



**O'BRIEN &  
ASSOCIATES**  
INTERNATIONAL

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**INDEPENDENT MID-TERM EVALUATION OF  
IMPROVED COMPLIANCE WITH LABOR LAWS IN GEORGIA**

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This report describes in detail the external mid-term evaluation of the Improved Compliance with Labor Laws in Georgia that was conducted between November 8 and December 31, 2015. O'Brien and Associates International (OAI), an independent evaluation firm, conducted the external evaluation in collaboration with the project team and stakeholders and prepared the evaluation report according to the terms in the contract with the United States Department of Labor. OAI would like to express sincere thanks to all parties involved in this evaluation for their support and valuable contributions.



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I N T E R N A T I O N A L

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## LIST OF ACRONYMS

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AmCHAM	American Chamber of Commerce
BAG	Business Association of Georgia
CA	Critical Assumption
CB	Collective Bargaining
CEO	Chief Executive Officer
CTA	Chief Technical Advisor
CSO	Civil Society Organization
DCFTA	Deep and Comprehensive Free Trade Area
DO	Development Objective
DOLEP	Department of Labor and Employment Policy
DTF	Data Tracking Form
EPA	External Payment Authorization
EU	European Union
EUAA	European Union Association Agreement
FAQ	Frequently Asked Questions
FES	Fridrich Ebert Stiftung
GDC	Georgia Dream Coalition
GEA	Georgian Employers Association
GOG	Government of Georgia
GSMEA	Georgian Small and Medium Enterprise Association
GSP	General System of Preferences
GTUC	Georgia Trade Union Coalition
HSOJ	High School of Justice
ICC	International Chamber of Commerce
ICLLG	Improved Compliance with Labor Laws in Georgia (project)
IFC	International Finance Corporation
ILO	International Labor Organization
ILS	International Labor Standards
INGO	International Non-Governmental Organization
IO	Immediate Objective
IRIS	Integrated Resource Information System
LC	Labor Code

M&E	Monitoring and Evaluation
MOE	Ministry of Economy
MOJ	Ministry of Justice
MOLHSA	Ministry of Labor, Health and Social Affairs
MPG	Management Procedures and Guidelines
MS	Microsoft
NHRAP	National Human Rights Action Plan
OSH	Occupational Safety and Health
PIRS	Performance Indicator Review Sheet
PMP	Performance Monitoring Plan
RBM	Results Based Management
RF	Results Framework
SC	Solidarity Center
SWOG	Strengthening Workers Organizations in Georgia (project)
SWOT	Strengths, Weaknesses, Opportunities and Threats
TOR	Terms of Reference
TOT	Training of Trainers
TPR	Technical Progress Reports
UN	United Nations
UNM	United National Movement
US	United States
USG	United States Government
USDOL	United States Department of Labor
USTR	U.S. Trade Representative

## EXECUTIVE SUMMARY

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In December 2013, the United States Department of Labor (USDOL) and the International Labor Organization (ILO) signed a three-year Cooperative Agreement (IL-25258-14-75-K) in which USDOL provided \$2 million for the implementation of the project, Improved Compliance with Labor Laws in Georgia (ICLLG). The effective date of the agreement is December 31, 2013 to December 30, 2016.

As set forth in the Cooperative Agreement, the project purpose or development objective is to achieve improved compliance with labor laws in Georgia. To meet this, two immediate objectives (IOs) ground the project's development hypothesis that states: *If Georgian government (GOG) capacity is built to enforce labor laws and international labor standards (IO1) and workers' organizations can effectively represent workers' rights and interests (IO2), then compliance of labor laws in Georgia will be improved.* ICLLG works closely with a key stakeholders linked to each of the IOs: for IO1 the Ministry of Labor, Health and Social Affairs (MOLHSA) and for IO2 the Georgia Trade Union Confederation (GTUC).

The Georgian historical and political contexts are complex and play a significant role in affording the project success and advancements around labor rights. Perhaps like no other country in the world right now, Georgia's labor regime remains in a process of modernizing and fully meeting international labor standards (ILS). As the country continues to shake off the legacy of the Soviet Union, the corruption and abuse of power that previously existed, continues today to foster a strong sentiment of fear and opposition among key government and business actors. This has limited and delayed the level of advancement of a Georgian labor regime that meets ILS.

The overall purpose of the external mid-term evaluation is to provide USDOL and ILO with an independent appraisal of the ICLLG project's performance and experience thus far. The results from this evaluation are intended to guide USDOL and ILO in determining whether the project is on track to achieve its stated objectives and outputs as well as identify lessons learned from the program strategy and project implementation thus far. Based on this, recommendations for mid-course corrections will be provided in effort to further support ICLLG success.

The evaluation was conducted between October 19 and January 15, 2016. During October, the evaluator collected and reviewed documents, developed interview protocols and a quantitative scorecard, and prepared for fieldwork. Fieldwork was conducted in Georgia from November 9-17. And, data analysis and report writing occurred from November 17 – January 15, 2016. The evaluator interviewed 54 informants that included USDOL and ILO staff, GOG officials, GTUC representatives, US Embassy representatives, employer associations' representatives and international non-governmental organizations' staff.

### Findings

The following findings address USDOL's 12 evaluation questions as stipulated in the USDOL Terms of Reference (TOR). The findings are presented to each evaluation question as they occur under the six major evaluation categories framed by USDOL.

### *Validity of Project Design*

**USDOL Question #1. To what extent was the project design logical and coherent and do they meet the criteria in the USDOL-ILO Management Procedures and Guidelines (MPG)?**

While meeting the general MPG requirements that calls for a results based design approach, the logic and coherence of ICLLG project design is considered to be weak. Based on available time and resources for the project, USDOL's initial design layout is considered to be overambitious in its goal statement focus and missing a major IO. As well, ILO's RF has major weaknesses in causal logic and results statements. Collectively, these issues have constrained management, implementation, measurement and potentially IO and DO achievement.

### *Relevance and Strategic Fit*

**USDOL Question #2. To what extent are the project's interventions consistent with the needs (and obligations) of key stakeholders including trade union representatives, workers, employers, the Government of Georgia, particularly officials within the Labor (particularly the inspectorate) and Justice ministries? Have stakeholder needs changed that would warrant a change in interventions?**

The following is a summary of the ICLLG project interventions' fit to stakeholder needs: (i) MOLSHA: interventions are moderate in meeting needs; (ii) Future inspectors: interventions are moderate in meeting needs; (iii) Mediators: interventions are moderate in meeting needs; (iv) Judges: interventions are high in meeting needs; (v) GTUC: interventions are above-moderate in meeting needs; (vi) Employers: ICLLG-interventions are low in meeting employers' needs. Overall, the fit of ICLLG project interventions to key stakeholder needs varies. In addition to challenges associated with Georgia's political context, ICLLG design weaknesses also play a role in limiting the project from most effectively meeting stakeholders' needs, particularly regarding the GOG and employers.

**USDOL Question #3. Is the project relevant to move the GOG towards resolving the GSP complaint with the USG and in meeting the requirements of the EU Association Agreement?**

ICLLG is considered to be relevant and supportive in moving forward specific elements within the GSP complaint and the EU AA. For the GSP, ICLLG outputs 1.3 and 1.4 are seen to support one of the two GSP's major issues of establishing a credible, independent labor inspectorate with a mandate to enforce ILS. ICLLG does not have the explicit programmatic mandate, which enables support of GSP's second major issue of improving the LC to conform to internationally recognized workers' rights. For the EU AA, outputs 1.1, 1.6, and 2.4 are notably feeding into and supporting Georgia's progress toward achieving Article 229.

### *Project Progress and Effectiveness*

**USDOL Question #4. How appropriate and useful is the performance management plan (PMP) (including indicators) in assessing the project's progress?**

ICLLG's PMP is not being optimally used to manage and monitor all levels of the project (i.e., manage against budget, verify progress against workplan, ensure progress and assess expected change). In practice, the project uses a Data Tracking Form (DTF) to store and track quantitative information on indicators. Current indicators listed in the DTF differ from those originally proposed in the ILO *Project Document*. They also possess numerous measurement weaknesses, which challenge an accurate understanding of progress and limit ability to manage for results.

**USDOL Question #5. Is the project on track to achieve the indicator targets according to schedule? If not, what have been the obstacles to achievement both in terms of factors that the project is able to influence and external factors beyond its control?**

The project's movement toward indicator targets and corresponding results varies. Under IO1, the project is considered to be: on track for outputs 1.1, 1.2, 1.5 and 1.6; and, not on track for IO1 and outputs 1.3, 1.4 and 1.7. Under IO2, the project is considered to be: on track for outputs 2.1 and 2.2; and, not on track for IO2 and outputs 2.3 and 2.4. External factors beyond the project's control are, to a significant extent, responsible for limiting ICLLG achievement, particularly under IO1. They include: pressure on GOG from employers' groups to limit ILS-consistent labor rights—particularly around an inspectorate, the resulting low GOG political will, and project design weaknesses.

**USDOL Question #6. How effectively has the project engaged stakeholders in project implementation? How effective has the project been in establishing national or local-level ownership including government commitment?**

ICLLG's success varies in engaging stakeholders to produce intended results and foster national or local commitment. The project's stakeholder engagement effectiveness is considered as: (a) high in engaging HSOH and the Human Rights Secretariat; (b) above-moderate in engaging the GTUC; (c) moderate in engaging MOLSA; and (d) low in engaging employers. Overall, the project is seen as diligent in its intent and efforts to engage key stakeholders. However, more must be done to generate further commitment and a sense of urgency among the tripartite social partners—both individually and as a collective. However, more must be done to generate further commitment and a sense of urgency among the tripartite social partners—both individually and as a collective.

