlight any specific achievements, good practices or emerging lessons with reference to key intervention models being used.

The case studies will consist of a combination of methods:

- ▶ Interviews, field studies and participant focus groups,

⁸⁵ DWCPs are country level programmes of the ILO that reflect the intent and commitment of the ILO and its constituents in a given country over a given time frame (usually 3-5 years).

⁸⁶ The key words used are: Business development service; Cooperatives; Corporate responsibility; Enterprise development; Global Supply/Value Chains; Green jobs; Micro-credit; Public-private partnerships; Small or micro-enterprises; Social finance; Start and improve your business; Sustainable enterprises

- Desk reviews to synthesize and aggregate information such as technical studies, and DWCP reviews from the selected countries and projects/programmes. This will allow greater triangulation while minimizing cost and time being expended on new, possibly repetitive studies.

A completed case study will have detailed descriptions of what happened and the context in which it occurred. It will feature a factual recounting as well as an analysis of events, focusing on strategy and its implementation.

The selection of the field visits and the case studies will take into account budgetary expenditure in the country, proportion of budget to overall RB, RBSA and TC on enterprise promotion related work in each country, geographical representation and other selection criteria to be decided in discussion with key stakeholders and the evaluation team. Additional criteria may be added by the evaluation team.

Summary ratings

A summary rating shall be expressed by the independent evaluation team at the end of the six evaluation criteria and the respective questions outlined in the terms of reference and the ensuing inception report. The evaluation shall use a six point scale ranging from “highly satisfactory,” “satisfactory,” “somewhat satisfactory,” “somewhat unsatisfactory,” “unsatisfactory,” and “highly unsatisfactory.”

Highly satisfactory: when the findings related to the evaluation criterion show that ILO performance related to criterion has produced outcomes which go beyond expectation, expressed specific comparative advantages and added value, produced best practices;

Satisfactory: when the findings related to the evaluation criterion show that the objectives have been mostly attained and the expected level of performance can be considered coherent with the expectations of the national tripartite constituents, beneficiaries and of the ILO itself;

Somewhat satisfactory: when the findings related to the evaluation criterion show that the objectives have been partially attained and there that expected level of performance could be for the most part considered coherent with the expectations of the national tripartite constituents, beneficiaries and of the ILO itself ;

Somewhat unsatisfactory: when the findings related to the evaluation criterion show that the objectives have been partially attained and the level of performance show minor shortcoming and are not fully considered acceptable in the view of the ILO national tripartite constituents, partners and beneficiaries;

Unsatisfactory: when the findings related to the evaluation criterion show that the objectives have not been attained and the level of performance show major shortcoming and are not fully considered acceptable in the view of the ILO national tripartite constituents, partners and beneficiaries; and

Highly unsatisfactory: when the findings related to the evaluation criterion show that expected results have not been attained, and there have been important shortcomings, and the resources have not been utilized effectively and/or efficiently.

The ratings will be decided together with the external evaluators and the ILO Senior Evaluation Officer (SEO).

Evaluation Team

The Evaluation Office (EVAL) is mandated to manage the evaluation function and ensure proper implementation of the evaluation policy. EVAL’s structure and modalities of operation are designed to protect its functional independence. The Director of EVAL reports directly to the Director-General and to the Governing Body through an independent process. EVAL assesses ILO policies, strategies, principles, and procedures as well as decent work country programs.

In accordance with ILO guidelines for independence, credibility and transparency, responsibility for the evaluation will be based in the Evaluation Office. The evaluation team will be composed of an ILO Senior Evaluation Officer and an external international consultant(s) or companies with expertise in the thematic areas as well as in strategy evaluation. The evaluation team may propose national research assistants to

support case studies. Such assistance may consider knowledge of the local context and language among others and should be part of the technical and cost proposals submitted by the evaluation team. Any other support cost such as interpretation/translation costs should be part of the final cost proposal submitted by the evaluator(s). The Senior Evaluation Officer will play a critical coordination role and will be responsible for the evaluation implementation at the national and regional levels. The international evaluator will be responsible for drafting and finalising the report and other deliverables mentioned in this terms of reference, unless specified otherwise.

This evaluation will be inclusive in nature and will seek to involve all key stakeholders.

Main Outputs/Deliverables/Timeframe

The evaluation will begin in Mid-February 2020 with a draft summary for the Governing Body of ILO to be produced by the end of June 2020, a full draft by mid-July 2020 and the final formatted report by mid-August 2020. As such, this High Level Evaluation is time sensitive and deadlines are non-negotiable. The number of work days needed for the completion of the work is estimated to be 80-90 days.

The proposed time-frame for this evaluation is from February 2020 to August 2020 in accordance with the following schedule:

Call for EoI launched and Evaluation team formed (EVAL)	Nov-Dec 2019
Evaluation ToRs drafted and circulated to stakeholders (EVAL)	Jan 2020
Scoping mission to Geneva by the team and #inception report drafted	Feb-March 2020
Evaluation mission and case studies conducted	April-May 2020
#Draft GB summary	End of June 2020
#Draft of full report	Mid-July 2020
#Final GB summary incorporating suggestions	End-July 2020
#Final Report, addressing the feedback on draft. The final report should have the executive summary and required annexures)	Mid- August 2020

denotes the key deliverables

Evaluation Management and Responsibilities

The Evaluation Office (EVAL) is mandated to manage the evaluation function and ensure proper implementation of the evaluation policy. The evaluation team will be composed of a Senior Evaluation Officer who will work as a team member along with the external team composed of international consultants with expertise in social protection and evaluation, and evaluation team members/national consultants to support the case studies. The director of EVAL will provide inputs and guidance throughout the evaluation process.

The Senior Evaluation Officer will play a critical coordination role and will be responsible for the evaluation implementation at the national and regional levels and contribute to desk review and case studies, to be decided in consultation with the evaluation team. S/he will facilitate access to all information from ILO sources, as required by the evaluation team. The Senior Evaluation Officer will also provide supervision support and substantive inputs during the drafting and finalisation of the report.

