

Review of the RBSA funding modality

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Executive Summary

Main findings

A highly appreciated funding modality

Based on interviews of ILO staff in the regions and at Headquarters conducted for this review, there is little doubt that the RBSA funding modality is highly appreciated for its flexibility and relatively low-cost procedures.

Areas of strong, variable and weaker performance of RBSA interventions

Reports produced by the ILO Evaluation Office, including evaluation reports produced by ILO regions, enable the formulation of some broad conclusions concerning the performance of RBSA funded (wholly or substantially) country programme outcomes.

The performance of RBSA interventions (based on a sample of evaluation reports for the period 2013-17) is comparable to ILO development cooperation as a whole. On average the same patterns of stronger and weaker elements appear relative to other meta-analysis. In particular RBSA interventions:

- Were highly relevant and contributed effectively to achieving country outcomes,
- Promoted the ILO's core agenda,
- Added-value in relation to capacity-building, legislative and policy reforms, and knowledge products,
- Recorded variable performance regarding implementation management,
- Displayed significant shortcomings in the design of proposals and in reporting, monitoring and evaluation effectiveness.

These performances are not specific to RBSA although the shortcomings were slightly more severe in the case of the RBSA relative to the other two meta-analysis samples. Whilst broadly comparable the sample of RBSA evaluations recorded somewhat weaker average scores for the evaluation criteria on implementation management and efficiency of management and resource use.

Programming procedures and performance

The programming guidance for the RBSA is broad. A strong point has been the continuity of linking RBSA resources to country programme outcomes within the framework of Programme and Budget outcomes.

The size of the RBSA is relatively small relative to other ILO funds and to the potential number of country outcomes. In addition RBSA funding has declined in the last two biennia in aggregate terms and relative to other voluntary (earmarked) funds available to the ILO.

The RBSA is comparable in relative size and operating modalities to similar funds in other UN agencies. The combination of flexible (un-earmarked) allocations and reporting included in Organization-wide biennial reports is a characteristic across such funds operating in different UN agencies.

The programming guidance, especially regarding financial thresholds, has both broadened the range of options (higher maximum per allocation) and limited the number of proposals regions can submit.

The continuing refining of this guidance has limited the flexibility of RBSA in financing country outcomes.

To some extent programming guidance has superseded strategic guidance, with greater ex ante requirements and processes and fewer ex post ones. This logic should be reversed and greater emphasis placed on learning from RBSA achievements. However this should not compromise the flexible quality of RBSA.

Procedures in place to formulate and appraise RBSA proposals are broadly appreciated. However the weaker performance on reporting, monitoring and evaluation calls for revising current procedures regarding these requirements. The template used for the submission of RBSA proposals should be revisited in order to strengthen the results framework.

A broad RBSA strategic guidance and multiple strategies

The strategic or thematic guidance of RBSA is also broad. The overall framework is given by the Programme and Budget outcomes. This has allowed regions and country offices to apply multiple strategies adapted to the characteristics of each region and country retained for RBSA funding. At the same time it has weakened the overall strategic profile of the RBSA.

The expenditure patterns of RBSA do not show any discernible trend nor is there any particular pattern in relation to voluntary earmarked funding. RBSA resources are used across ILO Programme and Budget outcomes and across a broad range of ODA-eligible countries with low, medium and high access to voluntary (earmarked) funding.

There is a tendency for RBSA to be expended in a limited number of countries, which are often the same as those receiving larger earmarked funding. There are good examples of significant resource leveraging although data do not allow for a comprehensive assessment of the extent of leveraging and co-financing of country outcomes. Likewise one Programme and Budget outcome (More and Better Jobs) draws three times the average allocation whereas allocations to other outcomes are close to the average.

The paucity of information available on results achieved makes it difficult to draw any firm lessons that could feed into refining the strategic guidance and sharpen the value added of the RBSA modality.

Based on the information available it is not possible to say where RBSA is best placed to make a difference. There are many examples of strong performance but no comprehensive assessment. A key objective for the future would be to strengthen the learning from RBSA use and achievements.

The strategic focus of RBSA is set by the outcomes of the Programme and Budget. Given the size of the fund this is admittedly a broad framework. Sharpening the focus of RBSA can only derive from a strong dialogue between regions and Programme and Budget outcome coordinators, especially at the outcome planning stage, from a stronger and more transparent appraisal mechanism and from a greater emphasis on learning from actual experience. Such measures would enhance the sharing of information, transparency and accountability.

Deepening the strategic partnerships with RBSA donors

Donors are broadly satisfied with the functioning of the RBSA. The efforts made to forge a special relation with RBSA partners are appreciated.

RBSA donors would appreciate more determined efforts by ILO management to broaden the number of contributors to the fund. This would suggest greater involvement of top management in promoting the use and the achievements of the RBSA fund.

They would also appreciate further deepening the strategic informal conversations around the RBSA so as to gather more insights into the actual performance of the fund and contribute to outlining strategic options.

Recommendations

Three main recommendations are proposed, namely to:

- Strengthen the RBSA learning capacity,
- Simplify the programming procedures, and
- Further promote and expand the RBSA fund.

1. Strengthen the learning capacity of the RBSA funding modality

A learning exercise is required in order to collect adequate information on the results achieved through the RBSA. A key objective would be to answer the question: where and how can RBSA be used to achieve maximum effect? This should be done through an empirically verifiable method both for past and present RBSA interventions and for future ones.

For completed and present RBSA allocations, a compilation and analysis of the results achieved for a sample of RBSA interventions should be carried out, especially those with allocations lower than US\$ 500,000 not subject to a formal evaluation. In parallel a stronger results framework would allow for a better regular assessment of RBSA achievements.

As more RBSA evaluation reports are produced, including by the regions, it is increasingly important to feed key findings, conclusions and recommendations into the learning exercise of RBSA interventions.

Beyond the results achieved of any particular RBSA intervention, this learning capacity should be able to shed light on some key strategic questions, such as:

- How is RBSA used to enhance interdisciplinary work across ILO technical areas and between regions and headquarters?
- How is RBSA used to promote ILO contributions to the “United Nations Sustainable Development Cooperation Framework”?
- In which technical areas is the value addition of RBSA greatest?
- Is there any relationship between size of allocations and achievements of results?

2. Refine the allocation, appraisal and monitoring and reporting procedures of the RBSA in the following ways:
 - a) Re-assert the roles and responsibilities of RBSA use as defined in existing statements and place the focus on ex-post learning and accountability for results of RBSA use rather than on ex-ante requirements,
 - b) Revise the template used for the formulation of RBSA proposals, in particular to strengthen the logical framework and the results indicators, avoiding however turning this into a “project” requirement,
 - c) Introduce a formal scoring matrix in the appraisal checklist that would enable a fully transparent assessment of proposals,
 - d) Introduce a light end-of-allocation/intervention results statement obligation based on a standard template, accessible through and compiled in an on-line facility,
 - e) Strengthen the outcome planning procedure to introduce financial commitments of RBSA and other ILO funds available to better assess the feasibility of a particular target of the Programme and Budget,
 - f) Relax the minimum threshold of allocations to US\$100,000,
 - g) Consider releasing annual tranches for allocations above US\$ 500-700,000, possibly with some conditionality of expenditure,
 - h) Introduce a biennial RBSA “challenge modality” of some US\$ 5 million open to any proposal, without relaxing the link to country programme outcomes and ODA-eligibility. The terms of reference of such a fund would emphasize new ideas and ways of operating to further key ILO objectives.

3. Enhance measures to promote the RBSA fund among development cooperation partners and ILO constituents and grow its size:
 - a) The ILO should enhance efforts to promote the RBSA funding modality among development cooperation partners and ILO constituents. A dedicated section in the biennial Programme Implementation Report should highlight major achievements of the RBSA as well as lessons learned.
 - b) The informal exchanges between development cooperation partners of the RBSA and the ILO should be continued and deepened. Exchanges should focus on lessons learned and strategic options.
 - c) ILO senior management should be proactive in promoting the RBSA among development cooperation partners and ILO constituents with a view to convincing more donors to join the fund and raise the size of the RBSA. An ambitious but justified target would be an increase of 50 per cent to US\$ 45 million by end 2022 from the US\$ 30 million planned for 2020-21.

1. Introduction

The ILO commissioned a review of the Regular Budget Supplementary Account (henceforth RBSA) funding modality in November 2019 (Terms of reference in Annex 1). This review is based on some 40 interviews with ILO staff in the regions and at Headquarters, with selected donor representatives and with officials in three UN agencies handling similar un-earmarked voluntary funds (see list of persons interviewed in Annex 2). The review also examined documentary evidence available publicly (especially ILO evaluation reports, the ILO Development Cooperation Dashboard and the ILO Decent Work results 2016-17 Dashboard) and selected internal documents made available.

The purpose of RBSA is defined in an ILO internal governance document (Director-General's announcement of 23 May 2016, IGDS number 474) as follows: "RBSA funds can only be used for support to results-based Decent Work Country Programme priorities and outcomes with measurable and reportable expected results in ODA eligible countries." (Paragraph 7).

This definition captures the core of the RBSA strategy applied by the ILO since its inception. The RBSA has enabled the ILO to finance a large number of interventions in furthering its overall objectives as stated in the biennial Programme and Budget documents adopted by the ILO Governing Body and International Labour Conference.

RBSA is an un-earmarked voluntary pooled fund with 8 contributors in 2019, namely Belgium, Denmark, Germany, Italy, Luxembourg, Netherlands, Norway and Sweden. Donors contributing to the RBSA accept that ILO takes sole responsibility in allocating the funds to priorities aligned with the Organization's Programme and Budget outcomes in Official Development Assistance eligible countries. Whilst RBSA is treated separately for accounting purposes, contributions, expenditure and results reporting is made available through the existing financial and programmatic reports submitted to ILO governance organs.

The RBSA aligns fully with the Funding Compact proposed by the United Nations in consultations with Member States. This Funding Compact calls inter alia for doubling the share of non-core contributions that are provided through development-related inter-agency pooled funds and single-agency thematic funds (from 3 per cent in 2017 to 6 per cent of total voluntary funding in 2023).²

Similar un-earmarked funds are operating in UN agencies such as FAO, UNESCO and WHO. A comparative table of these funds is found in Annex 3. Interviews conducted for this review with officials from the three agencies confirm the high priority attached to the un-earmarked funding modality and the special efforts made to promote the modality among the donor community. Officials also confirmed the dilemma they face in highlighting the results achieved through the flexible un-earmarked funds without resorting, save in the case of FAO, to additional stand-alone reports.

The RBSA is a flexible fund that complements other sources of funding. The ILO regular budget based on assessed contributions of Member States finances the overall operating expenses of the Organization, of which staff expenditure is the predominant item. The ILO also benefits from

² *Implementation of General Assembly resolution 71/243 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, 2019: funding compact*, Report of the Secretary-General, United Nations document A/74/73/Add.1–E/2019/14/Add.1, Economic and Social Council, 2019 Session, paragraph 57.

voluntary development cooperation funding which is earmarked by decisions of the donor to specific themes, regions and countries. Earmarked voluntary funding is subject to separate financial and narrative reporting obligations.

The RBSA funding modality is ideally suited to address the opportunities and the challenges identified in the ILO Centenary Declaration for the Future of Work (2019). The Declaration calls, in particular, on the ILO to “...carry forward into its second century with unrelenting vigour its constitutional mandate for social justice by further developing its human-centred approach to the future of work,...”(section I, D). In all regions the future of work is putting the focus on emerging issues in new contexts which the ILO is well-placed to address through a flexible funding modality such as the RBSA.