#### *Efficiency of Resource Use*

**USDOL Question #7. Is budget execution progressing as expected (i.e. expenditure rates)?**

As of the beginning of November 2015, the project is underspending its total budgeted financial resources by about 22%. That is, ICLLG has a total underspent amount of US\$ 283,831. For ILO's coming annual budget rephrasing exercise, consideration should be given to a cumulative adjustment of 2014 + 2015 under/over spending at 2015's end. And, a reallocation exercise may be called for based on any potential decisions for project redesign.

**USDOL Question #8. Is the level of budget execution for each component consistent with the level of compliance of targets? Do currently achieved outputs justify the level of expenditure?**

Underspending is occurring in nine of eleven ICLLG outputs. Of the total 11 outputs, six are considered to have progress that matches financial resources spent thus far (1.1, 1.2, 1.5, 1.6, 2.1 and 2.2). Five outputs are considered to not have progress that matches budgeted resources spent (1.3, 1.4, 1.7, 2.3 and 2.4).

#### *Effectiveness of Management Arrangements*

**USDOL Question #9. Has the project been effectively managed in terms of monitoring and reporting, internal and external communication, and collaboration and coordination with other labor project (US Government funded and others as relevant)?**

(a) Monitoring and reporting is currently being managed at a weak level and major contributing factors include shortcomings in: indicators, protocols for setting targets, tools and templates, and USDOL feedback. (b) Internal/ external communication is currently being managed at a moderate level. The project is regularly and transparently managing information exchange to key stakeholders. (c) Coordination and collaboration is currently being managed at an above-moderate level. This was considered as the most effectively managed category of the three and the project is seen as strategic and purposeful in working with other labor projects—namely Solidarity Center, EU and Fridrich Ebert Stiftung (FES).

#### *Impact Orientation and Sustainability*

**USDOL Question #10. Is the project on track to have the intended impact based on the intermediate objective indicators? If not, why?**

At this particular moment in implementation, the project is considered to be ‘not on-track’ for robust achievement of IOs. With one year remaining in the project, there has been no reported progress on each set of indicators for IO1 and IO2 across the life of the project. Noteworthy, is that the DO has no assigned indicators, rendering it impossible to measure progress toward achievement.

**USDOL Question #11. What are the key project achievements thus far, that could be sustained beyond the life and the context of the project? Does the project have a strategy in place to sustain these elements?**

Important ICLGG achievements that are moving Georgia towards ILS and have a level of potential to be technically and financially sustained, include: Judges Training Program (high level of sustainability potential); GTUC Union Educators (moderate level of sustainability potential); Inspectorate Cadre (unpredictable/low level of sustainability potential); and, Mediators Cadre (unpredictable/low level of sustainability potential). With respect to the presence and use of a sustainability plan, there is currently none in place.

**USDOL Question #12. What emerging project practices or experiences are worth highlighting as holding potential to become good practices or lessons learned at the end of project?**

ICLLG possesses a number of important practices and learning opportunities that can be utilized by the project over the next year and beyond. With two years of ICLLG implementation, three emerging good practices and nine emerging lessons learned were identified.

## **Recommendations**

The following recommendations are for ICLLG to consider during the remaining life of the project. Some may have project scope or funding implications and thus require USDOL leadership in their consideration and potential action.

1. **Re-Focus Efforts in Year 3:** A number of on-going realities point to and serve as important considerations to a re-design of ICLLG: (a) critical assumptions around GOG's commitment to establishing a labor inspectorate and a mediator service (in law and practice) are not holding true; (b) ICLLG is under spending current resources and is not on-track to achieve outputs 1.3, 1.4 and 1.7, in particular; (c) the Solidarity Center (via USDOL) and FES are currently implementing projects that focus on strengthening Georgian workers' organizations; (d) the final year of ICLLG is a parliamentary election year in Georgia; and, (e) as of January 2015, ILO is implementing a three-year project that focuses on the employer's side of the tripartite. Three strengthening options for ICLLG's final year, include:
  - Option 1. Ramp up IO1 and Ramp down IO2
  - Option 2. Streamline ICLLG & Add Normative Framework Focus
  - Option 3. Combination of Options 1 and 2
2. **Strengthen Performance Monitoring System:** Once a re-focused project strategy is decided upon for the final year, the performance monitoring system and the PMP should be strengthened as recommended under evaluation areas 3.3 and 3.5.
3. **Rapid Action Plan to Maximize EU project Effect on ICLLG:** It is recommended that ILO be as strategic as possible in leveraging the EU project to positively affect ICLLG (and visa-versa). A rapid action plan can be developed to allow more purposeful efforts and increase likelihood of cross-fertilizing activities and effects between the two projects.
4. **Conduct a Year 3 Output-Based Budget Adjustment Exercise:** Based on a potential re-focus of ICLLG, it is considered as useful for ILO to conduct an output budget exercise that takes account of all expenditures (i.e., over and under spending) and re-allocates values for the final project year.
5. **Sustainability & Exit Plan:** The sustainability plan exercise currently being conducted by the project should include an "exit plan". Here, ILO can outline its process for disseminating key lessons and innovations to partners and a case can be made for follow-on assistance, targeted results and strategic approaches.
6. **Continuance of Labor Efforts in Georgia:** Clearly the culture around labor rights in Georgia is emerging. Gains thus far have been built on international pressure and donor projects. The importance of strategically and effectively maintaining and augmenting this momentum is of the essence. It is therefore recommended that serious and strategic consideration be given to follow-on resources to continue established momentum for an ILS-consistent labor regime in Georgia.

7. **Leverage Judges' Program to Affect Normative Framework & ICLLG Stakeholders:** Strategic ways to leverage or scale-up on-going efforts and success around the judges training program should be considered. The success of this effort and the legitimacy of the judicial sector provide a strategic opportunity to influence and incentivize other ICLLG stakeholders.
8. **Build-up Evidence Base:** As an incentivizing measure for GOG and business association stakeholders, it is recommended that ICLLG develop a body of evidence in three key areas: (a) Economic: gather concrete macro and micro economic data that shows the economic advantages of having ILS-consistent labor regimes; (b) Business: mobilize high-level multinational companies from the US and EU to advocate for or articulate upon the benefits associated with an ILS-complaint labor regime; and (c) Operational: develop case studies or good practice briefers that highlight ILS-consistent inspectorates or mediation mechanisms that are successful in nearby countries (e.g., Latvia, Poland) and what makes them effective.

# I PROJECT DESCRIPTION AND BACKGROUND

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In December 2013, the USDOL and the ILO signed a three-year Cooperative Agreement (IL-25258-14-75-K) in which USDOL provided \$2 million for the implementation of the project, Improved Compliance with Labor Laws in Georgia (ICLLG). The effective date of the agreement is December 31, 2013 to December 30, 2016.

As set forth in the Cooperative Agreement, the project purpose or development objective (DO) is to achieve improved compliance with labor laws in Georgia. To meet this, two immediate objectives (IOs) ground the project's development hypothesis that states:

*If Georgian government (GOG) capacity is built to enforce labor laws and international labor standards (IO1) **and** workers' organizations can effectively represent workers' rights and interests (IO2), **then** compliance of labor laws in Georgia will be improved (DO).*

The major efforts that drive ICLLG's development hypothesis thus far are: assessments (e.g., legal, labor inspectorate and training and organizational needs), strategic planning and training.

ICLLG works closely with two primary stakeholders linked to each of the IOs: MOLHSA for IO1 and GTUC for IO2. Other key social actors such as the Georgian Employers' Association (GEA)<sup>1</sup> do not receive significant and direct ICLLG interventions; yet, the project does partner with GEA in IO1 by facilitating their input into project materials and meetings and trainings. While ICLLG has also attempted to interact with other employers' associations (i.e., American Chamber of Commerce [AmCHAM] and the Business Association of Georgia [BAG]), there has not been the level of collaboration and partnership needed to advance the project.

The Georgian historical and political contexts are complex and play a significant role in affording the project success and advancements in labor rights. Perhaps like no other country in the world right now, Georgia's labor regime remains in a process of modernizing and fully meeting international labor standards. As the country continues to shake off the legacy of the Soviet Union, the corruption and abuse of power that previously existed, continues today to foster a strong sentiment of fear and opposition among key government and business actors. This has limited and delayed the level of advancement of a Georgian labor regime that meets ILS.

To mitigate these fears, Georgia's first elected party post-Soviet Union, the United National Movement (UNM), adopted a new labor code in 2006 that was based on the assumption that deregulation of labor would attract investment and create jobs. The code not only erased previous laws on collective agreement, regulation of labor disputes and employment conditions, but also dismantled the Labor Inspectorate and Employment Agency and dissolved the Georgia Labor Administration. This, along with UNM's economic policy of labor market deregulation, eroded industrial relations and pushed employees' associations to the brink of extinction.

The Georgian Dream Coalition (GDC), elected from 2012 to present, is attempting to counterbalance UNM's policies by taking first-steps toward an ILS-compliant labor regime, via:

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<sup>1</sup> GEA is the Georgian employers association representative to the International Organization of Employers (IOE).