The external evaluator(s) will provide technical leadership and is responsible for:

- Drafting the inception report, producing the draft reports and drafting and presenting a final report;
- Providing any technical and methodological advice necessary for this evaluation within the team;
- Ensuring the quality of data (validity, reliability, consistency and accuracy) throughout the analytical and reporting phases.

- ▶ Managing the external evaluation team, ensuring the evaluation is conducted as per TORs, including following ILO EVAL guidelines, methodology and formatting requirements; and
- ▶ Producing reliable, triangulated findings that are linked to the evaluation questions and presenting useful and insightful conclusions and recommendations according to international standards.

An officer from the ENTERPRISES Department has been appointed to facilitate coordination with the department and field specialists and provide relevant documentation as requested by the team. This person will be the key technical liaison to the evaluation team, assisting in the identification of key stakeholders at Headquarters and the field and identification of key resources/documents.

Quality assurance

The international evaluator will be required to ensure the quality of data (validity, reliability, consistency and accuracy) throughout the analytical and reporting phases. It is expected that the report shall be written in an analytical and evidence-based manner such that all observations, conclusions, recommendations, etc., are supported by evidence and analysis. The ILO senior evaluation officer will provide overall quality assurance on all key outputs.

Qualifications of the evaluators

This evaluation will be managed by EVAL and conducted by a team of independent evaluators with the following competency mix:

- ▶ Sound understanding of concepts and issues related to enterprise development and promotion
- ▶ Proven past work on strategy evaluations for UN agencies
- ▶ Familiarity with ILO's normative work, tripartite structure and other cross cutting policy drivers.
- ▶ Familiarity with UNEG guidance on integrating gender and human rights.
- ▶ Familiarity with relevant SDG targets and indicators.
- ▶ Ability to work in English, Spanish and French

Evaluators' Code of Conduct and Ethical considerations

The ILO Code of Conduct for independent evaluators applies to all evaluation team members. The principles behind the Code of Conduct are fully consistent with the Standards of Conduct for the International Civil Service to which all UN staff is bound. UN staff is also subject to any UNEG member specific staff rules and procedures for the procurement of services. The selected team members shall sign and return a copy of the code of conduct with their contract.

Evaluation use strategy

Efforts will be made to keep key stakeholders at HQ and regions informed about the major steps of the evaluation process. Key outputs will be circulated for comments. The following products are expected to enhance the use of the evaluation findings and conclusions by developing different products for different audiences:

- ▶ GB executive summary document for the GB 2020 (Oct-Nov) discussion
- ▶ The full report available in limited hard copy and electronically available on the EVAL website
- ▶ USB keys with e-copy of the report for dissemination to partners.

- A powerpoint presentation or visual summary of the report will be prepared for EVAL's website and for presentations on the evaluation.
- A 2-page 'quickfacts' summarising the HLE findings will be prepared by EVAL.

Important guidance for reference

Key guidance to be considered by the evaluators include:

[Protocol 1: Policy outcomes and institutional evaluations \(HLEs\), revised version, Nov 2019](#)

[Adapting evaluation methods to the ILO's normative and tripartite mandate](#)

[Integrating gender equality in monitoring and evaluation](#)

Annexure 1. Promoting Sustainable Enterprises: Outcome and Indicators 2014-2021

[P&B 2014-15: Outcome 3: Sustainable enterprise create productive and decent jobs](#)

Indicator 3.1: Number of member States that, with ILO support, reform their policy or regulatory frameworks to improve the enabling environment for sustainable enterprises

Indicator 3.2: Number of member States that, with ILO support, implement entrepreneurship development policies and programmes for the creation of productive employment and decent work

Indicator 3.3: Number of member States that, with ILO support, implement programmes to foster the adoption of responsible and sustainable enterprise-level practices

Indicator 3.4: Number of member States that, with ILO support, adopt policies that integrate the principles of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration)

ACI 4: Productivity and working conditions in SMEs: SMEs can grow by raising productivity and improve working conditions with the right supportive environments. Entrepreneurship together with a skilled workforce and decent working conditions can boost productivity and competitiveness, and form the basis of sustainable enterprises. The ILO will build a programme of policy advice and practical guidance, technical cooperation and capacity building based on evidence of good policies and practices characterized by a mutually reinforcing path of improved working conditions and higher productivity and wage growth. Policy areas include the regulatory environment, skills upgrading, safety and health and other working conditions, as well as social protection. This will also inform work on formalization of SMEs. *Principle outcomes contributing to this ACI included: Skills development; Sustainable enterprises; Working conditions; Occupational safety and health; Social dialogue and industrial relations; Freedom of association and collective bargaining.*

[P&B 2016-17: Outcome 4: Promoting sustainable enterprises:](#) Member States are better equipped to promote an environment conducive to the growth of sustainable enterprises that is aligned with sustainable development objectives and the creation of productive employment and decent work.

Indicator 4.1: Member States where the enabling environment for sustainable enterprises has been improved through policy, legal, institutional or regulatory reforms

Indicator 4.2: Member States where enterprise support programmes have been designed and implemented aimed at responsible and sustainable enterprise practices in SMEs, cooperatives or MNEs

Indicator 4.3: Member States in which public and private intermediaries have designed and implemented scalable entrepreneurship programmes aimed at income and employment creation with a focus on young people and women.

[P&B 2018-19: Outcome 4: Promoting sustainable enterprises:](#) Member States promote sustainable enterprises as a key element of their development strategies and as a means to create more and better jobs.