The review of the RBSA funding modality is organised into three parts, namely a) the performance of RBSA interventions, essentially based on ILO evaluation report findings, b) the programming guidance and procedures applied to the RBSA, and c) the RBSA strategy, both based on staff interviews and documentary evidence.

2. Development effectiveness of RBSA-funded interventions and Decent Work country programme outcomes

The information base of RBSA interventions is improving but incomplete

The information base available for assessing the development effectiveness of RBSA interventions is improving albeit still limited. It consists of extensive information on allocations and expenditure by country, region and Programme and Budget outcomes, available through the ILO Development Cooperation Dashboard on the ILO public website. This is essential information but incomplete as regards performance.

This is complemented by evaluation reports of RBSA interventions with an allocation of \$500,000 or more. A meta-analysis of RBSA evaluations available for the period 2013-17 was conducted in 2019. The findings of this analysis are used extensively in this review.

This meta-analysis includes a sample of 21 evaluation reports.³ The Development Cooperation Dashboard lists 465 completed RBSA projects for the period 2013-17. This implies that for the large majority of RBSA interventions there is no central repository of available documentation. This in spite of the fact that the regions are increasingly producing evaluation reports of RBSA interventions.

An analysis of 23 RBSA proposals submitted in 2018-19 was conducted for this review in order to assess the robustness of the proposals. Key findings are recorded in Annex 6.

A meta-analysis of a sample of RBSA evaluations finds effectiveness comparable to overall ILO performance

The performance of RBSA-funded projects and Decent Work country programme outcomes can be assessed through the independent and external evaluations conducted by the Office. This section highlights evaluation findings of RBSA and of ILO development cooperation as a whole.

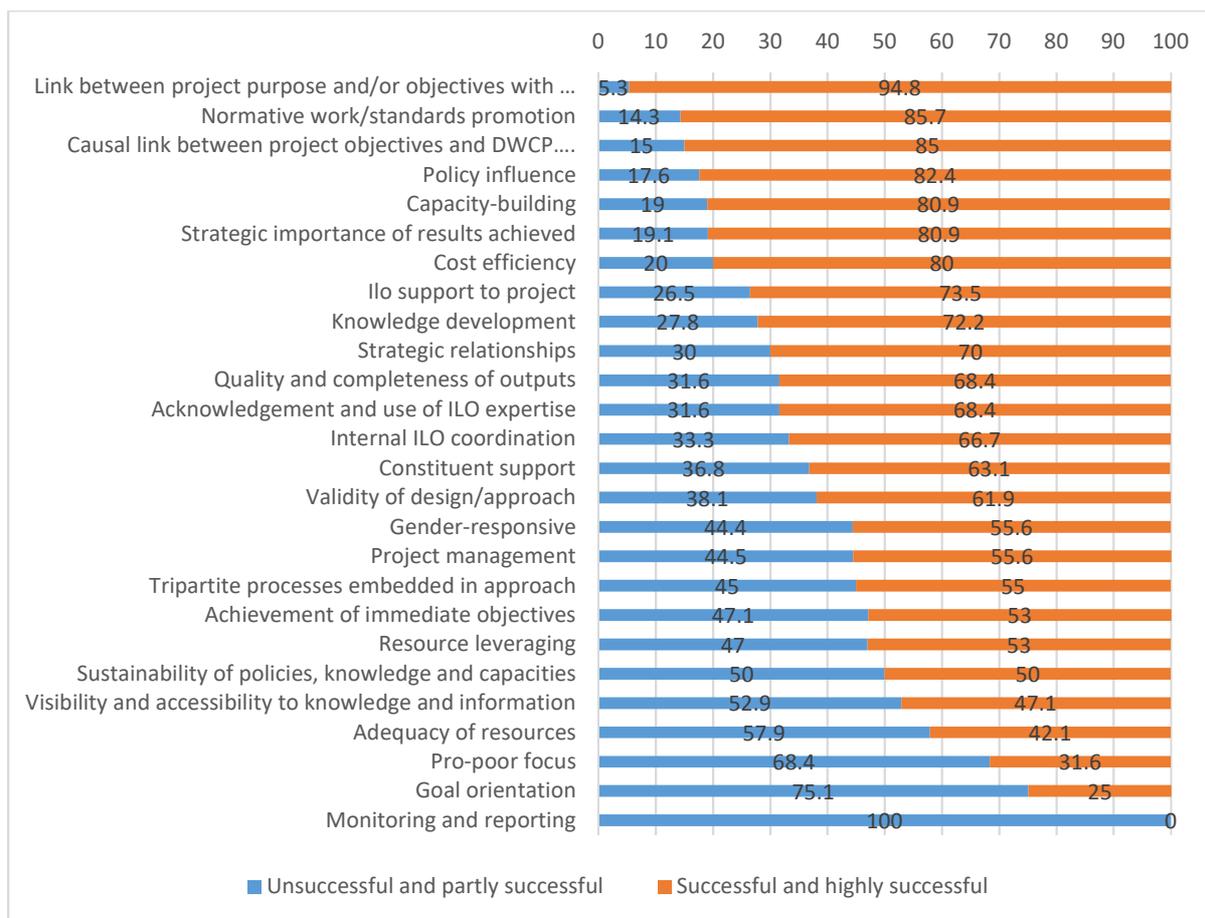
In 2019 a meta-analysis of 21 RBSA evaluations was conducted and published by the Office.⁴ The average scores across the 26 criteria applied are reproduced below in decreasing order of importance. The scores are regrouped in two categories, successful and highly successful on the one hand and unsuccessful and partly successful on the other.

For half of all criteria (13) the average scores range from 67 to 95 per cent, with values above 80 per cent for 7 criteria. Five criteria register average scores of less than 50 per cent. The lowest scores concern the criteria “goal orientation” and on “monitoring and reporting”, respectively at 75 and 100 per cent unsuccessful and partly successful.

Figure 1: Average scores of RBSA evaluation reports 2013-17, in per cent, (n=21 reports)

³ The sample covered RBSA interventions of over \$500,000 and those where RBSA covered at least half of total expenditure.

⁴ ILO Evaluation Office, 2019, *Drivers of decent work results and ILO effectiveness: A meta-analysis of RBSA interventions 2013-17*, i-eval THINK Piece No. 16, December, ILO, Geneva. The full report authored by Ms Bonne-Moreau is available upon request at the ILO Evaluation Office.



Source: i-eval THINK Piece No. 16, December 2019

The following table presents the same findings grouped by area of successful, variable and poor performance.

Table 1: Average scores of RBSA evaluations grouped by performance class

Successful performance (average score range: 67-95 per cent)	1.1 Link between project purpose and/or objectives with P&B outcome	13 criteria or 50.0 per cent of all criteria	Average score of 77.6 per cent
	1.2 Causal link between project objectives and DWCP outcome (s)		
	2.1 Quality and completeness of outputs		
	2.3 Knowledge development		
	2.4 Capacity building		
	2.5 Normative work/standards promotion		
	2.6 Policy influence		
	2.7 Strategic importance of results achieved		
	2.8 Strategic relationships		
	2.11 Acknowledgement and use of ILO expertise		
	3.3 ILO support to project		
	3.4 Internal ILO coordination		

Variable performance (average score range: 50-63 per cent)	3.7 Cost efficiency 2.10 Sustainability of policies, knowledge and capacities, 2.2 Achievements of immediate objectives, 2.12 Resource leveraging, 2.9 Tripartite processes embedded in approach, 1.6 Gender-sensitive, 3.2 Implementation management, 1.4 Validity of design/approach, 1.3 Constituent support	8 criteria or 30.8 per cent of all criteria	Average score of 56 per cent
	Poor performance (average score range: 0-47 per cent)	3.5 Monitoring and reporting, 3.1 Goal orientation, 1.5 Pro-poor focus, 3.8 Adequacy of resources, 3.6 Visibility and accessibility to knowledge and information	

Source: Figure 1

These findings are in line with a similar earlier exercise which reviewed 20 project and thematic evaluations with sizeable RBSA funding over the period 2010-13. The summary assessment of that earlier meta-evaluation yielded the following:

- “Were highly relevant and effectively contributed to linked CPOs;
- Helped in promoting ILO’s core mandates in a country;
- Added value to ongoing initiatives by supporting capacity building, legislative reforms and development of knowledge products;
- Had shortcomings related to efficiency, owing to delayed approvals (including that from other sources supporting the linked CPO/project), weak design and weak monitoring, reporting and evaluation systems. “⁵

Key findings of recent evaluations of RBSA supported interventions are highlighted in Annex 4.

RBSA and ILO development cooperation effectiveness is comparable

The best comparator for assessing the performance of RBSA-funded projects and Decent Work country programme outcomes are ILO projects funded through voluntary earmarked resources. Such a comparison across three meta-analysis of ILO development effectiveness (RBSA 2013-17; ILO projects 2013-16 and ILO projects 2017-18) was undertaken across the same 26 criteria identified above. The results are reproduced in Table 2.

Table 2: Average scores of successful and highly successful for 3 meta-analysis of ILO evaluation reports, in per cent, (n= 40 for 2017-18 and 2013-16 and =21 for RBSA)

		2017-18	2013-16	RBSA
1.1	Link between project purpose and/or objectives with ...	80	96	95
1.2	Causal link between project objectives and DWCP....	78	94	85
1.3	Constituent support	50	62	63
1.4	Validity of design/approach	44	58	62

⁵ ILO Evaluation Office, 2019, op.cit, page 5

1.5	Pro-poor focus	44	70	32
1.6	Gender-responsive	59	27	56
2.1	quality and completeness of outputs	84	86	68
2.2	achievement of immediate objectives	50	79	53
2.3	Knowledge development	81	76	72
2.4	Capacity-building	88	95	81
2.5	Normative work/standards promotion	69	88	86
2.6	Policy influence	66	83	82
2.7	Strategic importance of results achieved	65	94	81
2.8	Strategic relationships	82	83	70
2.9	Tripartite processes in approach	36	69	55
2.10	Sustainability of knowledge, policies, capacities	56	67	50
2.11	Acknowledgement and use ILO expertise	79	88	68
2.12	Resource leveraging	71	67	53
3.1	Goal orientation	18	19	25
3.2	Project management	56	54	56
3.3	ILO support to project	53	79	74
3.4	Internal ILO coordination	54	71	67
3.5	Monitoring and reporting	27	36	0
3.6	Visibility and accessibility to Know. and info	71	79	47
3.7	Cost efficiency	85	79	80
3.8	Adequacy of resources	49	47	42
	Average	61.3	71.0	61.7

Source: ILO Evaluation Office, 2019, *Decent Work Results and Effectiveness of ILO Operations, Ex-post meta-analysis of development cooperation evaluations, 2017-18*, Table 3, ILO, Geneva, October.

Based on this comparison it is observed that RBSA 2013-17 evaluated interventions performed marginally better than the meta-analysis of 2017-18 evaluation reports (average score –successful and highly successful- across the 26 criteria of 61.7 and 61.3 per cent respectively), and somewhat less well than the 2013-16 meta-analysis evaluation scores (average of 71 per cent), or a 9.3 percentage point difference.

In the 2017-18 evaluation and the RBSA evaluations half (13) of the 26 criteria achieved scores of 65 per cent or higher and half achieved lower average scores. For the 2013-16 evaluations only 7 criteria achieved average scores of less than 65 per cent.

For 9 criteria the RBSA evaluations achieved average scores of less than 80 per cent and 10 or more percentage points lower than the average evaluation scores of the 2013-16 meta-analysis.

The two lowest average scores are for the criteria “Goal orientation” and “Monitoring and reporting” for the 2017-18 and the RBSA meta-analysis, and “Goal orientation” and “Gender-responsiveness” for the 2013-16 meta-analysis, with “Monitoring and reporting” coming in as the third lowest score.