- **2013 Amended Labor Code (LC):** This was seen as a big step in reversing UNM’s 2006 LC. It aims at improving employees status in Georgia through key provisions that include: widening scope of preexisting anti-discrimination protections; shifting burden of proof to employer in terms of contracts, salary and employees’ right to organize; decreasing work time to 40 hours per week for ‘general services’; introducing a 48 hour work week for ‘special services’; and, establishing the Tripartite Social Partnership Commission (TSPC)<sup>2</sup>.
- **2015 Amendment to Combating Human Trafficking Law:** This was spurred by Georgia’s desire to obtain visa liberalization with the European Union (EU) and fulfill requirements of the Visa Liberalization Action Plan. The amendment gives the MOLHSA the authority to inspect labor conditions in cases “revealing the features of human trafficking”.
- **2009 Law on Control of Entrepreneurial Activities:** Authorizes a ‘controlling body’ to inspect entrepreneurial activities (including entering an enterprise, inspecting enterprise and quality of production, and sealing the property) only by order of a judge.
- **National Human Rights Strategy & Biennial Action Plans:** The GOG’s National Human Rights Strategy is in place for 2014-2020 and contains a National Human Rights Action Plan (NHRAP), which is prepared biennially by the Human Rights Secretariat. ICLLG has provided input to the 2014-15 action plan and is doing so again for 2016-2017. The NHRAP includes Chapter 21 “Labor Rights”, which is based on the MOLSHA Strategy and Action Plan—also developed with ICLLG input. Under the section, “Protection of the right to work in accordance with ILS”, there are five priorities: labor legislation development; ILO conventions’ implementation; implementation of LC changes; implementation institutional labor rights reforms; and, international cooperation.
- **EU/ Georgia Association Agreement:** Ratified in 2014, this treaty targets a number of key cooperation areas. Among them, Article 299 focuses on labor rights and lays out specific directives and timetables for legislation and practices (see 3.3.2 below).

With the adoption of 2013 LC, there was optimism among the international community that Georgia would be ushering in a labor environment in line with ILS. Two years later, however, little has been achieved and by some accounts there is backsliding, particularly in recognizing and complying with employees’ labor rights. The reality since 2013 shows small and disparate steps by the GOG to advance labor legislation and compliance according to ILS. And, such steps have not met initial expectations and optimism when ICLLG was first designed and launched.

Currently, there remain critical normative steps to allow Georgia to fully-focus on compliance; they include: (a) harmonizing over 200 pieces of labor legislation that date back to the Soviet Union; (b) strengthening the LC’s gaps and imprecisions (e.g., minimum wage, clarity around weekly maximum hours and when overtime begins); (c) drafting and adopting labor inspectorate legislation; (d) drafting legislation for a mediation mechanism to address disputes over fundamental collective labor rights, such as freedom of association and the right to organize; and (e) establishing a quasi-judicial or judicial authority empowered to issue “cease and desist” orders to counteract unfair labor practices.

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<sup>2</sup> The TSPC is comprised of GOG, employers associations and employees associations – each group having six seats. Decree No. 277, adopted in July 2015, provides a new TSPC composition on the employers side as follows: 2 seats to GEA; 2 seats to BAG; 1 seat to Georgian Small and Medium Enterprises Association (GSMEA) and 1 seat to Women’s Employers’ Association.

## II EVALUATION PURPOSE AND METHODOLOGY

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### 2.1. Evaluation Purpose

The overall purpose of the ICLLG external mid-term evaluation is to provide USDOL and ILO with an independent appraisal of the project's performance and experience thus far. The results from this evaluation are intended to guide USDOL and ILO in determining whether the project is on track to achieve its stated objectives and outputs as well as identify lessons learned from the program strategy and project implementation. Based on this, recommendations for mid-course corrections will be provided in effort to further support ICLLG success.

USDOL developed a set of 12 questions to guide the evaluation. The questions seek answers under six framing areas: (1) Project Design; (2) Relevance and Strategic Fit; (3) Project Progress and Effectiveness; (4) Efficiency of Resource Use; (5) Effectiveness of Management Arrangements; and, (6) Impact Orientation and Sustainability. The evaluation purpose, evaluation questions and timeline appear in the TOR in Annex A.

### 2.2. Methodology

A mixed-method approach drove primary data collection, whereby data were collected in-country using qualitative and quantitative instruments. Secondary research was also performed to complement primary data and enable triangulation. This was done both to validate information obtained as well as illuminate further findings. While the interview protocol allowed flexibility for expanding or pinpointing information, a foundation set of questions were used to allow comparability across informants' responses.

**Evaluation Schedule.** The evaluation was conducted between October 19 and January 15, 2016. During October, the evaluator collected and reviewed documents, developed interview protocols and a quantitative scorecard, and prepared for fieldwork. Fieldwork was conducted in Georgia from November 9-17. And, data analysis and report writing occurred from November 17 – January 15, 2016.

**Data Collection and Analysis.** As part of its TOR, USDOL developed a list of 12 evaluation questions that guided the design and analysis of the evaluation. These questions were used to develop guides, protocols and a scorecard for the key informant interviews, focus groups and document reviews. The master interview protocol and rapid scorecard are listed in Annex B. The following methods were employed to collect and analyze primary and secondary data.

*Document Reviews.* The evaluator collected and examined a variety of project documents and other reference publications, including: USDOL project document, proposals, technical progress reports, work plans, stakeholder strategic plans, assessment reports, data tracking form, M&E training reports and project budget. See Annex C for the complete list of documents reviewed.

*Key Informant Interviews.* 20 semi-structured interviews were realized with a diverse group of project stakeholders: USDOL, ILO, GOG, GTUC members, employers' associations and international non-governmental organizations (INGOs).

*Focus groups.* Three focus group interviews were realized with key ICLLG-beneficiaries: judges, future inspectors, mediators and GTUC educators.

*Scorecards.* ‘Rapid Scorecards’ were distributed to all informants and consisted of two major questions: one related to perceptions around management effectiveness (USDOL evaluation question #9) and the other to identify promising practices (USDOL evaluation question #12). The response rate was high; however, because completed surveys were requested directly after interviews, there was limited complementary qualitative information provided.

*Stakeholders Workshop.* The fieldwork culminated with a presentation, discussion and feedback/validation of preliminary findings with key project stakeholders on November 16, 2015.

*Training Observation:* On November 17, the evaluator conducted an observation of the third in a series of ILO training workshop for future inspectors, “Investigation of Occupational Accidents and Diseases; Risk Assessments and Control of Substances Hazardous to Health; Common Hazards at Construction Activities and Respective Control Measures”.

**Sampling Methodology.** There was a purposeful, non-random sampling methodology to select respondents. ILO staff in Georgia identified and scheduled informants. Table 1 reveals the sample characteristics and size of the evaluation sample (see Annex D for persons interviewed).

**Table 1: Total Evaluation Sample**

Population	Method	Sample Characteristics	Sample Size
USDOL	Semi-structured interview		2
ILO Georgia & Geneva	Semi-structured interview	CTA, M&E, Finance and Senior Tech. Advisor	4
GOG officials	Semi-structured interview; Scorecards	Head & Deputy Head of Labor and Employment Policy, MOLHSA; Senior Specialist, MOE	3
US Embassy	Semi-structured interview	Political Officer	1
Future Inspectors	Focus group interview; Scorecards	MOLHSA	13
Employers’ Associations	Semi-structured interview; Scorecards	Vice President GEA; Executive Director, AmCHAM; Deputy CEO, BAG	4
Mediators	Focus group interview; Scorecards	MOLHSA	4
GTUC	Semi-structured interview; Scorecards	President of Transport Trade Union; President of New Georgian Railway Union; President of Metallurgical Trade Union, President of GTUC	3
ILLCG Trained Union Educators	Focus group interview; Scorecards	GTUC	8
High School of Justice (HSOJ)	Semi-structured interview	Head of Administration, HSOJ	2
ILLCG Trained Judges	Focus group interview; Scorecards	Ministry of Justice	3
Public Sector Actors	Semi-structured interviews; Scorecards	Human Rights Secretariat, Prime Minister’s Chancellery; Head of Civil, Socio-Economic and Cultural Rights Program, Public Defender’s Office	4

Population	Method	Sample Characteristics	Sample Size
INGOs	Semi-structured interview; Scorecards	Country Director, Fridrich Ebert Stiftung; USDOL Project Manager; CEO, Solidarity Center	3
<b>Total Sample Size</b>			<b>54</b>

Of the total sample size, 50 percent of informants were GOG employees; 20 percent were from workers’ associations; and, 7 percent were affiliated with employers’ associations. This is seen to be a representative evaluation sample considering ICCLG’s results framework, which has a strong programmatic mandate to build the capacity of GOG (IO1). Even though there are no specific results that include employers’ associations, a key group (albeit small) was included in the study. Finally, 46 percent of informants were female, while 54 percent were male—demonstrating a balanced demographic profile in the evaluation sample.

**Data Analysis:** Data analysis was iterative across the evaluation; however, its emphasis initiated in earnest during the Stakeholders Workshop on November 16, 2015. During this time, the evaluator began analyzing data collected during the 10-day fieldwork phase and put forward preliminary findings to the convened group for reactions, recommendation or further input. Data were then further cleaned and organized under each USDOL question in a matrix. This allowed content and frequency analyses and facilitated the triangulation of data. Quantitative data from ‘rapid scorecard’ responses were placed into an Excel document, where the mean, median and mode of each question were obtained.

**Limitations.** This evaluation had a number of limitations that warrant recognition.

- **Potential Sample Bias:** While purposeful and non-random, the sample was identified and mobilized by the ILO. The evaluator and USDOL were able to review and comment on a draft list of informants; however, only topical input was provided. It should be noted that identifying the research sample is required of implementing partners by USDOL. However, this nonetheless represents a potential risk for sampling bias.
- **Time & Scope:** The TOR calls for eight days for fieldwork. This, and one evaluator collecting information, limits the ability to reach a broader sample.
- **Attributing Change:** As this is a performance evaluation, directly attributing changes in beneficiaries as a unique result of the ICLLG programs may not be plausible.
- **Performance *not* Impact Evaluation:** The primary and secondary information gleaned will serve as the body of evidence that will lead to an evaluation of project performance, not measure its impact. The accuracy of findings and relevance of recommendations are predicated on the integrity of the primary and secondary information provided.