Indicator 4.1: Number of member States that have formulated or adopted reforms of the business environment that contribute to an enabling environment for sustainable enterprises

Indicator 4.2: Number of member States in which effective interventions to directly assist sustainable enterprises as well as potential entrepreneurs have been designed and implemented

Indicator 4.3: Number of member States that have designed and implemented dialogue platforms on responsible business practices or effective programmes for improving the functioning of markets, sectors and value chains in order to promote decent work

[P&B 2020-21: Outcome 4: Sustainable enterprises](#) as generators of employment and promoters of innovation and decent work (Not part of the HLE)

Output 4.1. Increased capacity of member States to create an enabling environment for entrepreneurship and sustainable enterprises

Output 4.2. Strengthened capacity of enterprises to adopt new business models, technology and techniques to enhance productivity and sustainability

Output 4.3. Increased capacity of member States to develop policies, legislation and other measures that are specifically aimed at facilitating the transition of enterprises to formality

Output 4.4. Increased capacity of member States and enterprises to develop policies and measures that promote the alignment of business practices with decent work and a human-centred approach to the future of work

► Annex B – Evaluation Questions

Evaluation questions	Indicators/focus areas
<p>Relevance</p> <p>How well do the strategy and actions respond to the needs and concerns of ILO constituents?</p>	<ul style="list-style-type: none"> ▶ Alignment with principles of relevant ILO resolutions and declarations (including 2015 Resolution on SMEs and 2017 MNE Declaration) ▶ Responsiveness to emerging concerns as expressed in GB/ILC discussions ▶ Assessment of constituents and other stakeholder of relevance, strategic fit, local/tripartite ownership and sustainability at country level. ▶ Extent that the strategy and actions integrate the ILO's normative and social dialogue mandate
<p>Have the strategy and actions adequately responded to the diverse needs and challenges of member states in the promotion of sustainable enterprises as a vehicle for growth and decent work?</p>	<ul style="list-style-type: none"> ▶ Alignment with needs and priorities expressed in national development plans, DWCPs, and regional strategies. ▶ Relevance in terms of country development status, economic base, fragility et al. ▶ Diversity of regional approaches ▶ Relevance, responsiveness and inclusiveness in terms of different beneficiaries/cohorts (including youth, women, people with disabilities, and other marginalised groups) ▶ Responsiveness and flexibility to integrate emerging lessons from the field.
<p>Coherence</p> <p>Is the theory of change underpinning the strategy and actions valid and well-articulated?</p>	<ul style="list-style-type: none"> ▶ Stakeholder understanding of and views on what the strategy and theory of change actually are ▶ Assessed validity of its assumptions in different contexts ▶ Evidence that its defined pathways of change are being realised in practice
<p>How appropriate and useful are the indicators on promoting sustainable enterprise as described in strategic plans?</p>	<ul style="list-style-type: none"> ▶ Extent to which indicators and P&B reports adequately reflect the work being done and the results of this work
<p>How well do the means of action, management arrangements, and internal coordination mechanisms promote coherence in the delivery of the ILO's overall strategic objectives</p>	<ul style="list-style-type: none"> ▶ Extent to which strategic plans, P&B targets, and relevant policy instruments have cohered to guide the ILO's work in promoting sustainable enterprises and to create synergies across the organisation ▶ Extent to which management arrangements, internal coordination mechanisms and organisational structure have supported coherence in delivery (both within the Enterprise Department and across the ILO as a whole – including between HQ and the field) ▶ Instances of individual activities, conceived as a means of advancing one strategic outcome, that have contributed to the achievement of other outcomes. ▶ CPO alignment with global outcomes and indicators and extent they represent an appropriate mix of interventions (including promotion of the normative mandate and gender equality and non-discrimination) ▶ Extent to which the strategy and actions reflect the ILO's cross-cutting policy drivers
<p>Does the ILO's work align with global strategies and initiatives and complement other efforts of constituents, the UN, other partners and international agencies working on this theme?</p>	<ul style="list-style-type: none"> ▶ Extent the strategy, actions and results framework reflect the ILO's commitment to SDGs, especially to SDG 8 ▶ Alignment/complementarity of ILO strategies with other global sustainable enterprise strategies (including, for example, World Bank, UNIDO, UNDP, and other development actors specifically mentioned in P&Bs)
<p>Effectiveness</p> <p>To what extent did the ILO meet its strategic objectives in promoting sustainable enterprises (as defined in the strategic plans, P&B outcomes and targets, cross-cutting policy drivers and other policy instruments)?</p>	<ul style="list-style-type: none"> ▶ Reported results against target ▶ Assessment of other achievements relative to intent of key policy documents ▶ Assessment of how well results contributed to cross-cutting themes of gender and non-discrimination and environmental sustainability
<p>How has the strategy been translated into actions and initiatives at country level?</p>	<ul style="list-style-type: none"> ▶ Instances of actions and initiatives in line with strategy implemented at a country level as a result of ILO effort (segmented by action/initiative type) ▶ Instances of intervention models, products and services being adapted and/or upscaled by countries ▶ Extent to which constituents, partners and stakeholders (internal and external) understood and executed their role in delivering ILO commitment to promote sustainable enterprises.
<p>To what extent are data and information collected to measure progress and achievements?</p>	<ul style="list-style-type: none"> ▶ Extent current monitoring and reporting (outcomes and indicators) allow for tracking progress and can inform ongoing strategy development.

Evaluation questions	Indicators/focus areas
Efficiency To what extent have human and financial resources been used efficiently and the ILO's work been appropriately and adequately resourced?	<ul style="list-style-type: none"> ▶ Analysis (to the extent possible) of the sources and uses of funds over the three biennia – amounts, changes, types (including Regular Budget, Regular Budget Supplementary Account, Extra-budgetary Resources). ▶ Analysis of resource distribution across units (depending on data availability), planned targets and cross-cutting themes of gender and non-discrimination and environmental sustainability ▶ Perception of stakeholders ▶ Synthesis of findings on efficiency in Synthesis Review
Is the organisation/ management structure and capabilities for delivering the outcome compatible with the strategy/ actions?	<ul style="list-style-type: none"> ▶ Perception of staff, constituents and stakeholders on the efficiency of organisational/structural arrangements/capabilities including examples (positive and negative) ▶ Evidences of use of official coordination mechanisms such as the Outcome Coordination Team
Impact & Sustainability To what extent have ILO strategy and actions had a sustainable impact at a country level?	<ul style="list-style-type: none"> ▶ Reported contribution made by ILO actions across the Enterprise portfolio ▶ Evidence that changes and results can be causally linked to the ILO interventions ▶ Factors identified as preventing or enabling impact and sustainability
Lessons and good practice What are the emerging lessons and good practices for future?	<ul style="list-style-type: none"> ▶ Identified areas of success and any lost opportunities ▶ Factors contributing to success or to disappointing results ▶ Perception of staff, constituents and stakeholders how ILO support could be improved