The 2013-16 and RBSA scores share 2 criteria (1.1 and 1.2) among their respective top three average scores.

When the average scores are regrouped by category of criteria these same differences and similarities appear (Table 3).

Table 3: Average scores regrouped by category of criteria, in per cent

	2017-18	2013-19	RBSA
Strategic relevance and alignment (criteria 1.1 to 1.6)	59.2	67.8	65.5
Effectiveness, sustainability and impact (criteria 2.1 to 2.12)	68.9	81.3	68.3
Implementation performance and efficiency of management and resource use (criteria 3.1 to 3.8)	51.6	58.0	48.9

Source: Table above

The comparable average scores are confirmed by a statistical analysis displaying a strong correlation (linear regression) between the average scores of the three meta-analysis with a R2 coefficient of 0.56-0.58. Another statistical measure, the Pearson rank correlation coefficient, also shows a robust correlation of 0.98 between the three samples.

Comparable sample sizes

It is noted that the 21 RBSA evaluations covering 2013-17 used for assessing the effectiveness of RBSA is a sample assembling RBSA interventions of over US\$ 500,000 and those for which RBSA funds accounted for over half of total funding. This sample includes RBSA evaluations conducted by the regions. For the five-year period 2013-17 the Development Cooperation Dashboard records a total of 465 completed RBSA projects. The sample of 21 evaluation reports would represent a share of 4.5 per cent. This share would be significantly higher if total funding were used as a criteria.

In comparison the meta-analysis of ILO effectiveness for the period 2013-16 included 40 final independent project evaluations corresponding to 32 per cent of the total number of final project evaluations available and 2.7 per cent of all projects active over the period.⁶

It is nonetheless noted that the RBSA meta-analysis includes evaluation reports available in the period 2013-17. By implication the evolving guidance issued for RBSA especially as of 2016 is not well reflected in this sample. This limitation should be borne in mind when considering the broader significance of the conclusions of the meta-analysis.

⁶ ILO Evaluation Office, 2017, *Decent work results and effectiveness of ILO operations: A meta-analysis of development cooperation evaluations, 2013–2016*, ILO, December

3. RBSA programming guidance and procedures

The performance of RBSA as a funding modality is a result of the:

- a) programming guidance and procedures applied to the RBSA,
- b) multiple strategies implemented by country offices and regions, with the support of technical departments, as users of un-earmarked funds,
- c) overall capacity of the ILO to manage development cooperation programmes.

RBSA programming procedure

The procedure for programming RBSA funds, as formalized as of 2016, follows a standard sequence.

- PARDEV and PROGRAM jointly issue a programming notice usually in the first quarter of a biennium with an indication of resources available per region, any thematic criteria proposed, and timelines for submissions, appraisals and final decision.
- Proposals are prepared by country offices in consultations with Regional Offices, Decent Work country teams and technical departments. In preparing proposals country offices draw on the country outcome work plans which are reviewed periodically through an ILO-wide procedure supported by an on-line application.
- Proposals are appraised (based on the standard country programme outcome template) by the relevant regional programming unit, followed by the outcome team coordinator (usually from a technical department), and by PARDEV and PROGRAM, with final decision resting on the latter unit.
- Approved proposals are communicated by PROGRAM to regions and country offices and resources are released.
- A fast-track procedure has also been instituted for proposals seeking to respond to a crisis situation.

The timeline of this procedure has also been formalized as of 2016 and should not exceed 21 working days.

A majority of interviewees perceived this procedure as adequate (with some exceptions), especially since the timeline has been formalized as of 2016. A few persons suggested longer timelines, especially at the submission stage, for larger and more complex proposals which required more consultations across a range of units and technical staff. Some suggested a more formal scoring matrix (see proposal in Annex 6) for the appraisal of proposals to be delegated to an independent group, with greater transparency on the outcomes of the appraisals.

The programming guidance issued by PARDEV and PROGRAM has evolved over time, in response to lessons learned. The following table captures the main elements of the guidance issued over three successive biennia.

Noteworthy is the change in the median allocation size reaching close to US\$ one million in 2018-19 from US\$ 152,000 in 2014-15 driven by a much smaller number of allocations in the more recent period relative to earlier ones.

Table 4: RBSA programming guidance compared

	2014-15	2016-17		2018-19
		Round 1	Round 2	
Country focus	ODA countries, priority low-income and lower-middle income and fragile states	ODA countries, priority to low-income and lower-middle income, upper-middle income also eligible		ODA countries, low-income, lower-middle income and upper-middle income
Thematic focus	P&B outcomes, with some “lightly” earmarked contributions	P&B outcomes	Tripartite constituents and SDGs in countries, fragile States	Standards, tripartite constituents and SDGs, fragile States
Programming focus	Joint work (Areas of critical importance) =80 %; resources linked to target country programme outcomes (DWCP)	Country programme outcomes under P&B outcomes; priority to gender, standards and social dialogue		Country programme outcomes under P&B outcomes
Financial thresholds	Minimum 100,000	Minimum 200,000, maximum 500,000	Minimum 200,000, maximum 1,000,000	Min. 200,000, max. 1,000,000
Allocation pattern	By region and outcome	Pre-set amount per region	Up to 4 proposals for Africa, Asia, Americas, and up to 3 for Europe and Arab States	Up to 5 proposals each for Africa, Asia and Americas, and 3 for Europe and Arab States
Financial leverage	Emphasis on complementing and leveraging other resources	Emphasis on complementing, co-funding and leveraging other resources		Emphasis on complementing and leveraging other resources
Programming procedure	Regions prepare proposals, ACI teams appraise technically, Pardev and Program assess	Proposals reviewed by Regional programming unit, approved by Regional Directors, appraised by outcome team coordinators and assessed by Pardev and Program		Unchanged from 2016-17
Programming period	Broadly within biennium	Implementation period up to 24 months		Implementation period up to 24 months
Other criteria	Update country programme information in SMM/IRIS	Update country programme information in SMM/IRIS		Update country programme information in SMM/IRIS
Other observations		Workflow and timeline available with proposal template and appraisal checklist template		Same as 2016-17
Number of proposals approved	190	79	16	25
Expenditure over biennium (\$US million)	34.97	30.57		23.41
Median US\$ allocations	151,500	300,000		999,850

Source: Internal ILO minutes

The respective roles and responsibilities in programming RBSA allocations have been clearly defined in an Internal Governance Document of 23 May 2016 (IGDS No. 475, Office Procedure) as follows:

- Regional directors are responsible for identifying priority areas to be funded through RBSA...

- Country offices are responsible for the design, implementation and delivery of RBSA activities
- Outcome coordinating teams and technical units at headquarters are responsible for ensuring quality assurance for the design and implementation of RBSA activities

Regions, and by extension country offices and Decent Work technical teams, are clearly in the driver's seat. However technical units at headquarters exercise a quality control function, especially as to whether the proposals conform to the targets determined in the biennial Programme and Budget.

ILO staff interviewed in the regions tend to emphasize the flexibility of RBSA in responding quickly to opportunities arising in countries (alignment of objective need, expressed demand and capacity to deliver) whilst those at headquarters are more focussed on achieving targets identified in the Programme and Budget.

Opportunities for the use of RBSA are often identified at the planning stage through a programming exercise called "outcome-based work planning" which enables country offices, regions and technical departments to discuss and assess the targets made in the biennial Programme and Budget.

This outcome work planning procedure applied periodically could be strengthened to resolve the tension between regions and headquarters, whilst enabling at the same time regions to seize emerging priorities and needs as required by rapidly evolving country contexts. In particular, an extension of this procedure could be considered to enter real financial commitments of different funding sources, including RBSA. A more robust outcome-based work planning would be beneficial to RBSA as well as to other funding sources.

Countries on the OECD/DAC Official Development Assistance list

One of the conditions of the use of RBSA is to conform to the list of countries eligible for Official Development Assistance. This is both clear and at times not fully understood by ILO staff. The ODA list is established by the Development Aid Committee of the OECD and revised every three years based on GNI per capita thresholds. The next revision is scheduled for 2020. The list includes all low and (lower and upper) middle income countries, including the Least-Developed Countries as determined by the UN. The list excludes high-income countries, including EU members and candidate countries with an agreed accession date.

More clarity on the countries included in the list should be made available as many doubts linger among staff on the ODA status of middle income and emerging countries.

A country outcome, an intervention, a project?

One criteria that is unchanged since the start of the RBSA is the link to country programme outcomes. This continuity is valuable and unquestioned by ILO staff.

RBSA proposals must be linked to a country programme outcome which is a component of a Decent Work Country Programme. Not all countries beneficiary of ILO support and hence of RBSA have formulated such a country programme, but all RBSA interventions are directly linked to a country programme outcome (hence such outcomes can be formulated in the absence of Decent Work country programme).

ILO staff interviewed do not consider RBSA proposal as stand-alone projects, but rather as one of various funding mechanisms of country programme outcomes. Such outcomes should therefore logically be formulated within a logical framework or theory of change integral to a country programme. However not all Decent Work country programme outcomes are formulated within a standard logical framework or equivalent, particularly as regards indicators of measurement of results. Even when this is the case the results framework applied is often not robust.

Views differ on the extent to which an RBSA proposal is an opportunity to revisit and refine the formulation of a country programme outcome. Formulating an RBSA proposal as a full-fledged project document in addition to the formulation of country programme outcomes is seen as unnecessary.

At the same time the template currently in use to submit RBSA proposals is often viewed as “minimalist”, even within the standards of the RBSA, without any express requirements to formulate a logical framework or theory of change. This is despite the commitment of the ILO to apply RBSA to “Decent Work Country Programme priorities and outcomes with measurable and reportable expected results”.⁷

A review of 20 RBSA proposals conducted for this exercise amply confirms the overall weak results frameworks in spite of extensive descriptions of the elements that would enable to improve on their formulation (see Annex 6). The re-constitution of a results framework in the evaluation of a successful RBSA proposal in Vietnam is illustrative of this situation.⁸

A more robust formulation of the expected results to be achieved through RBSA funding with indicators of measurement is fully justified. This could be achieved without resorting to the full requirements of a standard project document. This would also facilitate the reporting of results of country programme outcomes, even without any special attribution to RBSA funding as expected of this funding modality.

Two situations can arise therefore. A country programme outcome is formulated within the standards of a logical framework and the RBSA proposal can simply reproduce that framework. Or there is no such framework and the RBSA proposal should render explicit what in most cases would be implicit. Clearly the former situation should be strongly encouraged.

In both cases this would imply revisiting the template currently used to formulate RBSA proposals.

Thematic allocation criteria

RBSA proposals must conform to Programme and Budget outcomes (a vertical dimension) as well as be linked to a country programme outcome (a horizontal dimension). These two criteria are systematically adhered to.

There is nonetheless a long standing plea for allowing sub-regional interventions in some cases (regions such as the Caribbean or Pacific Islands readily come to mind) as well as for some sub-regional activities linked to a country outcome.

⁷ IGDS No. 474 of 23 May 2016

⁸ ILO evaluation report, 2019, *Enhancing implementation of SDG Decent Work targets and indicators in Viet Nam*, October, page 12

In addition, the programming guidance invariably includes one or several thematic criteria or areas of focus, alongside Programme and Budget outcomes, such as social dialogue, fragile states, international labour standards, gender and other similar areas of ILO action. It is difficult to assess the extent to which these thematic criteria are actually observed as no ex-post assessment has so far been conducted. This guidance is generally perceived as useful but not really binding. It empowers regions and technical departments to assess proposals, but not much more. The relevance of this guidance can therefore be questioned.

The link of RBSA proposals to Programme and Budget outcomes and to country programme outcomes is however unquestioned.