## III FINDINGS

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The following findings are based on a review of key project documents and interviews conducted during the fieldwork phase. They address key questions listed in the TOR and are presented according to the six major evaluation categories: validity of project design, relevance and strategic fit, project progress and effectiveness, efficiency of resource use, effectiveness of management arrangements, impact orientation and sustainability.

### 3.1 Validity of Project Design

Project design is perhaps the most critical point in a project's lifecycle where success can be assured. And, whether done successfully or not, it has a lasting legacy on the project.

USDOL's 2013 Management Procedure and Guidelines (MPG) identifies a results-based approach as the foundation of design, planning and implementation, as follows:

ILAB/OTLA uses a results-based design approach for its technical assistance projects. Results-based design looks beyond activities and outputs and focuses on results. The planning process emphasizes cause and effect linkages and provides for monitoring that tracks progress towards results. Working with USDOL's Grant Officer's Representative (GOR) and project stakeholders, the Grantee outlines the goals and objectives of the project; identifies activities that support the stated goals and objectives...This includes, as part of the Project Document, the development of a Results Framework (RF), Performance Monitoring Plan (PMP), work plan, and outputs-based budget. ...The Results Framework should serve as the nucleus of the overall project design and the framework of the Project Design Document.<sup>3</sup>

Following this guidance, USDOL's *Georgia Project Description* (July 2013) officially initiated the design process and consisted of the following major results: (1) goal: to achieve improved compliance with labor laws in Georgia; (2) Objective #1: improved government enforcement of labor laws and respect for international labor standards; and, Objective #2: improved effectiveness of worker organizations in representing workers' rights and interests; and, (3) 'focus areas' framed as four lower level results under the first objective and two under the second objective. Equally important, the Project Description also required, among other things, that proposals possess narrative and graphic forms of a results framework.

Based on these guidelines, ILO responded in their *Project Document* (October 2013) with an ICLLG RF that consists of a DO, two IOs and seven IO1 outputs and four IO2 outputs (further discussed below). Noteworthy, is that while weaknesses are seen in the ILO RF it is considered as responsive to USDOL's initial design guidance.

With respect to project design validity, there are three major deficiency-areas: (a) initial design layout; (b) RF causal relationships (horizontal and vertical logic); and, (c) result statements.

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<sup>3</sup> Management Procedures & Guidelines for USDOL/ILAB/OLTA Cooperative Agreements with ILO, FY 2013, pp.7-8

## Initial Design Layout Weaknesses (USDOL)

USDOL is seen to have followed MPG results-based guidance in laying out the project design in its Solicitation for Cooperative Agreement Application (7/29/13)—also referred to as the *Project Description*. However, under section I, B “Objectives and Expected Outcomes” of this solicitation, there are considered to be two key weaknesses:

- **Overly Ambitious Goal:** Based on ICLLG’s timeframe and available resources (three years and US\$ 2 million respectively), USDOL’s original goal, which targets compliance of labor laws, is too far advanced for attainment. While critically important, at this current moment in Georgia there are insufficient normative and institutional frameworks upon which to base a unique focus upon compliance. Thus, aiming singularly on compliance as a project goal is seen as drawing programming and resources away from pressing ‘at source’ labor needs, including: (a) significant gaps around ILS-consistent normative and legislative frameworks; (b) lacking institutional mandates and non-existent labor compliance bodies; (c) a non-functioning TSPC; and (d) an undeveloped ‘labor culture’ in Georgia that does not yet embrace rights at work, safe workplaces and decent work opportunities.
- **Missing IO Focus on Employers & TSPC:** There is a missing programmatic mandate that focuses on improving the capacity of employers’ groups and the TSPC they are part of. An additional IO is, therefore, seen as necessary and sufficient to enable the needed normative and operational advances in the area of labor as well as to remove currently existing barriers preventing such. And, even though the EU is funding a 2015 project focusing on Georgian employers and the TSPC (see 3.5 for more detail), this design gap is considered relevant and important as: (a) ICLLG was designed in 2013 and implementation has been ongoing for at least a year until the EU project came on-line; and, (b) employers possess strong credibility in the GOG and a high level of influence on its policies and actions.

## RF Causal Relationship Weaknesses (ILO)

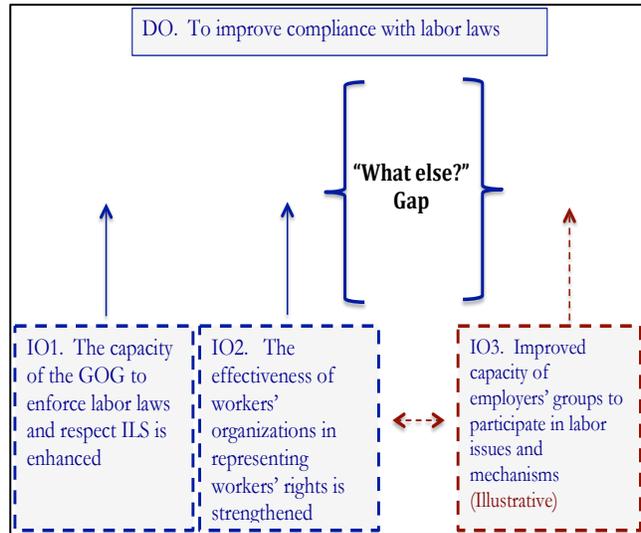
ILO was seen as generally responsive to USDOL’s initial project design guidance within its technical proposal (10/11/13)—referred to as the *Project Document*. Under section 2 “Objectives and Expected Outcomes” the ILO designed a results framework that had a DO of “Improved Compliance of Labor Laws in Georgia” and two IOs (IO1 focusing on improved GOG capacity to enforce labor laws and IO2 focusing on the effectiveness of workers’ organizations in representing workers’ rights). In support of these objectives, the ILO designed seven ‘outputs’ that fed into IO1 and four for IO2.<sup>4</sup>

However, in looking at ILO’s design of the ICLLG RF and its logical relationships, there are two interrelated weakness: a gap in horizontal logic and a missing middle in vertical logic.

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<sup>4</sup> Under Objective 1 (Section I, B) of the USDOL *Project Description*, it states: “Applicants must propose an approach for each focus area listed below. Applicants may also propose a project that includes other focus areas that support the achievement of Objective 1.” Four ‘focus areas’ are then listed under Objective 1. While the term ‘focus areas’ is vague, the evaluator interprets them to correspond to lower level results versus that of IOs or a DO. ILO is seen to have complied with this guidance by proposing other focus areas or lower-level outputs from those listed on pp. 6-7 in the USDOL *Project Description*.

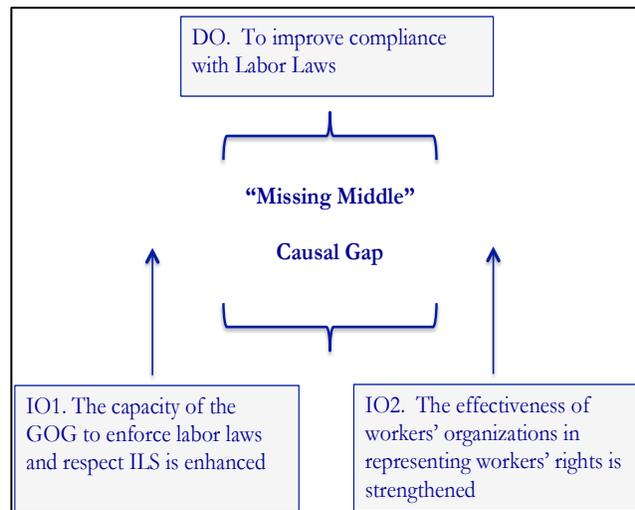
**Figure 1. RF Gap in Horizontal Logic**



**Fig. 1:** There is a “what else?” gap in IO horizontal logic when the question is asked: are the IOs necessary and sufficient to achieve the DO?

- IO Horizontal Logic & Coherence:** In focusing on the horizontal IO to IO relationship, and stemming from a missing IO focus on employers in USDOL’s *Project Description*, there is a “what else?” gap (fig. 1). An additional IO that focuses on employers and TSPC is considered to be necessary and sufficient to allow a causal effect from IO to DO level. As confirmed by numerous informants, an original IO was needed for ICLLG to: (i) provide tailored services to employers’ groups such as GEA, BAG and AmCHAM; and (ii) more strategically concentrate on operationalizing the TSPC they are part of (the TSPC has only met once on 5/1/14 since its establishment in 2013). The fact that the ICLLG RF did not have an IO-level result dedicated to employers’ associations or the TSPC they are a part of, has contributed to delay, false starts and frustration experienced in advancing IO1 results in particular.

**Figure 2. RF Gap in Vertical Logic**



**Fig. 2:** There is a causal gap in if/then logic from IOs to DO, considered the “missing middle”

- Vertical Logic & Coherence:** In focusing on the vertical IO to DO relationship, there is a casual logic (if/then) gap. GOG capacity to enforce labor laws and GTUC effectiveness in representing workers does not, by themselves, lead to improved compliance. Improved capacity is a lower level result, as it implies attainment of knowledge, skills or abilities. What it does not yield is behavior change, which is the missing middle (fig.2). Thus, there is a need for a series of higher results that emanates from the current ‘IOs’. For IO1, causal results from increased GOG capacity could include: increased allocation of GOG resources (human and financial) for compliance-related efforts; presentation of an inspectorate law to Cabinet of Ministers; installation of independent inspectorate or mediation bodies; or, improved effectiveness of TSPC. For IO2, causal results could include: increased GTUC membership; increased use of collective bargaining and mediation; improved rulings for workers in labor disputes; or, increased new youth leaders among GTUC affiliate organizations. This “missing middle” of results is causing a hyper-

focus on outputs and limiting a vision of outcomes once GOG and GTUC capacity is achieved.