Other issues raised in the scoping mission:

- ▶ The diversity of activities and policy outcomes that Units within the ENTERPRISES Department address and the difficulties this creates in developing a coherent strategy for the Department as a whole;
- ▶ The extent to which gender issues are mainstreamed in programme design (e.g. include a situation analysis of factors that might affect participation and results such as household responsibilities, control of resources etc);
- ▶ The extent to which the Department's work is influenced more by structure than strategy;
- ▶ The extent to which all important activities of the Department and its Units are captured by the reporting system;
- ▶ The nature and results of different approaches promoted in the field;
- ▶ PARDEV's focus in mobilizing donor funds for this outcome (and for the work of the individual units of ENTERPRISES)
- ▶ Whether the processes for allocating resources (including operational budget) across the ENTERPRISES portfolio are appropriate;
- ▶ The perception that workers' organisations are less engaged with the work of the Department (or that this is primarily the "domain" of employers' organizations);
- ▶ Adherence of the ILO's work to the 2015 International Labour Conference Resolution concerning SMEs and decent and productive employment creation
- ▶ Whether there are imbalances or tensions in the ILO's work in facilitating the enabling environment for sustainable enterprises while maintaining a focus on decent work (including adherence to norms, standards and Fundamental Principles and Rights at Work);
- ▶ How industrial relations are promoted through Outcome 4 activities and programmes;
- ▶ The extent to which the ILO's work in this area aligns with the "Guidelines for a just transition towards environmentally sustainable economies and societies for all"
- ▶ Whether the ILO has achieved the right balance between reliance on well-established tools (for which there is continuing demand) and encouraging innovative approaches to employment generation and decent work;

- ▶ The cost and benefits of maintaining long-running programmes like SIYB;
- ▶ Difficulties in working with SMEs which “don’t work in the realm of organised labour” (that is, they have no union presence);
- ▶ Barriers preventing better integration of the work of ENTERPRISES and other Departments (including EMPLOYMENT, GOVERNANCE, FUNDAMENTALS, NORMES) and ways to overcome these.