RBSA and employers' and workers' organizations

Country programme outcomes financed through RBSA are identified through Decent Work Country Programmes which are themselves developed by means of tripartite consultations. In addition, tripartite consultations and participation of employers' and workers' organizations in RBSA-funded country programme outcomes are systematically included in the programming guidance issued for RBSA.

RBSA-funded interventions support the participation of employers' and workers' organizations in ILO programmes in countries. RBSA also finances a number of proposals that specifically address the capacity of employers' and workers' organizations in countries.

However the Bureaux strongly feel that RBSA could and should do more for strengthening such capacity. The Bureaux for Employers' Activities especially finds that the priorities of employers' organizations are not well addressed in the selection of proposals. Several RBSA programming procedures are perceived as limitations to the concerns of the employers and of workers. The employers' and workers' Bureaux propose a lower financial threshold adapted to the strengthening of employers' and workers' organizations, and the inclusion of some sub-regional activities especially when linked to a proposal for a single country. The Bureaux also stress stronger consultations of regional employer and worker specialists when preparing proposals for RBSA funding.

Such measures would enable to assess proposals for employers' and workers' organizations on their sole technical merits.

Financial allocation criteria

Far more binding are the financial allocation criteria. These encompass several layers and modalities, namely:

- Pre-set amounts per region,
- Minimum and maximum amounts per proposals,
- Number of proposals per region.

Views among staff interviewed varied as to the relevance of such criteria. The overall view can be summarized as: "the greater the flexibility the better" and hence the lesser the criteria the better. This view is broadly based on the principle that the end-users of RBSA know best, logically within the overall purposes of the fund. However some nuances are in order. A number of staff interviewed valued RBSA flexibility and at the same time called for observance of a few basic rules such as a results framework and documentation of results achieved.

Pre-set amounts per region have a virtue. They avoid long negotiations over desirable amounts, especially with the regions. They also have some drawbacks, the main one being that regions perceive the pre-set amounts as entitlements irrespective of the quality of the submissions.

An alternative to pre-set amounts lies in a competitive model by which only the best proposals would be retained. Whilst this model still has some support among ILO staff, the alternative view is that time and effort invested in preparing proposals that subsequently are not retained for funding, is a poor use of scarce time, especially in countries and regions better endowed with voluntary funding.

This should not preclude the setting up of a “challenge modality” for a defined amount of RBSA resources, alongside the ordinary allocation mechanism. This modality would be subject to the same basic RBSA rules but aside from the regional pre-allocations, and guided by distinct criteria on deepening of learning of decent work achievements. Such an idea was proposed in the 2014 review of the RBSA. It retains all its merits.

However, raising the quality of proposals need not flow only from a competitive model.

Financial criteria have evolved from a low minimum (US\$ 100,000) to a low maximum (US\$ 500,000) to higher levels (US\$ 200,000-1,000,000). The intent was to move away from a large number of small proposals (190 proposals in 2014-15 with a median amount of US\$ 150,000) to a smaller number of larger proposals (25 proposals with a median of US\$ one million in 2018-19).

It will be important to evaluate fully the performance of these larger but fewer proposals of 2018-19 at the end of their span. It is not clear that “fewer and larger” proposals is better than “smaller but more” proposals. The views of ILO staff interviewed are mixed on this point.

Raising the threshold of RBSA proposals up to US\$ one million is widely perceived as positive, though not systematically, but raising the minimum to US\$ 200,000 is equally widely perceived as unnecessary. Support to constituents takes a variety of forms in different countries and many do not require large amounts of money. This is especially true of various forms of capacity-building of employers’ and workers’ organisations and of the promotion of international labour standards and follow-up to observations of the International Labour Conference Committee on the application of standards.

The value of raising the minimum threshold to US\$ 200,000 is therefore questioned.

A further question arises as to whether, past a certain time period, underspending should be clawed back centrally and re-apportioned to the RBSA fund. Linked to that is the question of the issuing allocations in one instalment or in several, especially in the case of larger amounts.

A third set of criteria introduced as of 2017 has been to limit the number of proposals by region. The consequence of having a pre-set amount per region, a maximum per proposal and a maximum number of proposals per region logically has encouraged regions to submit the maximum number of proposals at the maximum amount proposed. Again this is widely perceived as limiting the flexible nature of RBSA and choice of proposals.

These double criteria (dollar amount per proposal and number of proposals) are widely perceived as too constraining and defeating the logic of the RBSA flexibility.

An additional consideration relates to multiple sources of funds financing a CPO. The most common combination is RBSA and RBTC or RBSA and other earmarked extra-budgetary. However data are

lacking on the extent to which country programme outcomes are financed through multiple funding sources. In any case these multiple combinations should be encouraged.

Programming period

The programming period for RBSA proposals has evolved from “within the biennium” to “within 24 months”. The first period was perceived as constraining in view of the fact that allocations could be made in the second year of the biennium thereby leaving less than 12 months for actual implementation. The current guidance (within 24 months of the issuance of an allocation) is viewed positively by most ILO staff interviewed. This point was also raised in the 2014 review of the RBSA.

Monitoring and reporting

The current state of monitoring and reporting is viewed generally by ILO staff as inappropriate.

Monitoring of expenditure is carried out by PROGRAM on a regular basis. It is also available through the ILO Development Cooperation Dashboard on a real-time basis both in the aggregate, by region, country and year and by project/allocation.

Short periodic updates are produced by PARDEV for the purposes of informing donors on the key achievements of the RBSA.

Beyond expenditure no formal reporting procedure is required, either annually or upon completion of the allocation or intervention. There is no central compilation or repository of reports on RBSA allocations although such a functionality could be included in the Development Cooperation Dashboard. It is therefore not possible to assess whether funds expended have ensured progress towards achieving the stated objectives/outcome of the intervention. This is perceived as a weakness. In particular it stymies the learning function of RBSA achievements.

A very short update on RBSA is included in the biennial Programme Implementation Report. In addition results achieved with sole or substantial RBSA contributions are specifically identified since 2016-17 and traceable in the Decent Work results Dashboard (online) linked to the Programme Implementation Report. A further elaboration of the update in the biennial Programme Implementation Report to highlight key achievements and lessons learned through the RBSA would contribute to further promoting this funding modality.

It would seem hard to argue against a requirement of some statement on results achieved at the end of the financing period. Such a statement should ideally be made through the DWCP mechanism and could be available through the Development Cooperation Dashboard or the Decent Work results Dashboard. A light results statement collated in some central facility would seem appropriate.

Allocations lower than US\$ 500,000 are not subject to any formal evaluation procedure in line with the ILO’s evaluation policy. A self-evaluation would be sufficient for allocations below that level. In practice this does not appear to be the case, although a more thorough verification would be required.

The ILO Evaluation Office has for some time drawn attention to the lack of robust logical frameworks. ILO evaluation reports have pointed to the weakness or absence of adequate monitoring and evaluation frameworks in RBSA interventions. The more significant observations and recommendations made over the years are assembled in Annex 5.

It is important to recall that ILO evaluations have identified weak monitoring, reporting and evaluation frameworks across ILO development cooperation effectiveness and not only specifically for RBSA. Indeed the 2017 meta-analysis of development cooperation evaluations (2013-16) quoted above illustrates this concern. However this concern is heightened in the case of RBSA interventions as these have recorded the weakest scores on the monitoring and reporting evaluation criteria, relative to the 2013-16 review and the 2017-18 review of decent work results and effectiveness.

In the case of RBSA interventions two concerns apply, namely the flexibility inherent to RBSA interventions and their hybrid project status derived from their link to country programme outcomes. RBSA interventions are not conceived as full-fledged projects, hence do not have all the requirements of a project document, including as regards monitoring and evaluation framework. The template currently in use to formulate RBSA proposals does not require the formulation of a full-fledged results framework. Only milestones or intermediary results are required, although these are most often poorly formulated with no related indicators of measurement.

Indeed as aptly observed in the meta-analysis of RBSA interventions 2013-17:

“Additional work is required to determine how to best measure progress and assess results associated with RBSA-funded interventions, if the Office wishes to better understand the added value of RBSA and attribute results to this funding modality. While success stories are important, it needs to be understood that these often fall in the realm of self-reporting. A more systematic accountability mechanism involving validation of results would allow the ILO to obtain a better strategic understanding of RBSA contributions.” Page 19⁹

A light template to prepare and submit RBSA proposal corresponds to the flexible characteristic of the fund. Nonetheless a robust set of indicators to measure results achieved seems unavoidable. Either these are available under the country programme outcome, or if not, should be introduced by way of the RBSA proposal.

[ILO development cooperation management capacity](#)

This topic lies beyond the scope of the present RBSA review. It is nonetheless important to recall that RBSA interventions are subject to the same rules and procedures as regards implementation management as other ILO interventions. Several rules and regulations concerning financial transactions and staff contract management have regularly been identified as sources of complexity and delays.

The *MOPAN 2015-16 institutional assessment* of the ILO identified key strengths as well as areas for improvement. Likewise the *Independent Evaluation of ILO's Field Operations and Structure* of September 2017 recommended a number of measures to further enhance the effectiveness of the ILO.

The strengths and weaknesses of RBSA interventions and of the RBSA strategy should also be seen in the context of these evaluative reviews of ILO management and implementation challenges.

⁹ ILO Evaluation Office, 2019, op.cit

4. A broad RBSA strategy

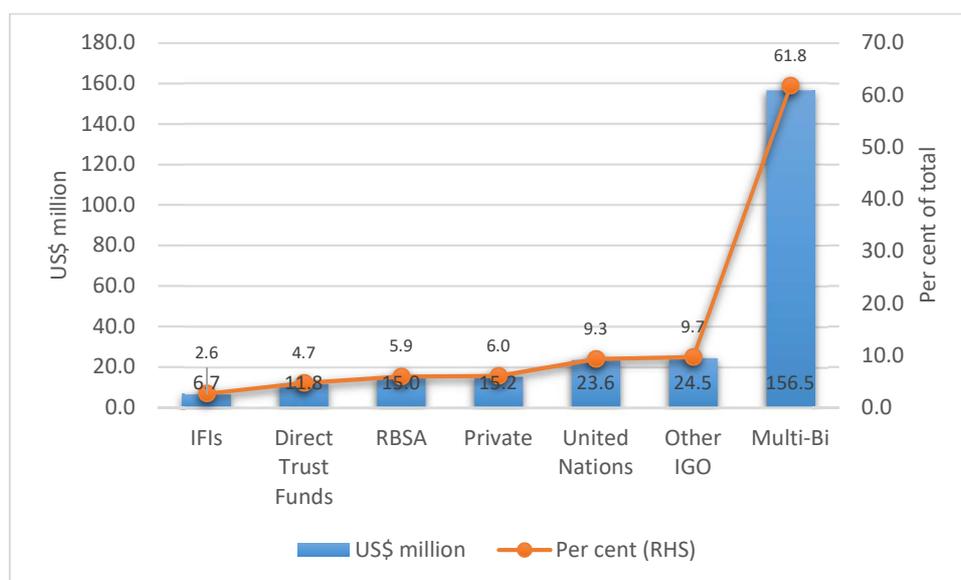
This section seeks to characterize the strategy applied by the ILO for the use of RBSA funding. A first observation relates to the size of the RBSA especially relative to other sources of voluntary (earmarked) funding. This is followed by an examination of the expenditure patterns of RBSA in the light of the strategic guidance applied to RBSA. The value-added of the RBSA strategy is discussed as well as the arrangements of the partnerships with donors to the RBSA fund.

A relatively small fund among of voluntary earmarked funding

RBSA is among the smaller funds available to the ILO. The volume of earmarked funding (US\$ 1.15 billion) over the five years 2014-18 (expenditure basis) is 15 times that of RBSA (US\$ 75.1 million).