### Results Statements Weaknesses (ILO)

The importance of results statements, or the way results read cannot be overemphasized. Results should be one-dimensional (one unit per result statement) and defined by precise and measurable statements to be achieved. Following MPG FY 2013 guidance, there are a number of weak or incorrect statements in ILO’s DO, IO and output results.

- **DO & IO Statements:** The DO describes the impact or “big picture” changes that a project hopes to achieve. The IO describes specific changes the project hopes to bring about. IOs should contribute to progress in reaching the DO and are more concrete, precise, and measurable.<sup>5</sup> Table 2 shows weaknesses in DO and IO statements and options to improve:

**Table 2: DO & IO Weaknesses**

Original Statement	Weakness	Strengthening Options
DO Improved Compliance with Labor Laws and Respect for ILS is Enhanced	1. Multidimensional result: Improved compliance w/ laws <i>and</i> Enhanced Respect for ILS. 2. Who will comply? Requires further definition.	Strengthen statement to: “Improved labor law compliance by tripartite social actors (or GOG)”
IO1 GOG capacity to enforce labor laws and respect ILS is enhanced	1. ‘Enhanced’ is difficult to measure. 2. GOG requires further precision. 3. Respect needs further defined as to what it means and how to measure change.	Strengthen statement to: “Increased capacity of the DOLEP to enforce labor laws that respect ILS.”
IO2 The effectiveness of workers organizations in representing workers' rights and interests is strengthened	1. Strengthened is difficult to measure. 2. ‘Effectiveness’ is associated with behavior and typically on a higher level than ‘capacity’; it can be seen as an if/then relationship: if capacity, then effectiveness. Yet, IO2 is on same level as IO1. 3. Workers organizations require further precision.	Redo statement to square with IO1, such as: “Increased capacity of workers organizations to represent workers' rights and interests”

- **Output Statements:** Outputs are the immediate and tangible products produced by a project activity.<sup>6</sup> The leeway for determining an output depends on the project goal and context. Table 3 identifies weaknesses in the 12 output statements and options to improve.

**Table 3: Output Weaknesses**

Original Output Statement	Weakness	Strengthening Options
<b>IO1 The capacity of the GOG to enforce labor laws and respect international labor standards is enhanced</b>		
1.1 Strategy and action plan for enforcing labor legislation developed by GOG in consultation with social partners is available.	Reads like an activity and tells the ‘how’.	Strengthen statement to: “Strategy and action plan to effectively enforce labor laws established.”

<sup>5</sup> Ibid, pp.9-10

<sup>6</sup> Ibid, p.10.

Original Output Statement	Weakness	Strengthening Options
1.2 Info. and awareness raising tools on LC have been made available to workers and employers	“Made available” is weak and difficult to measure.	Strengthen statement to: “Increased information and awareness tools on LC for GOG staff”
1.3 A labor inspectorate has been established in conformity with ILS	While typically considered an output (i.e., establishment of an entity), based on the Georgian context, this statement is too high. It assumes significant capacity and political will within the GOG and MOLHSA in particular.	Place result above IO1.
1.4 The capacities of the labor inspectorate to effectively enforce Labor Code provisions are developed	1. “Developed” is difficult to measure. 2. With ‘capacity’ in this results statement, it should minimally be at same level as IO1. Yet, this result is higher than IO 1 as MOLHSA needs further capacity and political will before it can stand up (current 1.3) and adequately support an inspectorate.	1. Strengthen statement to: “Increased capacity of the labor inspectorate to effectively enforce LC provisions”; and 2. Place result above IO1
1.5 The Georgian Court System is more knowledgeable about the Georgian labor legislation and the judicial use of ILS	Based on the context and the ICLLG RF, this is not an output statement. It assumes attainment of knowledge, which is beyond the definition of an output. It also states that the ‘system’ will be ‘more knowledgeable’, thus implying an increase in capacity—similar to IO1.	1. Strengthen statement to: “Georgian court system trained on labor legislation and judicial use of ILS”; 2. Or, to “Increased knowledge of the Georgian court system about labor legislation and the judicial use of ILS”
1.6 Capacities of the labor mediators and awareness of the social partners on the benefits of mediation to prevent and resolve labor disputes are reinforced	1. “Reinforced” is difficult to measure. 2. This statement is multidimensional: on one hand ‘capacity of labor mediators’ needs reinforced, and on the other, ‘awareness of social partners on benefits of mediation’. Multidimensional results presents challenges for measurement (i.e., setting indicators for both dimensions) and achievement (i.e., how do we know when the result is met?). 3. Based on the context and ICLLG RF, it is too high for an output. With ‘capacity’ in the statement, it should minimally be at same level as IO 1. Yet, in reality this result is higher than IO 1 as it is known that MOLHSA needs further capacity and political will before it can stand up and adequately support a mediator unit.	1. Divide into two: (a) “Increased ability of mediators to resolve labor disputes”; and (b) “Improved awareness of social partners on mediation” and place improved results above IO1. 2. Set indicators for both results and be mindful of any potential additional activities and resource streams needed. 3. These two results can also be shaped into indicators for IO1.
1.7 GOG's capacity to address labor trends and issues is consolidated by introducing policies and programs consistent w/ ILS	1. Consolidated is difficult to measure 2. Based on context and the ICLLG RF, this is not an output statement. With ‘capacity’ in this results statement, it should minimally be at same level as IO1.	Strengthen statement to: “Increased ILS-consistent policies or programs adopted y the GOG”
<b>IO2 The effectiveness of workers organizations in representing workers' rights and interests is strengthened</b>		
2.1 A strategy and action plan developed by GTUC and affiliated unions to improve capacities in representing workers' rights & interests available	Reads like an activity and tells the ‘what’	Strengthen statement to: “a strategy and action plan to effectively support local affiliates established”

Original Output Statement	Weakness	Strengthening Options
2.2 Capacities of GTUC at recruiting, communicating and educating members to better represent workers' rights and interests are strengthened	<ol style="list-style-type: none"> <li>1. “Strengthened” is difficult to measure.</li> <li>2. This statement is multidimensional with capacities in recruiting, communicating and educating.</li> <li>3. Based on the context and the ICLLG RF, this is not a statement at output level.</li> </ol>	Consider placing these as IO2 indicators: “# of recruiting plans developed”; # of Communications plans developed”; “# of education plans developed”
2.3 Capacities of GTUC and its affiliates to serve their members' needs in labor relations are reinforced	<ol style="list-style-type: none"> <li>1. “Reinforced” is difficult to measure</li> <li>2. Based on the context and the ICLLG RF, this is not an output statement. An argument can be made that this statement is close if not duplicative to IO 2.</li> </ol>	<ol style="list-style-type: none"> <li>1. Delete; or</li> <li>2. Strengthen result to: “Improved outcomes for workers in labor disputes” and place above IO2.</li> </ol>
2.4 Emerging trade union leaders have been nurtured to effectively exercise growing influence and occupy key functions within GTUC & affiliates.	<ol style="list-style-type: none"> <li>1. “Nurtured” is difficult to measure</li> <li>2. This is also questionable as a results statement.</li> </ol>	Strengthen result to: “Increased new trade union leaders occupying key functions in GTUC and local affiliates” and place above IO2.

In sum, the current output statement weaknesses are causing a level of programmatic tension with respect to: ‘what activities to prioritize?’; and, ‘how results can be achieved and by whom?’. As per above, many of the current output statements can either be transformed into IO indicator statements or positioned as results above the two IOs (i.e., 1.2, 1.3, 1.7, 2.3 and 2.4).

## 3.2 Relevance and Strategic Fit

This evaluation category contains findings for two areas: (1) stakeholder-needs vs. interventions; and, (2) Generalized System of Preferences (GSP) and EU Association Agreement (AA) compliance.

### 3.2.1 Key ICLLG Stakeholder Needs & Fit of Project Interventions

Since inception, the ICLLG project’s two primary stakeholders have been the GOG and the GTUC. The needs of these key stakeholders, as well as groups within them and employers, are presented below. After each overview of needs, a summary statement will rate the project’s strategic ‘fit’ in meeting their needs via a scale of low, moderate, above-moderate or high.

**GOG Needs:** Four key GOG stakeholders warrant specific focus: MOLSHA, future inspectors, mediators and judges as trained within the High School of Justice (HSOJ).

- **MOLSHA:** In January 2013 a new structural unit – Department of Labor and Employment Policy (DOLEP) was established within MOLHSA. In particular, MOLHSA’s needs and positions are dynamic and in flux. The Ministry has been plagued with high turnover among key staff: since project initiation there have been five different Deputy Ministers and two different Heads of DOLEP. As well, MOLHSA’s Minister is a doctor whose comfort area rests in the health-sector versus the technicalities of labor. With this last point in mind, one piece of legislation the Ministry is getting behind and developing is a labor and occupational safety and health (OSH) policy. A recent legal review carried out by ILO found that, “Georgian labor legislation fails to provide any adequate regulation on OSH”. Equally important, legislation does not allow for any effective mechanism for enforcement of OSH or

minimum labor standards—be they restrictions on fixed term employment contracts or working hours, overtime work remuneration or prohibition of discrimination.”<sup>7</sup> In regards to prioritized needs, the Head of DOLEP identified the following for 2016: (i) Adopting OSH and labor rights legislation; (ii) operationalizing the inspectorate; (iii) raising awareness on the inspectorate and mediation; (iv) supporting the Tripartite Commission to function; and (v) intensive cooperation with GEA on labor inspection.