► Annex C – CPOs related to SME Unit products

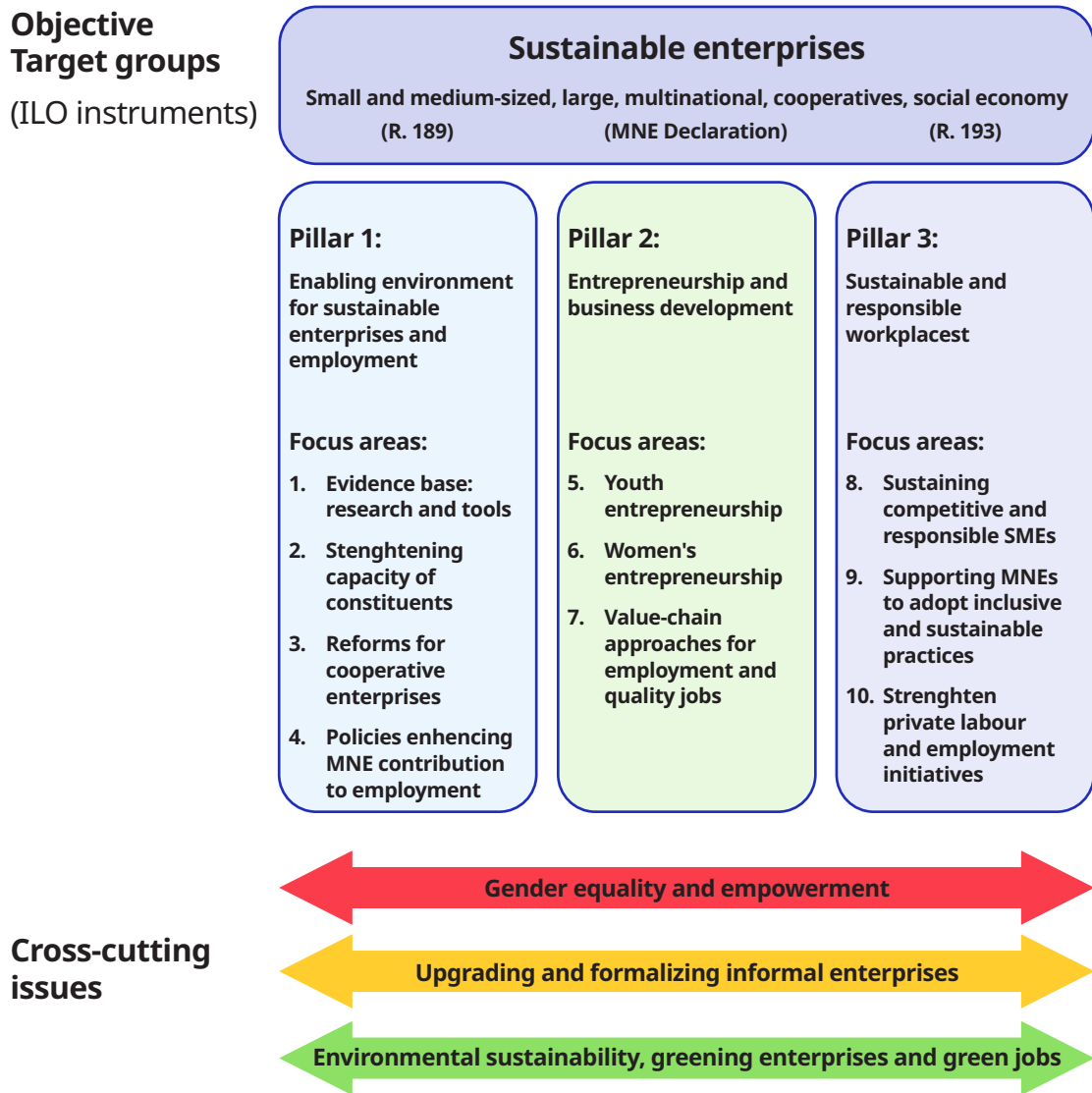
Biennium	Area of Work	Product (No. of CPOs)	Country Programme Outcome
18-19	SME Enabling Environment (Indicator 4.1)	EESE (4)	Cameroon (CMR106), El Salvador (SLV126), Mozambique (MOZ105), Nepal (NPL130)
		Other (2)	Suriname (SUR902 – Other assessment), Tunisia (TUN902 – Gender focus)
	Entrepreneurship skills (Indicator 4.3)	SIYB (17)	Afghanistan (AFG105), Algeria (DZA103), Cabo Verde (CPV101), Cameroon (CMR106), DR Congo (COD104), Egypt (EGY106 [^]), Georgia (GEO126), India (IND103), Kiribati (KIR101), Lebanon (LBN102 [^]), Madagascar (MDG108), Mali (MLI103), Nigeria (NGA103), Somalia (SOM102), Ukraine (UKR102), Tanzania (TZA102), Zambia (ZMB133)
		KAB (4)	Egypt (EGY106 [^]), Lebanon (LBN102 [^]), Occupied Palestinian Territory (PSE107), Seychelles (SYC176)
		Women's Entrepreneurship* (4)	Egypt (EGY106 [^] - GET Ahead), Jordan (JOR904 – Women Do Business), Sierra Leone (SLE107 – GET Ahead), Yemen (YEM155 [^] - Women Do Business)
Value Chains & Market Systems (Indicators 4.2, 4.3)	Activity Based (3)	Cambodia (KHM204 – C-BED), Ecuador (ECU160 – C-BED), Laos (LAO178 – In Business)	
	Other (3)	Lebanon (LBN102 [^] - My First Business), Yemen (YEM155 [^] - My First Business, I Too Have a Small Business)	
SME Productivity & Working Conditions (Indicators 4.2)	Value Chain Development (3)	Somalia (SOM102), Tunisia (TUN103 [^]), Philippines (PHL902)	
	Market Systems Development (2)	Afghanistan (AFG105), Zimbabwe (ZWE103)	
16-17	SME Enabling Environment (Indicator 4.1)	SCORE (15)	Bolivia (BOL111 [^]), Brazil (BRA109), China (CHN253 [^]), Colombia (COL127 [^]), Costa Rica (CRI131), Dominican Republic (DOM127), Egypt (EGY106), Ghana (GHA103 [^]), India (IND103 [^]), Indonesia (IDN129 [^]), Pakistan (PAK204), Peru (PER157 [^]), Turkey (TUR154 [^]), Tanzania (TZA102), Vietnam (VNM129 [^]),
		Other (7)	Armenia (ARM154), Burkino Faso (BFA106), Georgia (GEO126), Guyana (GUY152), Kyrgyzstan (KGZ128), Mexico (MEX102), FYR Macedonia (MKD105), Namibia (NAM129), Sierra Leone (SLE107), South Africa (ZAF902), Tajikistan (TJK106), Timor Leste (TLS177), Ukraine (UKR102), Zimbabwe (ZWE103)
	Entrepreneurship skills	EESE (14)	Armenia (ARM154), Burkino Faso (BFA106), Georgia (GEO126), Guyana (GUY152), Kyrgyzstan (KGZ128), Mexico (MEX102), FYR Macedonia (MKD105), Namibia (NAM129), Sierra Leone (SLE107), South Africa (ZAF902), Tajikistan (TJK106), Timor Leste (TLS177), Ukraine (UKR102), Zimbabwe (ZWE103)
		Other (7)	Costa Rica (CRI131 – Productivity policy support), Egypt (EGY105 – National SME Strategy), Kenya (KEN130 – Sector specific), Montenegro (MNE130 – Enabling for Green SME), Peru (PER904 – Enabling for Green SME), Uruguay (URY154 – Other assessment)
		SIYB (16)	Algeria (DZA103), Cabo Verde (CPV101), Cameroon (CMR904), Central African Republic (CAF105), DR Congo (COD104), Egypt (EGY106 [^]), Ethiopia (ETH128 [^]), Malawi (MWI106), Mali (MLI103), Morocco (MAR102), Myanmar (MMR127), Philippines (PHL104), Senegal (SEN903), Solomon Islands (SLB903), Timor Leste (TLS177), Tunisia (TUN103)
Value Chains & Market Systems (Indicator 4.3)	KAB (6)	Egypt (EGY106 [^] - GET Ahead), Ethiopia (ETH128 [^] - WISE), Jordan (JOR101), Laos (LAO178), Occupied Palestinian Territory (PSE103), Saudi Arabia (SAU102)	
	Women's Entrepreneurship* (3)	Egypt (EGY106 [^] - GET Ahead), Sudan (SDN105 – GET Ahead), Yemen (YEM155 [^] - Women Do Business)	
SME Productivity & Working Conditions (Indicators 4.2, 4.3)	Activity Based (1)	Trinidad and Tobago (TTO101 – C-BED)	
	Other (1)	Yemen (YEM155 [^] - My First Business, I Too Have a Small Business)	
SME Productivity & Working Conditions (Indicators 4.2, 4.3)	Value Chain Development (4)	Egypt (EGY106 [^]), Peru (PER151), Timor Leste (TLS177 [^]), Tunisia (TUN103 [^])	
	Market Systems Development (1)	Zambia (ZMB133 [^])	
SME Productivity & Working Conditions (Indicators 4.2, 4.3)	Value Chain Development (4)	Egypt (EGY106 [^]), Peru (PER151), Timor Leste (TLS177 [^]), Tunisia (TUN103 [^])	
	Market Systems Development (1)	Zambia (ZMB133 [^])	
SME Productivity & Working Conditions (Indicators 4.2, 4.3)	SCORE (12)	Bolivia (BOL111 [^]), China (CHN253 [^]), Colombia (COL127 [^]), Ghana (GHA103 [^]), India (IND103 [^]), Indonesia (IDN129 [^]), Myanmar (MMR127 [^]), Peru (PER157 [^]), South Africa (ZAF101 [^]), Suriname (SUR901), Turkey (TUR154 [^]), Zimbabwe (ZWE903)	