RBSA is the fifth largest source of voluntary funding of the ILO (average for 2014-18). The annual expenditure of RBSA has dropped since 2010-11 in aggregate terms and relative to several other sources of voluntary funding in particular UN, Trust Funds and private entities. The share of RBSA relative to other voluntary funding peaked at 9 per cent in 2015 and dropped to 6.5 per cent in 2016 and 2017 and 3.4 per cent in 2018.

Figure 2: Voluntary funding by type of donor, annual average 2014-18, in million US\$ (expenditure basis), and relative share in total, in per cent



Source: Data from ILO Development Cooperation Dashboard

RBSA is also smaller than the ILO Regular Budget Technical Cooperation (RBTC) of some US\$ 20 million per year. RBTC is widely distributed on an allocation basis among external offices, regions and technical departments and can only be used to finance non-staff expenditure to the direct benefit of constituents.

In spite of its relative small size, RBSA is highly valued as ILO offices and technical departments are dependent for their work on voluntary funding. The ILO regular budget caters predominantly to staff costs (74 per cent of the budget of technical departments and regions) and other fixed costs (rental, IT, utilities, travel and other such). The high share of fixed costs only adds to the value of the flexible RBSA.

A broad and flexible RBSA strategy

A number of documents describe the strategic guidance issued and applied by the Office for the use of the RBSA. This guidance is broad as illustrated by the following excerpts from a selection of ILO documents.

<p>Internal Governance (IGDS) May 2016</p>	<p>The RBSA, based on core voluntary contributions, supports decent work priorities and outcomes in consultation with tripartite constituents in countries, in the framework of the United Nations reforms and inter-agency cooperation. The funds constitute official development assistance (ODA) and can only be used in direct support of member States.</p>
<p>Programme Implementation Report 2016-17</p>	<p>The continued support of the RBSA partners has provided the ILO with the flexibility to allocate this funding to the priorities of the Organization in an agile and timely manner as a complement to other resources. It has also enabled the Office to leverage its influence within UN programming frameworks in countries, to steer work on SDGs, and to respond to urgent needs. The RBSA targeted in particular lower middle-income and low-income countries.</p>
<p>Programme and Budget 2020-21 (October 2019), Paragraph 38</p>	<p>The RBSA resources will be targeted to finance strategic catalytic work that is aimed at leveraging other resources across the eight outcomes, with a continued focus on low- and lower-middle income countries and countries in situations of fragility.</p>
<p>Internal Minute on 2016-17 RBSA allocation (16 December 2015)</p>	<p>RBSA will be allocated on the basis of quality, merit and timely submission of proposals and in line with the following allocation criteria:</p> <ul style="list-style-type: none"> -Results-focus: CPOs prioritized in OBW -Country-eligibility: (+co-funding arrangements in UMICs) -Financial threshold: 200,000-500,000 -Cross-cutting policy drivers: Gender, labour standards, social dialogue
<p>Internal Minute on 2018-19 RBSA allocation (15 October 2018)</p>	<p>Building on the thematic approach that guided the RBSA allocation round in 2017, this new round will specifically focus on:</p> <ol style="list-style-type: none"> a) Strengthening the virtuous cycle between the ILO's normative function, DWCPs and technical assistance; b) Reinforcing tripartite constituents' role within UN processes at country level to steer progress towards the achievement of the SDGs; c) Enhancing the ILO's responsiveness to emerging issues and situation of fragility (crises).
<p>RBSA Update November 2019</p>	<p>RBSA funds allow the ILO to:</p> <ul style="list-style-type: none"> ➤ Launch innovative initiatives ➤ Rapidly address emerging needs ➤ Expand the scope and/or scale of existing programmes ➤ Mainstream cross-cutting issues in labour policies and programmes ➤ Leverage greater funding from other sources ➤ Increase sustainability of ILO assistance through partnerships with UN agencies

The formulation of this strategy was in part a response to the 2014 external review of the RBSA which recommended inter alia to “clarify the purpose, definition and rules of the RBSA funding modality ...”¹⁰

The extent to which this broad RBSA strategy is effectively applied can be assessed against the expenditure patterns across regions, Programme and Budget outcomes and countries. As implied by a broad strategy the expenditure patterns are diverse across a range of indicators.

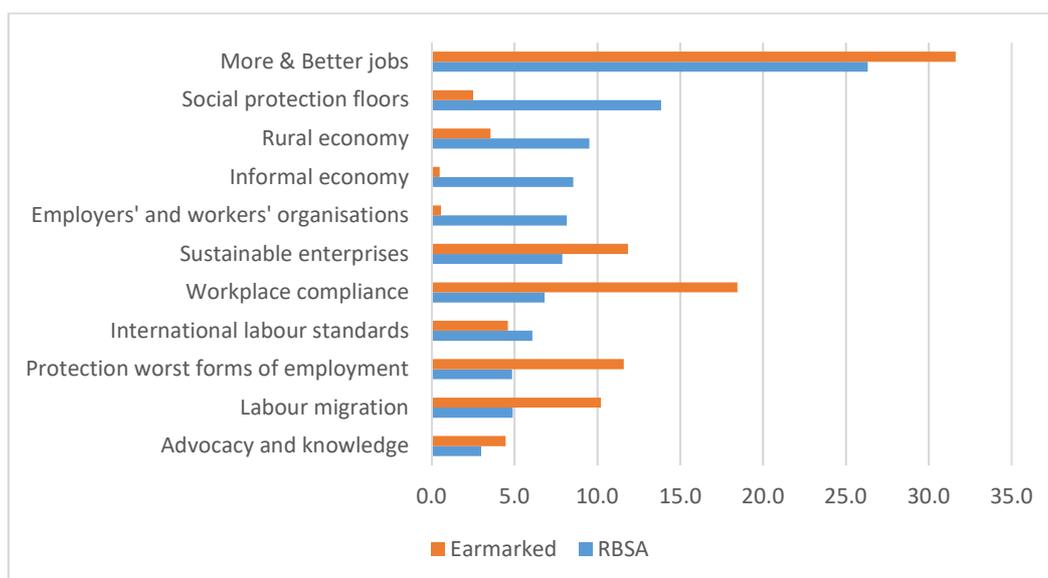
A fundamental characteristic of RBSA, inherent to un-earmarked funding, is the flexibility of its use. This is the quality most often mentioned and appreciated by ILO staff. In the words of one staff interviewed: “the real value added of RBSA lies in its flexibility”.

Diverse expenditure patterns of RBSA

The flexibility of RBSA enables the ILO to allocate funds in accordance with the broad criteria issued. This is reflected in the uneven allocations of RBSA across Programme and Budget outcomes, regions as well as across countries. An equal distribution across 10 + 1 Programme and Budget outcomes would yield a share of 9.1 per cent. Over the period 2016-19 three outcomes are above that equalizing share and 8 below.

Relative to earmarked funding, RBSA partially compensates for the distribution across outcomes. Those outcomes with relatively low receipts of earmarked funding (employers’ and workers’ organisations and informal economy are cases in point) display shares of RBSA (approximately 8 per cent) that are in line with other outcomes save the three largest recipients and close to the average share of 9.1 per cent. The largest receipt of RBSA (the More and Better jobs outcome with a share of 26 per cent) is also the largest receipt of earmarked funding (with a share of 32 per cent).

Figure 3: Distribution of RBSA and earmarked voluntary funding across Programme and Budget outcomes, average 2016-2019, expenditure basis, in per cent



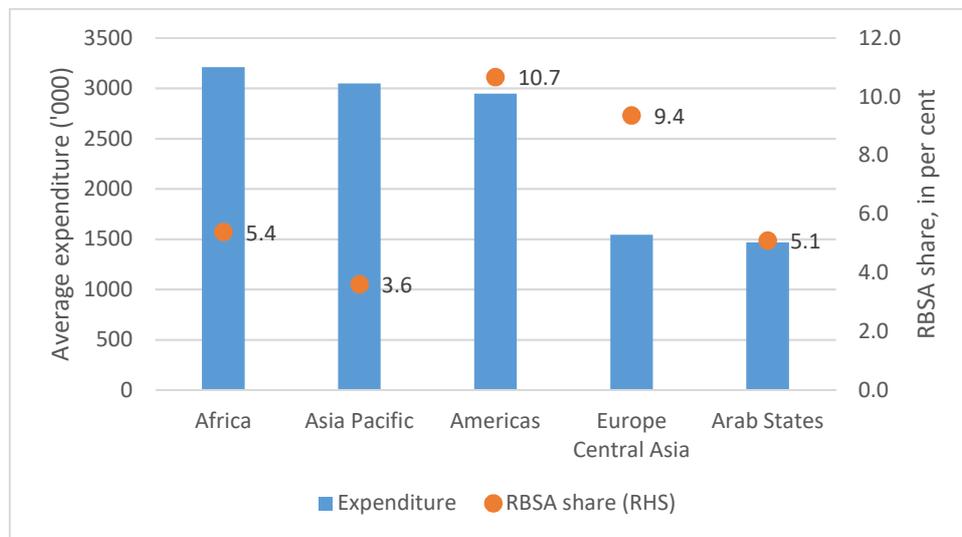
Source: Data from ILO Development Cooperation Dashboard

¹⁰ Horekens, J., Maurer, R., 2014, *Review of ILO’s Regular Budget Supplementary Account (RBSA)*, August.

The three largest regions (Africa, Asia/Pacific and Americas) are also the largest beneficiaries of RBSA (approximately US\$ 3 million per year) with the Arab States and Europe Central Asia receiving approximately half that amount.

Relative to earmarked funding available to the regions, the share of RBSA is lower in the case of Asia/Pacific (3.6 per cent) with the highest endowment of voluntary funding among ILO regions while the RBSA share is higher in the Americas and in Europe/Central Asia, at approximately 10 per cent, in view of lower endowments of voluntary funding. The share in Africa and Arab States is close to the aggregate average (5.4 and 5.1 per cent respectively).

Figure 4: RBSA average expenditure per region, 2014-18, (in '000 US\$) and share in total voluntary expenditure, in per cent



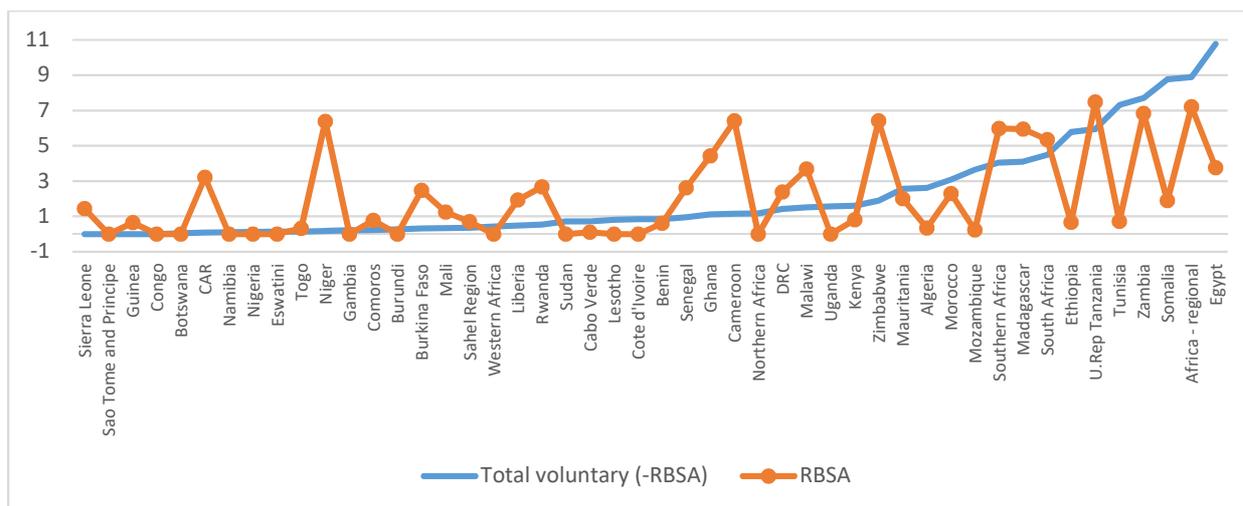
Source: Data from ILO Development Cooperation Dashboard, one line

There is no significant statistical correlation between RBSA expenditure and other voluntary (earmarked) expenditure by country. RBSA and other voluntary funding complement each other in various ways rather than substitute for one another.