- ***ICLLG Fit:*** ICLLG-interventions are seen as moderate in meeting MOLHSA/DOLEP’s needs. MOLHSA informants consider the project technically relevant; yet, there are gaps in the programmatic emphasis and/or strategic direction of IO1 outputs as they correspond to DOLEP’s priority needs of raising awareness, supporting the TSPC, and facilitating cooperation with GEA and other employers’ groups. Another gap is that there is no outputs that mandate a specific focus on improving the labor code, creating labor standards or drafting laws. Even though ICLLG has worked with the GOG to improve labor legislation (e.g., supporting OSH law, advising the Parliamentary Committee on amendments to LC for inspection and enforcement and developing a position paper on anti-discrimination and gender issues revision process in the LC), it cannot report these efforts against specific ICLLG results and corresponding indicators. It is important to note that MOLHSA’s needs are dynamic and politically driven. And while staff turnover has complicated ICLLG efforts to meet needs, the project has been diligent and flexible in doing so.
- **Future Inspectors:** Currently there are 25 ‘future inspectors’ that have been hired on an annual contract by MOLHSA (which is due to be renewed in January 2016). There are also 25 reservists that participate in ICLLG trainings. While, ICLLG was instrumental in supporting the recruitment and selection of this cadre, their situation is challenging, as there is no institutional mandate or legislation to legitimize their existence or actions. Based on a Prime Minister’s decree for a “State Monitoring System”, the inspectors are only able to audit the OSH environment of businesses on a voluntary basis, and have no sanctioning power. Since July 2015, 75 voluntary inspections have been conducted. (24 state and 51 private sector) Prioritized needs as articulated by future inspector informants include: (i) adequate legislation and mandate for an independent, autonomous and mandatory inspectorate; (ii) improved qualifications of future inspectors; (iii) increased social cooperation with social partners; and (iv) communication campaigns that transfer that inspectors are not enemies of business.
- ***ICLLG Fit:*** ICLLG-interventions are seen as moderate in meeting the future inspectors needs. While the project is seen as creative and flexible in offering training interventions to this group (recruited as of June 2015), lack of legislation and cooperation amongst social actors is seen to limit effectiveness of educational interventions. Given there are no legal or institutional mandates for a labor inspectorate or specific OSH and labor rights laws, training cannot be tailored to country-based laws that establish or mandate inspection. ICLLG has developed ‘training checklists’ to guide training and support inspection efforts under the State Monitoring program; however, they are no substitute for a country specific inspection regulations, standards and laws. On November 17, 2015, the

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<sup>7</sup> Daza, Jose Luis, “Assessment of Georgian Legislative Framework on Enforcement of Labor Rights and Occupational Safety and Health Regulation, Tbilisi, Georgia, May 12-17, 2014, p 3.

evaluator attended the third of three trainings for future inspectors, where this finding was confirmed: inspectors have numerous questions on application and until there is adequate legislation, these needs cannot be met. Overall, they expressed appreciation for ICLLG trainings, even though there was consensus among focus group informants that trainings are too general and “just a drop in the ocean”. For the final project year, it will be important to prioritize resources and efforts in a manner that secures legislation, establishes an institutional mandate and changes perceptions of key social actors.

- **Mediators:** Currently, MOLHSA has four labor mediators and four reservists. Yet, in the absence of a functioning TSPC, mediators cannot officially be approved. Mediators are, therefore, considered special representatives of the Minister. Mediator informants expressed frustration with maintaining full-time employment and leaving it to luck or fate to participate in mediation efforts when called upon. Not only is this challenging for the individual mediators, but also for their legitimacy as a collective. For example, in the two most recent cases (Georgian Railway and RMG Copper/Gold), it took respectively five and seven contacts before appointing a mediator.<sup>8</sup> Overall, mediators expressed priority needs around: (i) changing temporary employment status; (ii) improving legal challenges of being mobilized only if collective bargaining has taken place, which is not a widespread practice in Georgia; (iii) obtaining institutional and independent mandates as well as a physical location; and (iv) improving awareness of collective bargaining among the mediator cadre as well as employers.
- **ICLLG Fit:** ICLLG-interventions are moderate in meeting the mediator groups’ needs. Similar to the future inspectors, mediators do not have the mandate, dedicated resources or respective laws in place to facilitate the mechanism. Additionally, they are not yet officially approved. Nonetheless, ICLLG has offered an initial 11-day training, a refresher training and two lessons-learned workshops. Also, real-time coaching to mediators has occurred during eight total conciliations in five companies, with four—Georgian Railway, Poti Port, Tbilisi Transport Company and RMG Copper / RMG Gold—concluding with a signed agreement. Taken as a whole, the issues surrounding mediators again raise questions on the strategic emphasis of project interventions and resources in year three. While building capacity is important, priority should be given to achieving ‘at source’ needs such as securing an institutional mandate and management structure for mediators; advocating for a budget for full time staff and/or infrastructure; and placing priority effort in raising awareness on collective bargaining among employers as well as unions (as per output 1.6).
- **HSOJ & Judges:** Georgian law establishes a three-tier court system comprised of common courts, regional courts, and the Supreme Court. In addition to the Supreme Court, Georgia has 19 district courts (common or first instance courts) and seven city courts of appeals (regional courts). The High School of Justice (HSOJ) trains candidate judges, judges, assistants to judges and other court staff. Since 2014, ICLGG and HSOJ have combined efforts to train judges on labor rights, ILO conventions and international labor standards. According to judge informants, their needs around labor are: (i) educate and raise public profile and awareness on

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<sup>8</sup> Lecourt, Roger, “Mission Report – Part 1, Assessing the Labour Mediation Machinery”, October 6-18, Tbilisi Georgia, p. 9.

labor rights; (ii) put ILS into practice; (iii) train common court judges across Georgia; and (iv) prepare for an increased caseload once ILS are recognized and applied in Georgia.

- ***ICLLG Fit:*** ICLLG-interventions are high in meeting the needs of judges. ICLLG and HSOJ have delivered three different courses to over 50 regional court judges. Anecdotal evidence points to these judges increasingly adjudicating in favor of employees in labor disputes and using language present in ILO conventions. Currently, there is a small voluntary working group of female judges that is creating a manual, which documents Georgian labor rights and ILS judicial practices. Once finished, and complementing the manual, a training of trainers (TOT) program will be designed and delivered to empower local judges to practice according to ILS. ICLLG Output 1.5 focuses on building the capacity of the Georgian court system and is seen as doing so in an effective and sustainable manner via HSOJ.

**GTUC Needs:** GTUC is the only national trade union in the country. It is composed of 19 sectoral unions and three territorial federations of the unions. As of 2014, GTUC total membership was 149,593 members, 83,570 of which pay dues.<sup>9</sup> The project offers four major focus areas that synch with the IO2 outputs. Under output 2.1, a SWOT analysis conducted in March 2015, revealed the following GTUC needs: (i) regaining union membership in public and private sectors; (ii) establishing a labor relations department to best support labor dispute resolution; (iii) becoming a credible and influential force on public policy; (iv) strategic leveraging of external communication mediums; (v) improvement of financial base; (vi) strengthening human resource system and policies; and, (vii) involving and empowering youth and women. Based on these needs, a 2015-17 GTUC strategic plan was developed that possesses 10 corresponding objectives.

- ***ICLLG Fit:*** ICLLG-interventions are above-moderate in meeting GTUC's needs. Specifically, the four IO2 outputs are relevant to a number of GTUC's strategic needs. GTUC leadership and representatives from some affiliate unions expressed appreciation and satisfaction with the project's interventions and focus. However, union educators instructed in a TOT course expressed a need for further ICLLG training as well as opportunities to deliver the trainings. Overall, it is considered important to monitor the commitment of GTUC leadership in carrying out the action plan, which has been developed to realize the 2015-2017 GTUC strategic plan.

**Employers' Needs:** The major business associations in Georgia consist of GEA, AmCHAM, BAG, and the International Chamber of Commerce (ICC). AmCHAM and BAG have been particularly active in advocating that the GOG reverse, dilute or avoid ILS-consistent legislation.<sup>10</sup> This has notably been the case in the establishment of a labor inspectorate. These two groups believe that the legal establishment of an inspectorate, which has the mandate to inspect and sanction labor rights issues, is too advanced for Georgia considering its past Soviet history as well as current GOG human and institutional capacity. AmCHAM and BAG informants indicated that they do not have any connection to ICLLG and little understanding of it. AmCHAM conveyed that its membership is concerned that ILO cannot meet the needs of employers, as they are 'pro labor' and 'affiliated with unions'. The following is a summary of

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<sup>9</sup> GTUC Strategy: 2015-2017, Tbilisi, Georgia, 2015.

<sup>10</sup> It is important to note that the Sarah Williamson, President of AmCHAM and George Chirakadze are husband and wife. BAG was established in 2009.

key needs as expressed by GEA, BAG and AmCHAM: (i) actively engage employers to elaborate future labor policies; (ii) better understand the appropriate behavior to engage in or prevent labor disputes and conduct collective bargaining; (iii) go ‘step-by-step’ with labor rights legislation and the inspectorate and use OSH as a pilot to learn lessons over the next years; (iv) establish standards and laws to guide the inspectorate in OSH piloting; (v) establish an ‘inspectorate performance monitoring committee’ that includes employers’ representatives; (vi) share a detailed plan to introduce an inspectorate into Georgia; and (viii) more communication and collaboration with the ICLLG project.

- ***ICLLG Fit:*** ICLLG-interventions are low in meeting employers’ needs. As the project was not given the programmatic mandate to provide services to employers, its interventions are not designed to purposefully and directly meet their needs. However, triangulated evidence suggests that the project has indeed attempted to include employers’ groups, particularly the GEA, in many of its efforts. A concrete example is that during a training event for mediators, GTUC and GEA alternated leadership each day and would discuss labor issues and practices according to their perspectives. Another is that the third training for inspectors—observed by the evaluation—took place at GEA headquarters with its representative kicking off the event. While these efforts are important, they cannot take the place of direct ICLLG-interventions that target and address the needs of employers’ groups—who are inexperienced in social dialogue. This, combined with a non-functioning TSPC, has challenged achievement of project results and has slowed Georgia’s progress toward realizing an ILS-compliant labor regime.