Biennium	Area of Work	Product (No. of CPOs)	Country Programme Outcome
14-15	SME Enabling Environment (Indicator 3.1)	Other - 4	Kenya (KEN131 – Sector specific), Seychelles (SYC176 – Other assessment), Egypt (EGY105 – Enabling for Cooperatives), Peru (PER152 – Enabling for Green SME)
	Entrepreneurship skills	SIYB (20)	Bahamas (BHS101), Burundi (BDI105), Cambodia (KNH203 [^]), Cabo Verde (CPV101), Egypt (EGY106 [^]), Haiti (HTI129), India (IND103), Jamaica (JAM102), Kenya (KEN130 [^]), Laos (LAO178 [^]), Mongolia (MNG178 [^]), Morocco (MAR102), Myanmar (MMR127), Rwanda (RWA101), Senegal (SEN107 – for Green), South Africa (ZAF101 [^]), Tanzania (TZA102 [^]), Timor Leste (TLS177), Vietnam (VNM127), Zambia (ZMB133)
		KAB (4)	Cambodia (KNH203 [^]), Dominican Republic (DOM129 [^]), Laos (LAO178 [^]), Saudi Arabia (SAU102)
		Women's Entrepreneurship* (10)	Cambodia (KNH203 [^] - GET Ahead), Dominican Republic (DOM129 [^] - GET Ahead), Egypt (EGY106 [^] - WED), Kenya (KEN130 [^] - GET Ahead), Laos (LAO178 [^] - GET Ahead), South Africa (ZAF101 [^] - WED), Tanzania (TZA102 [^] - GET Ahead), Trinidad and Tobago (TTO101 – WED), Tunisia (TUN103 – GET Ahead), Yemen (YEM155 – Women Do Business)
		Activity Based (3)	Philippines (PHL104 – C-BED post disaster), Laos (LAO178 [^] - C-BED), Cambodia (KNH203 [^] - C-BED)
		Other (1)	Mongolia (MNG178 [^] - Green Business Options),
	Value Chains & Market Systems (Indicator 3.2)	Value Chain Development (6)	Bolivia (BOL111), Egypt (EGY106 [^]), India (IND998), Kenya (KEN130), Myanmar (MMR127), Peru (PER157), Timor Leste (TLS177 [^]), Tunisia (TUN103 [^]), Turkey (TUR154), Zambia (ZMB133 [^]),
	SME Productivity & Working Conditions	SCORE (6)	Mongolia (MNG178), Myanmar (MMR127 [^]), South Africa (ZAF102 [^]), Ghana (GHA103 [^]), China (CHN253 [^]), Vietnam (VNM996 [^])
		SIMAPRO (1)	Mexico (MEX102),

* Includes GET (Gender and Entrepreneurship Together) Ahead, WED (Womens' Entrepreneurship Development), Women in Self Employment (WISE), Women Do Business (WDB)

[^] Indicates CPO reported usage of the SME product in more than one biennium in the period of review

► Annex D – Strategy for sustainable enterprises - 2010



► Annex E – List of persons interviewed/consulted

EMPLOYERS' ORGANIZATIONS

ABD-ELAZIM, Khaled	General Manager, Federation of Egyptian Industries
AGREDA, Rodrigo	Confederation of Private entrepreneurs of Bolivia
ANZORREGUY, Maria Paz	IOE, Director of ILO Coordination
BELKHIRIA, Mrs. Leila	Présidente de la CFCE, Union Tunisienne de l'Industrie, du Commerce et de l'Artisanat, Tunisia
BUI, Thi Ninh	Head of Employers' Affairs, VCCI, Ho Chi Minh City, Vietnam
NAING, U Win	Myanmar Industrial and Business Association
NEW, Daw Khaing Khaing	Union of Myanmar Federation of Chambers of Commerce and Industry
NGUYEN, Duc Binh	Director, SME Promotion Centre, Vietnam Chamber of Commerce and Industry, HCM City
SAIDANE, Mongi	chargé des coopératives, Union Tunisienne de l'agriculture et de la Pêche, Tunisia
SILINI, Sami	Directeur Central, Union Tunisienne de l'Industrie, du Commerce et de l'Artisanat, Tunisia
SOSSA, Lucía	Confederation of Private entrepreneurs of Bolivia
VALENCIA, José Luis	Confederation of Private entrepreneurs of Bolivia
VINCENSINI, Pierre	IOE, Senior Adviser

WORKERS' ORGANIZATIONS

HO, Kim Ngan	Vice Director, Industrial Relations Department, Vietnam General Confederation of Labour
LLANOS, Maite	International Trade Union Confederation
SOE, Phyo Sandar	Confederation of Trade Unions, Myanmar
THWE, Zarni	Agriculture and Farmer Federation of Myanmar
TRABELSI, Karim	Dept des études, Union générale Tunisien du Travail, Tunisia

GOVERNMENT

AUNG, U Myo	Ministry of Labour, Myanmar
AYARI, Mrs. Anissa	Directeur, Ministère de formation professionnelle et de l'emploi, Tunisia
DAKHLI, Mounir	Directeur, Ministère de formation professionnelle et de l'emploi, Tunisia
DOGO, Franck	Directeur Général de l'Emploi au Ministère de l'Emploi et de la Protection Sociale, Côte d'Ivoire
EL-GUINDY, Ahmed	Head of Business Development, MSMEDA, Egypt
MAUNG, U Aung	Department of Consumer Affairs, Ministry of Commerce
MYINT, U Hla	Director, International Relations, Ministry of Tourism
SALHI, Safouen	Directeur, Espace entrepreneur, Tunisia
TUN, Daw Ei Shwe Sin	Director, Department of Technology and Market Promotion, Ministry of Industry
WIN, U Nyunt	Kayah State Director for Fisheries Department
ZAW, Hlaw Moe	Myeik District Fisheries Officer, Department of Fisheries