In Africa for example, the largest recipient of RBSA funding, there is no correlation in the expenditure patterns across countries of RBSA and other voluntary funding.¹¹ There are countries with large RBSA allocations and little other voluntary funding and countries where both funding sources are present. This pattern is repeated in the other regions.

Figure 5: Average expenditure (2014-18) per country in the Africa region, RBSA and other voluntary funding, in per cent of total expenditure of each fund,

¹¹ A linear regression shows only a weak correlation (R2 of 0.2) and other statistical functions (the Pearson and the Spearman rank correlation coefficients) yield low non-significant values.



Source: Data drawn from ILO Development Cooperation Dashboard,

Notwithstanding, both sources of funding tend to be concentrated in a limited number of countries. In Africa the top ten countries by expenditure concentrate 67.8 per cent of all earmarked voluntary spending and 62.5 per cent of RBSA expenditure (average expenditure over 2014-18). Six countries are shared among both top 10 ten lists. In the Americas the top ten countries account for 87.4 per cent of all voluntary funding (minus RBSA) and 62.5 per cent of RBSA expenditure (average expenditure over 2014-18). Seven countries appear on both top 10 lists.

Table 6: Share of top ten countries in total expenditure by fund, average 2014-18, in per cent, and number of countries shared in both lists

	RBSA	Earmarked funding	Shared countries (#)
Africa	62.5	67.8	6
Asia/Pacific	81.5	85.3	7
Americas	62.5	87.4	6

Source: Data drawn from ILO Development Cooperation Dashboard,

These same ratios are less relevant in the case of the Arab States and Europe and Central Asia because of the large number of non-ODA countries.

The complementary function of RBSA works in various ways. RBSA can prepare the ground for future voluntary funding. A good illustration is the ILO response to the influx of Syrian refugees into Jordan and Lebanon in 2014-15. Large RBSA allocations in 2014-16 enabled the ILO to “state its case on the ground” and convince UN and other donors of the relevance of its role and of its capacity of response. As a result voluntary funding increased substantially as of 2016 in both countries. A similar situation arose more recently in Colombia and Peru in response to the flow of refugees from Venezuela as of 2018.

The same pattern is observed in relation to several ILO Programme and Budget items, where initial RBSA funding has enabled the formulation and feasibility testing of several programmes (such as on the social protection floor and on the formalization of the informal economy) now much better placed to develop larger proposals for voluntary funding.

RBSA is used widely to prepare future voluntary funding proposals, to secure finance between periods of earmarked voluntary funding, and to invest in countries and outcomes with little or no earmarked voluntary funding. Hence RBSA is also used in countries and for activities which receive

regular and large earmarked funding allocations. This is in conformity with the broad guidance formulated for the use of RBSA.

For every key characteristic used by the ILO to describe the functioning of the RBSA (innovation, rapid response, leverage of other funds, strengthening of UN partnerships, complementing on – going programmes, interdisciplinary approaches by country or by theme or outcome) there are several practical applications and examples that can be cited. This suggests a variety of strategies applied to RBSA within the overall broad guidance applied to a flexible fund.

The question can be raised nevertheless whether such a broad strategy is optimal for a fund of a relatively small size.

A strong RBSA record on results

According to the Decent Work results Dashboard (ILO on-line) the ILO recorded a total of 702 results achieved in countries in 2016-17 of which RBSA contributed exclusively or substantially to 136 results (a share of 19.4 per cent). Over the same period RBSA expenditure reached US\$ 30.56 million corresponding to 7.2 per cent of voluntary earmarked expenditure (US\$ 424.06 million) or a share of 7.2 per cent. In other words RBSA funds were 2.7 times more effective in achieving results than other voluntary (earmarked) funding sources. Such a count is available only for 2016-17 at this stage and will likely be available soon for 2018-19.

The reasons for this better performance are most plausibly linked to the flexible characteristic of RBSA enabling the identification of outcomes in countries that are more likely to be achieved over the biennium as well as to the ready availability of funding avoiding protracted preparations or delays. In addition RBSA fosters a common commitment between regions, country offices and technical departments to achieve the agreed outcomes, hence enhancing the likelihood of achieving the desired results.

Value-added of the RBSA strategy

The strategic guidance applied to RBSA is broad. The strategies deployed through an analysis of the expenditure patterns are multiple and equally broad. Yet the size of the RBSA fund is relatively small. Hence the question arises of whether such a broad strategy can meet all the expectations placed on it given its modest size, relative to other funds available to the ILO. Choices have to be made. Information on how these choices are made is sparse beyond the allocation criteria recalled above.

In this regard it is symptomatic that presentations of the ILO strategic framework display regular budget and voluntary earmarked (called extra-budgetary although these form part of one budget) broken down by Programme and Budget outcomes, except for RBSA funds for which only a total amount is mentioned. This has been the practice for several biennia (the Programme and Budget 2016-17, 2018-19 (Table 2) and 2020-21 (Table 3) are cases in point).

In order to make further progress on results-based management, the ILO will not avoid integrating all planned resources into one strategic budget against which results can be assessed.

The unique quality of the RBSA lies in its flexible use. This flexibility is well used to achieve effective results within the Programme and Budget orientations. Based on the information available it is difficult to answer the question of whether this use is optimal or whether alternative arrangements might yield more robust results.

The 2014 Review of RBSA had recommended turning RBSA into an instrument for strategic response at the corporate level, by adjusting RBSA allocation procedures “...to more explicitly and directly support specific ILO priorities” (Recommendation 3). This remains a relevant recommendation.

Relations with donors to the RBSA fund

The ILO has since 2015 greatly stepped up efforts to interact with donors to the RBSA fund. This responds to a recommendation made in the 2014 Review of the RBSA (Recommendation # 6) which called for the promotion of a strategic partnership with donors around the RBSA modality with a view to sharing information in an informal setting.

Regular informal exchanges between ILO (PARDEV and PROGRAM with participation of Senior Management including the Director-General) are now held once or twice a year with the purpose of sharing information and views. In addition annual of visits to one country selected for a valuable RBSA contribution have been organised since 2016 (so far visits have been organised in Zambia, Jordan, Senegal and Vietnam).

Donors are broadly satisfied with these arrangements. Contributions to the RBSA corresponds to commitments made at the level of the United Nations¹² as well as funding modalities (pooled, multi-year, un-earmarked) widely applied in the case of humanitarian assistance¹³ and promoted by the UN.

At the same time donors are keen to deepen these exchanges and to discuss more strategically the lessons learned from the results achieved through the RBSA modality so as to refine their understanding of the strategy applied by the ILO.

Donors are not seeking more detailed information or reporting on RBSA interventions and recognize the value of not adding to the reporting burden of the Organization.

Donors are also interested in pursuing efforts to attract more participants to the RBSA fund. This might imply greater promotional efforts on the part of the ILO and greater senior management engagement in placing the RBSA among the Organization’s top objectives.

How to better compile and share strategic information on results achieved and lessons learned is a challenge faced by many organizations of the UN managing similar funds to the ILO RBSA.

Exchanges organised for this review with the managers of flexible un-earmarked funds at FAO, UNESCO and WHO highlighted that reporting modalities on flexible funds were both foremost on their minds as well as challenging. All included reporting on un-earmarked funds in their regular annual or biennial results reports, with various degrees of highlights of achievements through flexible funds; and some (FAO) produced a separate consolidated major results report on the un-earmarked funds.

¹² See for example the Conference declaration on the “Grand Bargain”, Istanbul, 23 May 2016 as well as UN General Assembly Economic and Social Council, *Funding Compact*, Report of the Secretary General, A/74/73/Add.1 and E/2019/4/Add.1

¹³ See Development Initiatives, *Global Humanitarian Assistance Report 2019*, especially chapter 4, 2019

Annexes

Annex 1: Terms of reference

Background

The Regular Budget Supplementary Account (RBSA) is a voluntary funding modality introduced in ILO in 2008 to receive un-earmarked resources¹⁴. It allows development partners to channel un-earmarked funding to the ILO in full compliance with the OECD-DAC guidelines for Official Development Assistance, with reduced overhead charges and streamlined administration. As such, the RBSA is subject to the same governance and oversight as the regular budget and complements existing arrangements for voluntary contributions earmarked to specific projects and programme of the ILO. As part of an integrated resource framework, RBSA corresponds to voluntary core-funding modalities to channel un-earmarked funding to UN agencies, as called for in the UN Funding Compact. RBSA is one of the sources of funds available to the Office to achieve results in countries but is treated separately for accounting purposes. Contributions and expenditure are reported to ILO governance organs within the existing financial and programmatic reports.

The Office allocates RBSA resources flexibly and strategically within the ILO's results framework when and where they are most needed in an independent and agile manner, as a complement to other ILO resources. The flexibility of this core voluntary funding modality allows the ILO to respond in areas and countries where opportunities for results exist and other resources are not readily available. All RBSA funding is allocated to countries eligible for Official Development Assistance (ODA) with a focus on Least Developed Countries (LDCs). Outcome-Based Workplans for the biennium provide the overarching framework for allocations to a limited number of prioritized Country Programme Outcomes (CPOs) within Decent Work Country Programmes (DWCPs).

Along the years, the Office has allocated RBSA funds in particular to¹⁵:

- Launch innovative initiatives
- Rapidly address emerging needs
- Expand the scope and/or scale of existing programmes
- Mainstream crosscutting issues in labour policies and programmes
- Leverage greater funding from other sources
- Increase sustainability of ILO assistance through partnerships with UN agencies

RBSA funded activities are subject to standard evaluation policies and guidelines of the ILO. The ILO Evaluation Office (EVAL) regularly conducts meta-analyses of project evaluations to assess ILO's effectiveness in the delivery of decent work results. In 2018 and 2019 EVAL commissioned an independent meta-analysis of effectiveness of RBSA-supported interventions, covering the period 2013-17. The recommendations arising from this meta-analysis has provided the Office with strategic guidance on how to improve the effectiveness of RBSA.

¹⁴ RBSA is currently supported by the following eight donors: Belgium, Denmark, Germany, Italy, Luxembourg, The Netherlands, Norway, Sweden.

¹⁵ [Core Voluntary Funding \(RBSA\) for ILO development cooperation](#), ILO, October 2019.

In addition, RBSA donors have a keen interest in getting closer insights into the value added of RBSA as a funding modality and the returns it brings to both the contributors and the ILO. At their request, an internal review was undertaken for that purpose in 2014. Its conclusions pointed to a number of strengths of the RBSA modality, but also highlighted several shortcomings related mainly to the allocation and appraisal process, which were since addressed through a number of improvements. The Office has committed to undertake another such review in 2019. Such a review would be particularly useful in the context of the call for less earmarking as part of the reform of the UN Development System and could serve as an advocacy tool to make the business case to donors of contributing to RBSA.