### **3.2.2 GSP & EU AA Compliance**

The U.S. GSP and the EU AA are two international arrangements that have important potential to foster change in Georgia’s labor regime. Indeed, they represent two separate arrangements with different sets of issues / requirements. Yet, both contain important requisites that will move Georgia from its current labor frameworks and practices to one that more fully complies with ILS. While the GSP consists of a sanctioning petition due to the GOG’s labor rights non-compliance, the EU AA represents requirements (some related to labor) the GOG must fulfill to attain EU permanent membership. With this in mind, and to adequately answer the evaluation question, this section provides an overview of each arrangement followed by an assessment of ICLLG-relevance in supporting the fulfillment of their requisites.

#### **Context & ICLLG’s Relevance for GSP Resolution**

In 2010, the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) petitioned the United States Trade Representative (USTR) to remove Georgia from the GSP trade preference program. Countries and their products must meet criteria to be eligible for duty-free entry under the program. Among the eligibility criteria, beneficiary countries must have taken (or are in the process of taking) steps to afford internationally recognized worker rights, including: right of association; right to organize and bargain collectively; freedom from compulsory labor; a minimum age for the employment of children; acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health; and, a prohibition against the worst forms of child labor.

The 2010 AFL-CIO petition raised three concerns: (1) legal: 2006 labor code's gaps around anti-union discrimination and collective bargaining, among other issues; (2) institutional: abolition of labor inspectorate; and, (3) administrative: GOG was alleged to be hostile to the unions and interfered regularly in elections, dues collections, collective negotiations, and other activities.

On October 15, 2015, the AFL-CIO wrote a follow-up petition to USTR, updating the 2010 submission. This petition argues that, "the GOG has not sufficiently reformed current law and practice to address widespread violations of basic workers' rights and has yet to demonstrate the political will necessary to ensure functional and fair industrial relations". In particular, the petition cited two continuing and serious issues: (1) that the GOG has not yet created a credible, independent labor inspectorate with a mandate to enforce ILS; and (2) the labor code, even with its 2013 amendment, still does not conform to internationally recognized workers' rights.

The project is considered highly relevant in supporting the creation and, once established, capacity of a Georgian Inspectorate. This is obvious in ICLLG outputs 1.3 and 1.4.<sup>11</sup> However, lack of political will has caused insufficient progress on these outputs. And, as of yet a labor inspectorate is not in place that meets ILO convention 81 and other relevant ILS requirements.

In regards to the 2015 petition's second major issue, which cites significant gaps and limitations of the 2013 Labor Code, ICLLG is considered to lack specific programmatic focus. A mandate to address LC-shortcomings is not explicit in the project's RF.

### **Context & ICLLG's Relevance for EU AA Requirements**

The Georgia AA is a treaty between the EU, its Member States and Georgia (as a non-EU country) that establishes a cooperation framework. One of the AA's most touted provisions calls for a "Deep and Comprehensive Free Trade Area" (DCFTA), which aims to integrate Georgia into the single market with priorities for cooperation in areas such as foreign and security policy as well as freedom and justice. Georgia ratified the AA in July 2014. In order to come into force, all EU members must ratify it and, to date, 24 of 28 EU members have done so.

Beyond the DCFTA, there are cooperation areas present in the AA that include: the development of: political dialogue, rule of law, human rights, migration, cooperation against terrorism, and security links. Labor rights are also part of the Georgia AA and most prominent in *Article 229 Multilateral Labor Standards and Agreements*, under paragraph two:

In accordance with their obligations as members of the ILO and the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up, adopted by the International Labor Conference at its 86th Session in 1998, the Parties commit to respecting, promoting and realizing in their law and practice and in their whole territory the internationally recognized core labor standards, as embodied in the fundamental ILO conventions, and in particular: (a) the freedom of association and the effective recognition of the right to collective bargaining; (b) the elimination of all forms of forced or compulsory labor; (c) the effective abolition of child labor; and, (d) the elimination of discrimination

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<sup>11</sup> Between May 12-17, 2014, the ICLLG project, conducted a labor inspection needs assessment for the creation and organization of a labor inspection system. See: "A Labor Inspection System: Assessment and Roadmap", 2014.

in respect of employment and occupation.

The Georgia AA also possesses an important Annex entitled “Employment, Social Policy and Equal Opportunities” that lists specific directives and matching timetables for Georgia to square legislation to EU and international standards. In it, there are three major categories: (1) *Labor Law*: possessing eight directives with corresponding timetables ranging from four to six years; (2) *Anti Discrimination and Gender Equality*: possessing six directives with corresponding timetables ranging from three to four years; and (3) *Health & Safety at Work*: possessing 26 directives with corresponding timetables ranging from four to nine years.

In reflecting on ICLLG’s relevance to the Georgia AA Article 229 and the required legislative changes, there are supportive elements. Specifically, in IO1 (outputs 1.1 and 1.6 in particular) the project has been able to facilitate an Association Agenda (November 2014), where all ministries provided input on priority areas to begin to fulfill EU requirements.<sup>12</sup> As well, the project has been able to train mediators and coach them in conducting mediation processes. For IO2 (output 2.4 in particular) there are specific linkages to Georgia AA Article 229 with respect to freedom of association and the effective recognition of the right to collective bargaining. As well, over the past year the ICLLG has made strong efforts to support the Georgia AA’s “Health and Safety at Work” legislative requirements. This can be seen in the project’s technical support to MOLHSA in drafting an OSH law—even though there has been significant delay in finalizing and presenting it to the Cabinet of Ministers.

### **3.3 Project Progress & Effectiveness**

This evaluation category contains findings for three areas: (1) PMP Relevance; (2) Achievement of Targets and Results; and (3) Stakeholder Engagement.

#### **3.3.1 PMP Relevance to Assess Project Progress**

ICLLG’s PMP is not being optimally used to manage critical project aspects, such as managing against budget, verifying progress against workplan, ensuring progress and assessing expected change. The PMP template, agreed upon by USDOL and ILO, exists in an MS Excel format and possesses the following columns: (i) performance indicator, under which all ICLLG results are listed; (ii) indicator definition, under which indicators are listed for corresponding results; (iii) data source; (iv) data collection method; (v) collection frequency; and, (vi) responsible unit.

In practice ICLLG uses a Data Tracking Form (DTF) in MS Word, also provided by USDOL, to store data and track indicator progress. The DTF is submitted bi-annually to USDOL and lists each indicator, which is organized under corresponding IO1 and IO2 outputs. Each indicator row has a baseline value, indicator target and actual result—divided by quarter starting April 2014.

In consideration of the above, there are seen to be two major weakness areas: (a) performance monitoring instruments; and, (b) indicator statements.

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<sup>12</sup> Labor is a crosscutting element within the six major priority areas. Significant mentions (i) under first priority “Political dialogue and reform” in sub section, “Trade Union Rights and Core Labor Standards”; and (ii) under sixth priority, “Other Cooperation Policies”, in sub section, “Employment, Social Policy & Equal Opportunities”.

## Performance Monitoring Instrument Weaknesses

There are a number of improvement areas in both the PMP and DTF, as follows:

- ✓ **PMP:** not in a plan format. Typically, a PMP is much more than a matrix, specifying how, when and by whom data will be collected. It is a full-fledged plan for collecting, analyzing and using data— all based upon the project’s results framework.
- ✓ **PMP:** indicator definitions are absent on the current PMP template. It is very important to identify precisely what each indicator will measure, its unit of analysis and how/if it will be disaggregated. A good example of a template on which to define indicators is a Performance Indicator Review Sheets (PIRS). The PIRS are typically part of an Annex to the PMP.
- ✓ **DTF:** not on optimal platform. MS Word, as a word processing program, is not an optimal platform in which to store data. An Excel spreadsheet is considered a minimum for storing data as it allows automatic calculation of numbers, tracking simple data, generating charts and graphs, and simple protection of data.
- ✓ **DTF:** quarterly targets. The DTF template has quarterly targets. Setting and measuring targets this frequently can be onerous and may not afford management value. Annual targets allow more realistic understanding between actual and planned achievement.
- ✓ **DTF:** disaggregation weaknesses. The evaluator is unsure if data is being disaggregated as called for the following indicators (as listed below in Table 4): 1.1, 1.2, 1.2.4, 1.3.4, 1.4.1, 1.5.1, 2.3.1, 2.4.1. The disaggregated data is missing from the table and potentially in other locations. If it does exist in other locations, then this is a potential data quality issue. If not, then data collection must be adjusted to comply with the disaggregation plan.
- ✓ **DTF:** inconsistency. DTF indicators are different from those originally put forward in the ILO Project Document (indicators 1.2, 1.5, 1.6, 1.7, IO2, 2.1, 2.2, 2.3). The evaluator found no record of what has been changed, when, why and which is the official set of indicators. This record is important for the project’s M&E integrity. It also affects the direction activities will take and corresponding resource allocation across the project.

## Performance Indicator Weaknesses

Table 4 lists indicator weaknesses and strengthening options (taken from Sept 2015 DTF).