ILO	
ALAWA, Badra	Formerly CTA, Cairo; now in Geneva
ALVAREZ, Roberto Villamil	ACT/EMP, Desk Officer, Latin America and the Caribbean, Geneva
ANDREVON, David	CTA, Tunis
ANLI, Ebru Ozberk	Turkey
ANORVE, José	ACT/EMP
ARAI, Yukiko	MULTI (Asia & Caribbean)
ARIAS, Randall	ACT/EMP specialist, Mexico
AYARI, Ines	CTA
BAVITCH, Nathalie	Regional M&E and Knowledge Management Officer, Regional Office for Arab States
BELAL, Nashwa	CTA, Cairo
BERRIOS, Mario	SME Team, Geneva
BIKHAZI, Rania	Enterprise Specialist, Beirut DWT
BIRD, Jonathan	Project Manager, Myanmar
BLIEK, John	Specialist in Enterprise, Cooperatives and Rural Development, DWT/CO, Lima
BODWELL, Charles	Enterprise Specialist, Bangkok DWT
BOUBAKER, Jad	National Officer, Tunis
BROMLEY, Wade	Senior Specialist, ACT/EMP, Bangkok DWT
CRUZ, Adriene	GED, Gender Specialist
DE GUMUCIO, Carla	SCORE National Coordinator, La Paz
DEBOOS, Severine	Team Leader, Enabling Environment, SME Unit
DONMEZ Emre	Turkey
ELKIN, Michael	SME, SCORE, Chief Technical Adviser
ESIM, Simel	Cooperatives, Unit Head
GUEYE, Moustapha Kamal	Green Jobs Programme, Unit Head
GUYACAN, Fredy	RSCA Project CTA, Bangkok
HEGAZY, Farid	ACT/EMP, Cairo
INFANTE, Vladimir Miranda	SCORE Admin Assistant, Regional Office, Lima
JAMAR, Michel	Former CTA of SME Project, Myanmar
JANG, Mohui	PROGRAM, Head
KANDIL, Azza	CTA, Cairo
KHEMISSSI, Monaiem	Cord. Régional, Jendouba
KLEIN, Jean-François	EMPLOYMENT, Senior Administrator
KOUDAIH, Rayann	Enterprise Development Officer, Beirut
LAPORTE, Josée	MULTI, Geneva (managing Africa portfolio)
LEE, Dong Eung	Senior Specialist, ACT/EMP, Bangkok DWT

LEE, Sangheon	EMPLOYMENT, Director
MOAFY, Amal	Formerly CTA, Cairo; now left ILO
MOSTAFA, Mohamed	CTA, Cairo
MUN, Na Eun	SCORE Team, Geneva
MWAMADZINGO, Mohammed	ACTRAV
NABARAWY, Lina	Formerly CTA, Cairo; now left ILO
NGUYEN, Ngoc Trieu	Programme Coordinator, ILO Vietnam
OBEID, Amir	CTA, Cairo
OECHSLIN, Eric	Country Director, Cairo
PAUSTIAN, Nina	SCORE Regional Coordinator, Regional Office, Lima
PHUNG, Duc Hoang	National Coordinator, SCORE Vietnam
PICHAIWONGSE, Piyamal	Deputy Liaison Officer, ILO Myanmar
PRASHAD, Pranav	Social Finance, Snr Technical Officer, Impact Insurance Facility
PRAT TUCA, Jordi	CTA, Women in STEM Project, Thailand
QUICAÑA, Efraín	Former SCORE Coordinator, Peru
RADIC, Dragan	SME, Unit head
RAMIREZ, Alvaro	Enterprise Specialist, Mexico
REES, Dan	Better Work, Branch Chief
ROELANS, Githa	Multi, Unit head
SABRI, Sarah	Head of Program, Cairo
SAGET, Catherine	RESEARCH, Senior Technical Specialist
SANCHEZ, Ana Belén	Green jobs specialist, Mexico
SARNA, Ritash	Statistics, Management & Support Unit, Head
SCHMIDT-KLAU, Dorothea	EMPLOYMENT, Senior Employment Specialist
SENEL, Burcu Tuba	Turkey
SIEVERS, Merten	SME, Inclusive Markets & Entrepreneurship, Global Coordinator
SIMS, Emily	MULTI, Helpdesk Coordinator
SOLANA, Miguel	Enterprise Specialist, Cairo
TAWFIK, Perihan	CTA, Cairo
TCHAMI, Guy	Cooperatives, Policy & Research Specialist
TOUMI, Karim	National officer, Tunis
TOUNSI, Mrs. Nawel Belhadj	Expert technique/ Focal point, Tunis
TRAN, Minh Tri	National Coordinator, RSCA Project, Vietnam
ULRICH, Stephan	CTA, SCORE Vietnam
VAIDYA, Sonish	Project Engineer, Job Creation in Conflict Areas Project, Myanmar
VAN DOORN, Judith	SME, Enterprise Formalization