Purpose and methodology

Following the 2014 internal review, PROGRAM and PARDEV are commissioning a new internal review of the RBSA that will cover the period from 2015 to present. The purpose of the review is two-fold:

1. *Examine the effectiveness, efficiency, implementation management and relevance of RBSA un-earmarked contributions as a funding modality.* The review will take a qualitative approach and focus on the changes introduced in RBSA programming since the 2014 review, including through the analysis of selected cases studies of RBSA-funded interventions between 2015 to present. The review will not duplicate the meta-analysis of effectiveness of RBSA-supported interventions 2013-2017, which focussed on the effectiveness of specific RBSA-funded interventions to deliver decent work results.

Key questions to be addressed include:

- Whether and to what extent is the decision-making process of the ILO to allocate RBSA funding relevant and effective?
- To what extent is the design of RBSA-funded interventions apt to ensure proper monitoring, as well as full and timely delivery of results at country level?
- What is the evidence that RBSA as a flexible source of funding has been effective and efficient to:
 - Generate sustainable decent work results
 - Launch innovative initiatives
 - Rapidly address emerging needs
 - Expand the scope and/or scale of existing programmes
 - Mainstream crosscutting issues in labour policies and programmes
 - Leverage greater funding and financing from other (external) sources
 - Increase sustainability of ILO assistance through partnerships with UN agencies
- Under what conditions RBSA used to complement other funding sources (e.g. RB, RBTC and XBTC) as part of the ILO's integrated resource framework has had greater leverage on the achievement of results under the relevant P&B Outcomes, CPOs and DWCPs?
- What lessons have been learned that could be more widely applied?
- What key bottlenecks need to be addressed, including in terms of management, monitoring and reporting, to unlock the full potential of RBSA as a flexible funding modality?
- The extent to which the intentions and expectations that motivated donor decision making to move towards unearmarking have been met.

- The compatibility of current RBSA arrangements with the commitment on core voluntary funding as laid out in the UN Funding Compact.
2. *Provide recommendations for Senior Management's and RBSA donors' consideration with regard to:*
- strategic fit of the RBSA funding in light of the ILO Centenary Declaration for the Future of Work, the emerging issues in the world of work, the Programme and Budget for 2020-21 and the UN reform to deliver the 2030 Agenda;
 - governance of RBSA (roles and responsibilities, processes – i.e what works well, what requires improvements);
 - measures that could be considered, compatible with the lower overhead cost applied to RBSA, to increase RBSA Donors' visibility;
 - design, monitoring and reporting mechanisms and formats, ensuring that Donors' requirements are fully met while maintaining low overhead costs.

The review will be carried out through:

- a desk study of key documentation, including partnership agreements with RBSA donors, relevant internal governance document and minutes, Programme and Budget and Implementation report documents, meta-analyses and, if necessary, other evaluation reports;
- selected interviews with ILO staff (HQ and field) responsible for RBSA management, programming and reporting, notably in PROGRAM, PARDEV, EVAL, BUD/CT, selected Outcome Coordinators, including ACTRAV and ACT/EMP, relevant COs Directors and Regional Programming Units;
- Interviews with RBSA donors and selected non-RBSA donors to understand their expectations.
- Interviews with resource mobilization and programming staff in other UN agencies to understand RBSA-equivalent modalities in their organization and their experience with it.

The interviews will be done mostly through skype or teleconferencing. ILO will provide the contact details and the consultant will schedule the interviews. The ILO will facilitate the organization of the meeting to discuss the preliminary review findings.

Planned deliverables and schedule

The review will be conducted during the period 1 November 2019 – mid-February 2020.

The following deliverables are expected:

1. Presentation of preliminary findings in Geneva during a workshop for ILO management and selected staff from HQ and possibly regions connected via VC facilities (tentatively planned around mid-January 2020);
2. One draft report as per the ToR (end-January 2020);

3. One final report of about 15-20 pages (excluding annexes), based on feedback from PROGRAM, PARDEV, EVAL and FINANCE on draft report. The report will contain, among others, an executive summary, findings, lessons learned, conclusions and recommendations.

Annex 2: List of persons interviewed

Regions		Headquarters		Donors
<i>Africa</i>	Cynthia Samuel-Olonjuwon (Regional Director, Regional Office for Africa)	Technical units	Lenny Olsen (Sr Programme and Operations Specialist, ACTRAV)	Therese Andersson (Programme Manager, INTEM/GLOBEC, Swedish International Development Cooperation Agency)
	Peter van Rooij (Deputy Regional Director, Regional Office for Africa)		Deborah France-Massin (Director, ACT/EMP)	Lena Hasle (Senior Advisor, Section for Human Rights, Democracy and Gender equality-Ministry of Foreign Affairs, Norway)
	George Okutho (Director, Country Office, CO-Lusaka)		Corinne Vargha (Director, NORMES)	Theo Sande (Senior Expert, Social and Economic UN Affairs Division, Multilateral Organisations and Human Rights Department (DMM)-Ministry of Foreign Affairs, Netherlands)
	Joseph Momo (Chief, Regional Programming Unit, Regional Office for Africa)		Manuela Tomei (Director, WORKQUALITY)	Philippe Mores (Coordinateur pour les relations avec les organisations multilatérales Ministère des Affaires étrangères et européennes Direction de la coopération au développement et de l'action humanitaire, Luxembourg.)
<i>Americas</i>	Claudia Coenjaerts (Director, DWT/CO Port-of-		Valerie Schmitt (Deputy Director,	

	<i>Spain)</i>		<i>SOCPRO)</i>	
	Fabio Bertranou (Director, DWT/CO-Santiago)		Philippe Marcadent (Branch Chief, INWORK)	
	Maria José Chamorro (Chief, Regional Programming Services, RO-Latin America and the Caribbean)		Michelle Leighton (Branch Chief, MIGRANT)	UN agencies
	Philippe Vanhuynegem (Director, DWT/CO-Lima)		Mito Tsukamoto (Branch Chief, DEVINVEST)	Festus Akinnifesi (Executive Coordinator, Multi-Partner Initiatives, Food and Agriculture Organization of the United Nations)
<i>Asia</i>	Dagmar Walter (Director, DWT/CO-New Delhi)	Governance units	Rie Vejs-Kjeldgaard (Director, PARDEV)	Jessica Jeavons (Chief, Section for Mobilizing Government Partner Resources (BSP/MGP), Bureau for Strategic Planning, UNESCO)
	Chang-Hee Lee (Director, CO-Hanoi)		Jiang Mohui (Director, PROGRAM)	Graham McNeill (Coordinator Coordinated Resource Mobilization External Relations Cluster World Health Organization)
	Reiko Tsushima (Chief, Regional Programming Services, Regional Office for Asia and Pacific)		Giovanna Rossignotti (Deputy Director, PROGRAM)	Brian Elliott, (Chief, BUDGET, World Health Organization)
	Graeme Buckley (DWT/CO Director, DWT-Bangkok)		Peter Rademaker (Unit Head, Development Partners Relations, PARDEV)	
<i>Arab States</i>	Frank Hagemann (Deputy Regional Director, Director DWT Arab States, RO-Arab States/DWT-Beirut)		Karin Klotzbuecher (Sr Programme Analyst, PROGRAM)	
	Oktav Pasaribu (Chief, Regional		Francesca Fantoni (Programme Analyst,	

	<i>Programming Services, RO-Arab States/DWT-Beirut)</i>		<i>PROGRAM)</i>	
<i>Europe/</i>	Heinz Koller <i>(Regional Director, RO-Europe and Central Asia)</i>		Neetu Lamba <i>(Programme Officer, PROGRAM)</i>	
<i>C.Asia</i>	Pierre de Lame <i>(Sr Administrator and Relations Officer, RO-Europe and Central Asia)</i>		Florencio Gudiño <i>(Sr Programme Analyst, PROGRAM)</i>	
	Olga Koulaeva <i>(Director, DWT/CO-Moscow)</i>		Carlien van Empel <i>(Unit Head, Development Cooperation Support, PARDEV)</i>	
	Markus Pilgrim <i>(Director, DWT/CO-Budapest)</i>		Nicolas Grumbach <i>(Chief, BUDREG)</i>	
	Daniel Smith <i>(Liaison and Research/Programming Officer, RO-Europe and Central Asia)</i>		André Bogui <i>(Director, HRD)</i>	
			Guy Thijs <i>(Director, EVAL)</i>	

Annex 3: Overview of un-earmarked funds in UN specialized agencies

Organization	Name of fund	Start date	Funding level (million \$US) and % un-earmarked of total voluntary*	Top 3 contributors	Allocation criteria	Reporting modalities
FAO	Flexible Multi-partner Mechanism	2010	2010-13: 27.3 2014-17: 47.5 Un-earmarked 2016-17: 4.4 %	Sweden, Netherlands, Belgium	By strategic objective	Results reported by outcome in biennial Programme Implementation Report; and separate key results report produced for 2014-17, including short project-level results sheets (32 projects in 2014-17)
ILO	Regular Budget Supplementary Account	2008	2016-17: 30.6 2014-15: 35.3 Un-earmarked 2016-17: 6.7 %	Belgium, Netherlands, Sweden	By strategic outcome, region and country	Results reported by outcome and country results in biennial Programme Implementation Report; short annual updates presented to funding partners
UNESCO	Special Account for light/un-earmarked voluntary contributions	2018	69.8 (combines light earmarking and no earmarking) Un-earmarked: 2018: 23.5 %	Sweden, Norway	By major programme and by region/country	Biennial implementation report
WHO	Core voluntary contributions account	2013	2018: 89.4 2017: 67.1 2016: 81.4 Un-earmarked: 2016-17: 4.0 %	In 2018-19, UK, Australia and Sweden	Fully and highly flexible funds are earmarked at strategic objective level	In WHO biennial results report; financial contributions identified; results reported at programme/outcome level, not separately identified in biennial results report

Notes: * Voluntary contributions inclusive of government, inter-governmental, trust funds, private grants and United Nations (expenditure basis).

Sources: Interviews in December 2019 with FAO, UNESCO and WHO officials in charge of the special un-earmarked funds; documentary evidence available on public websites of each organization as specified below.

The FAO Flexible Multi-partner Mechanism evaluation report (March 2016) includes the following key findings:

“good alignment with FAO strategic framework; some good examples of interdepartmental and interdisciplinary partnerships; funding is directed at underfunded and innovative activities; quality of monitoring and reporting is mixed at the project level and poor at programme level; the benefits of flexible fast-track project planning and reporting are offset by: (i) the limited resources allocated to FMM management; (ii) delays in project approval processes; (iii) small and fragmented projects; (iv) erratic/un-predictable flow of funds; and (v) very limited participation of decentralised offices in the preparation of concept notes.” (page 2)

FAO's Multi-Partner Programme Support Mechanism, Medium term final report 2014-17 (2019) states inter alia: "Benefits of flexible funding include: Reduced fragmentation; Reduced transaction costs; Reduced duplications; Enhanced flexibility and synergies created; Enhanced coherence; Promotes catalytic effect and leveraging; Fosters funding sustainability; Promotes innovation," (page xiii).

WHO Results Report, Programme and Budget 2016-17: "Core voluntary contributions provide flexible funding across many underfunded categories and programmes. Without this catalytic funding it would be difficult to deliver WHO's programmatic results as per the approved Programme budget." Page 6

The UNESCO experience is too recent to enable any lessons to be drawn.

Annex 4: Highlights of ILO evaluations relevant to RBSA

The following highlights selected quotes from a selection of recent LO evaluation reports that are relevant to RBSA. Two main points are illustrated. First the relevance and effectiveness of RBSA funding. Second shortcomings in relation to the results framework and in terms of implementation capacity. Again these points relate to overall ILO performance and are not specific to RBSA.

<p><i>Independent evaluation of the ILO’s strategy and actions for improved youth employment prospects 2012–17, ILO Evaluation Office, 2018</i></p>	<p>“The flexibility of outcome-based funding (through RBSA funding) provides opportunities to focus on agreed national priorities, to follow and build on previous and current activities in each country, and to maintain a continuity of effort.” Page 66</p>
<p><i>An independent evaluation of ILO’s capacity development efforts 2010–2017, ILO Evaluation Office, 2018</i></p>	<p>“ILO staff provide good examples of where RBSA funding has been flexibly applied to address the capacity development needs of women,...” page 26 “RBSA funding is particularly relevant given its strategic focus on providing comprehensive coverage of ILO objectives and outcomes.” Page 63</p>
<p><i>Independent High-level Evaluation: ILO’s Strategy and Actions towards the Formalization of the Informal Economy, 2014–18, September, ILO Evaluation Office, 2019</i></p>	<p>“Key finding 10: The outcome was underfunded throughout the implementation period, but received substantial Regular Budget Supplementary Account (RBSA) support. Overall, the activities and products were managed cost-efficiently.” Page xiv</p> <p>“Under the ACI 6 (formalization of the informal economy), the actual expenditure as per the data provided by BUD/REG, was US\$ 4,281,343, of which a significant 74 per cent was from the Regular Budget Supplementary Account (RBSA), 21 per cent was from Extra-Budgetary Technical Cooperation (XBTC) and the rest was from the Regular Budget Technical Cooperation (RBTC).” Page 48</p>
<p><i>Independent high-level evaluation of the ILO’s programme of work in four selected member countries of the Southern African Development Community (SADC) (Lesotho, Madagascar, South Africa and the United Republic of Tanzania), 2014–18, Final Report, ILO Evaluation Office, 2019</i></p>	<p>“ILO core voluntary funds (RBSA) represented about 7 per cent of total expenditures and were spread over three projects. CO–Antananarivo used RBSA funding effectively to work in DWCP priority outcome areas for which other sources of funding were limited. This included small pilot projects on the formalization of the informal economy and job creation in the informal and rural economies.” Page 49</p> <p>“Overall, different types of funding (for example development cooperation funding, RBSA and ILO regular budget funding) did not necessarily lead to different levels of efficiency. Each source of funding presented opportunities and constraints.” Page xii-xiii</p>
<p><i>Independent Evaluation of the ILO’s Programme of Work in Lebanon and Jordan in Terms of Decent Work and</i></p>	<p>“First, ILO RBSA funding was allocated to a rural development project targeting both Syrians and host communities. This RBSA was a worthwhile investment,</p>

<p><i>the Response to the Syrian Refugee Crisis 2014–18, ILO Evaluation Office, 2018</i></p>	<p>seen as an “entry point”, where the ILO in Lebanon was able to position itself as a key player in the response to the Syrian refugee crisis, and ultimately led to an increased presence in the response to the Syrian refugee crisis.” Page 21</p> <p>“RBSA has enabled the ILO to position itself as a lead UN agency in employment and livelihoods in Jordan in response to the Syrian crisis.” Page 54</p>
<p><i>Independent Evaluation of ILO’s Field Operations and Structure, ILO Evaluation Office, 2017</i></p>	<p>“Recommendation 2: Improve decentralization efforts towards more agility of administrative decision- making at the field level.</p> <p>Recommendation 4: Improve results-based management reporting at field level</p> <p>Recommendation 5: Improve staff incentives and mobility to equip field staff with right competencies,” Pages 75-76</p>
<p><i>Delivering Decent Work Results: Meta-Analysis of 15 Decent Work Country Programme reviews, ILO Evaluation Office, 2014</i></p>	<p>“The individuals undertaking CPRs generally encountered problems in conducting their analyses. The problems related: to the adequacy of the DWCP to be reviewed; the evaluability of the DWCP (involving the lack of monitoring and evaluation mechanisms and an effective RBM framework); institutional issues relating to putting in place an effective tripartite oversight mechanism; and deficiencies in resource availability to implement the DWCP (both financial resources and personnel).” Page 9</p>

Annex 5: Highlights of selected meta-analysis of evaluation reports relevant to RBSA

<p>Annual Evaluation Report 2011-12, as summarized in <i>Overview of evaluation of RBSA in the ILO</i>, Evaluation Office, November 2016</p>	<p>“The evaluations indicated that the RBSA-funded interventions supported country programme outcomes, but were often not linked to a clear logical framework and a monitoring system. This was largely due to the uneven use of a monitoring system for the CPO to which the RBSA was linked.” Page 3</p>
<p>Annual Evaluation Report 2012-13, as summarized in <i>Overview of evaluation of RBSA in the ILO</i>, Evaluation Office, November 2016</p>	<p>“...monitoring and evaluation and evidence of results scored lowest, due to weak monitoring and evaluation systems applied to activities receiving RBSA funds.” Page 4</p>
<p>ILO Evaluation Office, 2019, <i>Decent Work Results and Effectiveness of ILO Operations: Ex-post meta-analysis of development cooperation evaluations 2017-18</i>, ILO, October</p>	<p>“Recommendation 2: Introduce or reinforce the focus on results at the design stage, through the use of adequate logical frameworks, Theory of Change, and other structured monitoring documents to address the shortcomings associated with low validity of design, lack of goal orientation, and inadequate monitoring and reporting of ILO interventions.” Page 47</p> <p><i>Note: This recommendation is addressed to ILO development cooperation as a whole, not exclusively to RBSA</i></p>
<p>ILO Evaluation Office, 2019, <i>Drivers of decent work results and ILO effectiveness: A meta-analysis of ILO RBSA interventions 2013-2017</i>, i-eval THINK Piece No. 16, ILO, December</p>	<p>“Recommendation 1: A balance is required between maintaining the flexibility of the RBSA modality in terms of implementing projects and the importance of having a structured framework for monitoring and reporting. It is important to address the evaluability of RBSA-funded interventions at the inception stage, and devise monitoring and reporting requirements to address this accordingly.</p> <p>Recommendation 4: Require the use of logical frameworks, Theory of Change, and other structured documents to address the shortcomings associated with the lack of goal orientation and monitoring and reporting of RBSA-funded interventions. A stronger focus on results at the design stage can still allow for some latitude for innovative approaches.” Page 18</p>
<p>ILO Evaluation Office, 2017, <i>Decent work results and effectiveness of ILO operations: A meta-analysis of development cooperation evaluations, 2013–2016</i>, ILO, 2017</p>	<p>“Recommendation 1: Strengthen the development of logical frameworks so that they include a full range of clearly distinguishable components needed to monitor and assess project progress, including baselines, milestones, and targets. Indicators should be designed so that they are measurable and reflect progress towards achieving objectives.” Page 41</p>

Annex 6: Suggested revisions to the Country Programme Outcome template (applied to RBSA proposals)

A. Review of 23 CPO templates submitted for RBSA funding (2018-19)

A review of 23 CPO templates submitted for RBSA funding in 2018-19 yields the following findings and observations.

- a) Submissions use the standard CPO template prescribed
- b) Submissions use the section on “Description” to provide informative yet lengthy accounts of country contexts and issues to be addressed. This section tends to be long.
- c) On average (across the sample of 23) there are 3.8 milestones and 7.1 outputs per submission, indicating a great complexity of proposed frameworks.
- d) There are variations in terminology used, including milestones, objectives, results, outcomes as well as outputs. At times these terms are used interchangeably (especially outputs and outcomes second) or outputs are omitted.
- e) A risk assessment is present in 61 per cent of the sample (or 14 of 23 submissions).
- f) There are no indicators of measurement of achievements (save in 2 proposals) as these are not required in the template.
- g) Resources other than RBSA but combined to achieve the activities are listed in just under half of proposals (47.8 per cent or 11 of 23 proposals). These resources (mostly RBTC or other project funds) are not work-months of ILO staff converted into dollar values, which at times are also mentioned.

Proposals tend to display a great complexity, with a large number of outputs and activities, but little assurance of the robustness of the link between these and the expected results. Lessons learned from previous experiences are rarely mentioned.

B. Suggested revisions to the Country Programme Outcome template

The first section of the template (up to description) requires no revisions. A strong point establishes the link between the proposal and the Programme and Budget outcome and the related indicators.

Section on Description:

This section should be re-designed as: *Statement of the issue to be addressed*. It should be limited in number of words, such as a maximum of 500 or 750 words.

This section should address the following areas in a highly synthesized manner:

- a) Nature of the issue to be addressed:
- b) Most recent measure or action taken to address the issue

- c) Target group
- d) Collaborating partners and institutions

Section on milestones and outputs:

This section should be revised to adopt the standard results framework requirements and terminology. The section should be re-titles: *Results framework*, possibly in tabular form as follows:

Outcomes	Indicators	Outputs	Indicators	Means of action
1		1		Approaches, Target groups, Collaborations
2		2		
3		3		

In order to illustrate that this is feasible, four proposals have been selected from the sample of 23 to re-state the outcomes and the outputs (only a selection of the most important outcomes and outputs has been made). These are presented in the following table. Indicators have not been added nor the means of action.

	Outcomes	Indicators	Outputs	Indicators	Means of action
Vietnam VNM128	SDG data produced		SDG monitoring capacity		Approaches, Target group, collaborations
	Labour market information system operational		Labour market data collected and produced		
Myanmar MMR801	Business organization capacity strengthened		Organizational and management reforms introduced		
	Business organization services promote enabling business environment		Staff capacity in policy advocacy and dialogue strengthened		
Ethiopia ETH155	Government promotes decent work among refugees		Area labour market data and analysis produced		
			Capacity building of government institutions on decent employment promotion		
Moldova MDA130	Tripartite constituents implement the national employment policy		Capacity development programme on youth employment delivered		
			Framework for local employment partnerships developed		
			Public employment services develop measures for employment of women		

Section on resources:

This section requires no major revisions. However only fungible resources additional to RBSA resources should be mentioned. The conversion of regular budget staff work-months as complements to RBSA funds should not be authorized.

The total budget of the proposal (RBSA and other fungible resources) should be available on the ILO integrated resource information system (IRIS) and expenditure should continue to be monitored as is the practice now.

C. Suggested scoring matrix for the RBSA appraisal matrix

The appraisal checklist introduced as of 2016 to assess RBSA proposal has formalized and improved the process. A further step is suggested by converting the checklist, amended to that effect, into a scoring matrix as suggested below.

The minimum value is equal to 100 and the maximum value to 300. A minimum acceptance level of 65 per cent (of 300) would therefore be 195. These values are representative and can be modified.

Criteria		Scoring	Score	Weight	Weighted score (weight * score)
Strategic alignment with	SDG	0 = no alignment 1 = poor, 2 = moderate 3 = strong		15	
	DWCP				
	P&B outcome				
	P&B strategy				
Constituent and stakeholder participation	Government	1 = low 2 = moderate 3 = strong		15	
	Employers' and/or Workers' Organizations				
	UN partners			10	
	Other partners				
Results chain	Succinct and logical flow between outputs and outcomes	1 = low 2 = moderate 3 = strong		15	
	Indicators are SMART				
	Timeline of outputs is realistic			10	
	Means of action are realistic				
Resources	Inputs are adequately costed	1 = inadequately 2 = partly 3 = fully		20	
	Other funding sources are costed				
	Costs are adequately coded				
Programmatic guidance	Eligibility criteria are met	1 = inadequately			

	Financial criteria are met	2 = partly		15	
	Risk assumptions are realistic	3 = fully			

D. Suggested end-of-allocation template for RBSA interventions

Resource expenditure	Fully (100%)	Partly (over 60%)
Timeliness of expenditure	Within timeline	With delays
Outputs delivery	Fully (100%)	Partly (less than 60%)
Outcomes achievement	Fully (100%)	Partly (less than 60%)
Risk assumptions	Adequately estimated	Over or under estimated
Lessons learned	500 words maximum	