VAN KLAVAREN, Annie	MULTI (Americas)
VAN VUUREN, Vic	ENTERPRISE, Director
VEJS-KJELDGAARD, Rie	PARDEV, Director of Partnerships
VILLARROEL, Mariana	CTA, Vision Zero Fund, Myanmar
WATTS, Michael	ACTRAV
YI, Aung Si	Former National Project Coordinator, Supply Chain Project
ZEBALLOSZ, Hernan	SCORE National Coordinator, Lima
BENEFICIARIES	
ARFAOUI, Mrs. Sameh	Toktok café mobile
ATHEMNI, Mrs. Mabrouka	Ain Drahem / Jendouba, Coop. Elbaraka
CANO, Ana María	Professor of social Marketing, Pacific University, Peru
CANO, Camila	General studies student, Pacific University, Peru
CHERNI, Mme. Fadhila	As. artisane de Tejerouine / Kef, ES Tej Laine
HAMADI, Mme Senda Ben	Syndart
KEFI, Aymen	Président, As. Twiza
LEON, Gonzalo	Economics student, Pacific University, Peru
MALLQUI, José Antonio	International Business student, Pacific University, Peru
MHIMIDI, Mme. Leila	Président, Irada (ONG)
YAMADA, Gustavo	Director of Research, Pacific University, Peru
OTHER STAKEHOLDERS	
AUNG, Naw Julie	Senior SCORE Trainer, Myanmar
AYE, Ma Ma	SCORE Trainer, Myanmar
CHIT, Ze Yar	Public Affairs, Coca Cola, Myanmar
HLAING, Chaw Su	SCORE Trainer, Myanmar
HTAY, Paul	National Consultant, Impact evaluation
LAO, Jenny	CEO, SIYB Association, Myanmar
MAHMOUD, May	Director, Skills Development Centre, National Council for Women, Egypt
MAUNG, Phyo Zar Zar	Chairperson, SIYB Myanmar
MOLERO, Roberto	Adex, Peru
MYINT, Taung	Secretary, Myanmar Fisheries Federation
RODRIGUEZ, Sergio	Institute of Production Technology, Peru
SEIN, Minty Myint	SIYB Master Trainer, Myanmar
SHIN, Ngwe Nyunt	Senior SCORE Trainer, Myanmar
THANT, Aye Aye	SIYB Mater Trainer, Myanmar
UGARTE, Daniel de la Torre	Pacific University, Centre for Leadership, Ethics and Social Responsibility, Peru
WAI, Phyo Zaw	Vice President, Union of Myanmar Travel Association
ZECHARIAH, Adriana	UNEP, Peru (working on PAGE)

► Annex F – Progress on recommendations from 2013 High-Level Evaluation

The 2013 HLE was positive about the work to support sustainable enterprises, noting that ILO had “developed or refined high quality tools and materials”, had “been prolific in generating relevant studies and analyses”, had “engaged in policy dialogue and collaboration with tripartite partners”, and had introduced innovations at country level. However, it also noted “high dependence on donor funds, short duration of projects and wide geographical and sectoral spread” leading to limited flexibility and some lack of coherence. The 2013 evaluation made 10 recommendations and our assessment of progress is outlined below. Our overall sense is that the recommendations from the 2013 HLE have been taken into account wherever practical but that the programme has moved on and that several recommendations are no longer appropriate.

Progress on recommendations from 2013 HLE

Establish a standardized country assessment to diagnose decent work priorities and integrated responses within specific country contexts, in which sustainable enterprise can be better embedded	There is no evidence that this is happening but the greater need is to ensure that sustainable enterprises projects contribute both to delivering decent work and to country strategies
Prioritize a small number of countries in which to develop a longer term vision and strategy for sustainable enterprise development, to allow adequate time for the progression of all dimensions of the sustainable enterprise model, including the critical elements of social and environmental sustainability	This is not happening though different programmes and tools are each delivered in relatively small numbers of countries. In any event, there is demand from many countries to put in place measures to create and support businesses and thus to create employment. Our perception, and this may reflect the perception of the 2013 HLE, is that support needs to be offered as part of the host country's own strategy for sustainable enterprises and with a plan for the continuation of successful programmes beyond the ability of ILO to fund
More actively solicit public-private partnerships with non-profit foundations that can accommodate longer term strategies for small enterprise development at the country level	There is limited evidence of this happening though there are many organisations, both for-profit and not-for-profit, aiming to support SMEs.
Integrate into the entrepreneurship pillar monitoring and evaluation data, and measurement of key indicators to monitor progress towards improving the rights and working conditions of workers in newly formed or strengthened enterprises	With the exception of SCORE, where there has been some assessment of working conditions, there is no evidence that this is happening
Move forward the programming to support the area of critical importance on “productivity and working conditions in SMEs” to link more directly to ILO expertise in areas of working conditions, safety and health and other forms of rights and protection, integrating components for a more substantive treatment of these dimensions	The key programme here is SCORE, which has been expanded, but about which the evaluators have some doubts.
Ensure that youth entrepreneurship and youth enterprise development strategies, and youth employment, are conceived, programmed and linked in a coherent manner	There is evidence that youth entrepreneurship has often been an important component of youth employment projects but it is not clear what difference this has made since there is limited follow-up once a project ends. There are perhaps two benefits from such linkages: firstly, some people who start enterprise training decide not to start a business but develop skills wanted by employers; secondly, some people who want to start a business need to develop vocational skills alongside their business skills. This requires careful thought during the design stage.
Continue the drive towards larger, more integrated and policy-oriented projects to roll-out politically sensitive work on enabling environments for enterprises, working within UN partnerships where scale justifies the higher transaction costs involved	This recommendation is not clear. EESE has been expanded since this evaluation and has had some success, though there is a need to reflect on how to improve the likelihood of success.
Finalize the overhaul of key products for enterprise development, integrating new communication technologies and revamping existing ones, to better respond to external and internal user needs that can extend past the life of individual projects. Furthermore, it should pool project resources within technical cooperation to develop and roll-out new information technology (IT) features in a timely manner	It is never possible to finalise key products for enterprise development. Rather trainers, mentors and others need to be agile in recognising how changing circumstances lead to changing needs. The COVID-19 health crisis, for example, demonstrates the need to do more to help businesses become more resilient and to prepare for natural disasters.

<p>Reposition the work on cooperatives after a successful phase focusing on legal reform, to support more cooperative development on the ground and to reflect the growing interest in the social economy</p>	<p>COOP has moved away from direct delivery of programmes for primary level cooperatives and social economy enterprises, focusing more on “macro and meso” level activities. The focus has shifted to supporting the cooperative components of ILO flagship programmes and using these to demonstrate decent work benefits of these forms of enterprise. Resource constraints have led to COOP to focus its work in countries where there is a strong ILO field presence and where there is a history of work in this field.</p>
<p>Align ILO enterprise approaches in relation to green jobs and the green economy with the ILO's strongest comparative advantages and link them with UN partners for green technology advisory services, in which the ILO has limited comparative advantage</p>	<p>There has been considerable work on green jobs since 2013. It is not clear what the recommendation means. In our view the Green Jobs Unit should focus on mainstreaming green into all the ILO's work and should not seek to promote small scale projects that will have limited impact.</p>

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