**Table 4: ICLLG Indicator Weaknesses**

Indicator Statement	Weakness	Strengthening Options
<b>DO Improved Compliance with Labor Laws and Respect for ILS is Enhanced</b>		
No indicators developed for DO	*Serious issue: without indicators we won’t know if/when the result is met.	Set adequate number of indicators that measure improved result (see Table 2).
<b>IO1 The capacity of the GG to enforce labor laws and respect international labor standards is enhanced</b>		
1.1 # of labor law violations identified (by sector, region, type of violations)	Indicator is unclear. Unsure if data are being disaggregated.	Define indicator focusing in particular on what ‘identified’ means and which labor law violations are of interest.
1.2 % of labor law violations investigated (by sector, region, type of violations)	Indicator seems similar to 1.1; Measurement seems challenging (i.e., total violations in country?) Unsure if data are being disaggregated.	Further define data collection sources and methods; Or, delete this or 1.1 above, as they are nearly duplicative.
1.3 # of inspection procedures	Indicator statement is confusing.	Strengthen statement to: # of

Indicator Statement	Weakness	Strengthening Options
on labor law violations (recommendations given, sanctions imposed)	Based on parenthesis, seems like object of measurement is on inspection outcomes	inspection actions rendered for labor law violations (disaggregated by type, sanctions, region, sector).
<b>Output 1.1</b> A strategy and action plan for enforcing the labor legislation developed by the GOG in close consultation with social partners is available.		
1.1.1 Strategy and action plan to enforce labor legislation adopted by the government	1. This is not an indicator statement 2. Also, not an adequate # of indicators to measure output 1.1	Strengthen statement to: # of strategies to enforce labor legislation adopted by GOG.
<b>Output 1.2</b> Information and awareness raising tools on Labor Code have been made available to workers and employers.		
1.2.1 Availability of information materials	Not an indicator statement	Delete (this output is seen to have too many indicators).
1.2.2 # of visits to MOLHSA website	Needs precision to specific LC links on website (e.g., FAQ document)	Strengthen statement to: # of visits to labor portal on MOLHSA website.
1.2.3 # of hotline operators trained	Not a direct measure of output; too low	Strengthen statement to: # of trained operators in center for three + months.
1.2.4 # of calls to the MOLHSA hotline (by type - employer or worker and requests)	Unsure if data are being disaggregated.	Develop a simple tracking system and train hotline operators to track calls as they relate to labor.
<b>Output 1.3</b> A labor inspectorate has been established in conformity with ILS.		
1.3.1 Bill creating a labor inspectorate	This is not an indicator statement	Strengthen statement to: # of adopted laws that establish an ILS-consistent inspectorate.
1.3.2 LI organization plan	This is not an indicator statement or direct measure of output.	Delete.
1.3.3 # of labor inspectors recruited	None	None.
1.3.4 # of labor inspectors trained (by gender, type, level)	Indicator is not a direct measure of output. Unsure if data are being disaggregated.	Place indicator under output 1.4.
<b>Output 1.4</b> The capacities of the labor inspectorate to effectively enforce Labor Code provisions are developed		
1.4.1 # of worksite inspections undertaken in accordance with ILO tools and recommendations (by sector, region, type of inspection visit)	1. Indicator is not a direct measure of output: too high. Unsure if data are being disaggregated. 2. Also, need adequate # of indicators to measure output 1.4.	Adjust statement to: # of practical learning opportunities provided to future inspectors.
<b>Output 1.5</b> The Georgian Court System is more knowledgeable about the Georgian labor legislation and the judicial use of ILS		
1.5.1 # of judges and legal practitioners trained on Georgian labor legislation and the judicial use of ILS (by gender, category)	Indicator is not a direct measure of output: too low. Unsure if data are being disaggregated.	Delete.
1.5.2 % of judges trained	Indicator is not a direct measure of output: too low	Delete.
1.5.3 % of knowledge increase after training	Precision and definition needed	Strengthen statement to: % of judges and legal practitioners demonstrating knowledge increase after trainings.
1.5.4 # labor cases heard, where training knowledge was used in court decisions	Indicator is not a direct measure of output: too high. Also, appears difficult to attain info.	Delete.
<b>Output 1.6</b> Capacities of the labor mediators and awareness of the social partners on the benefits of mediation to prevent and resolve labor disputes are reinforced		

Indicator Statement	Weakness	Strengthening Options
1.6.1 # of labor mediators trained	Indicator is not a direct measure of output: too low.	Delete.
1.6.2 % of increase in knowledge after the training	None	None.
1.6.3 # of mediation requests received	Needs definition; this indicator measures the second part of the output (awareness)	Strengthen to: # of instances where mediation is requested (by type [employer or employee] and sector).
1.6.4 # labor disputes resolved through mediation	Indicator is not a direct measure of output: too high	Delete.
<b>Output 1.7</b> GOG's capacity to address labor trends and issues is consolidated by introducing policies and programs consistent with IL		
1.7.1 # of policies and programs consistent with ILS approved by national authorities	1. Needs definition (are we talking about LC, OSH, labor rights?); 2. Need adequate # of indicators	Develop more indicators to measure this result.
<b>IO2 The effectiveness of workers organizations in representing workers' rights and interests is strengthened</b>		
2.1 Increased # in membership	Indicator is not a direct measure of output.	Delete or keep. This could be a proxy indicator. Also, could potentially use under output 2.3 (another proxy).
2.2 # of collective agreements concluded or underway, receiving advisory services from GTUC and its affiliates	Indicator statement is unclear; needs definition	Strengthen statement: # of collective agreements with involvement of GTUC or its affiliates.
2.3 % of workforce in CB agreements	Indicator statement is unclear	Strengthen statement to: % of employees actively participating in CB.
<b>Output 2.1</b> A strategy and action plan developed by GTUC and its affiliated unions to improve their capacities in representing workers' rights and interests is available.		
2.1.1 3-year GTUC Strategy and Action Plan developed and endorsed	This is not an indicator statement	Strengthen statement to: # of GTUC strategies and action plans that aim to strengthen organization and affiliates.
<b>Output 2.2</b> Capacities of GTUC at recruiting, communicating and educating members to better represent workers' rights and interests are strengthened.		
2.2.1 % of knowledge increase after training	None	None
2.2.2 # of unions members trained on education, communication, organization	Indicator is not a direct measure of output: too low	Delete
<b>Output 2.3</b> Capacities of GTUC and its affiliates to serve their members' needs in labor relations are reinforced		
2.3.1 # of staff trained (by gender, union, sector)	Indicator is not a direct measure of output: too low. Unsure if data are being disaggregated.	Delete
2.3.2 % of knowledge increase after training	None	None
2.3.3 Membership services developed (e.g., consulting, legal assistance, pension accounts, select retail discounts)	This is not an indicator statement	Strengthen statement: # of membership services available. Define indicator and if information should be disaggregated.
<b>Output 2.4</b> Emerging trade union leaders have been nurtured so as to effectively exercise growing influence and occupy key functions within GTUC and its affiliates.		
2.4.1 # of new leaders identified and trained (by gender, union, sector)	Indicator statement is unclear Unsure if data are being disaggregated.	Strengthen statement: # of new leaders trained.
2.4.2 % of new leaders in management/influencing	Indicator is not a direct measure of output: too high; unsure if data are	Delete. Result focuses on 'nurturing' (this is a weak result statement as well)

Indicator Statement	Weakness	Strengthening Options
positions (gender, union, sector)	being disaggregated.	

Noteworthy, is that many of the results statements these indicators strive to measure are also weak (as mentioned in Tables 2 and 3 above). Thus, it is recommended to first adjust the results logic and strengthen results statements, before addressing any indicator weaknesses above.

### 3.3.2 Achievement of Targets & Results

When looking at ICLLG achievement of targets and results, it is important to first highlight the following realities (many representing weaknesses) of indicator targets, as analyzed within the September 2015 DTF:

- ✓ There was not a formal project baseline study performed and the value of many indicators under IO1 and IO2 are zero (0). The zero baselines are the result of a new project, which is working in the emerging area of labor rights compliance in Georgia.
- ✓ The level of analysis behind target setting is unclear (e.g., trend or comparative analysis).
- ✓ Starting in April 2014, targets have been set on a quarterly basis for some indicators.
- ✓ Some output indicators do not have any targets set (two under 2.1; and one under 2.3).
- ✓ Some indicators only have targets set from Oct 14 – Sept 15 and do not have targets set from Oct 15-Dec 16 (all for 1.1, 1.2, 1.3, 1.4, 1.7, 2.1, 2.4; two for 2.2; and one for 2.3).<sup>13</sup>
- ✓ Indicators for IO1 (3 total) and IO2 (3 total) have no set targets and no reported progress.

Given these realities, multiple sources were utilized to triangulate analysis and draw conclusions on output progress, including indicator target progress (where reported) in the DTF, Technical Progress Reports (TPR), M&E reports, ILO mission reports, annual work plan, and stakeholder interviews.

### Result Achievement Under IO1

**Table 5: IO1 Status**

IO 1 Results	On Track?		Comments / Concerns
	Y	N	
IO1 Capacity of GOG to Enforce Labor Laws		✘	No progress reported on any of the indicators.
1.1 GOG Strategy & Action Plan to Enforce Labor Laws	✘		DOLEP/MOLHSA 201-17 Strategic Plan adopted; EU Association Agenda adopted; 2016-17 NHRAP & Chapter 21 awaiting adoption.
1.2 Information & Awareness Raising	✘		Answers to FAQs on MOLSHA & GTUC websites; Hotline operators trained. Yet, emerging concerns on volume and diversity of activities for robust result achievement.
1.3 Labor Inspectorate has been Established (ILS)		✘	Concerns. Significant delays on key normative institutional and operational achievements.
1.4 Capacity of Labor Inspectorate		✘	Concerns. Dependent upon 1.3.
1.5 Court System More	✘		Positive results thus far and on track to train all local courts via

<sup>13</sup> Many indicator targets precisely match actual quarterly values. A question arises as to whether targets are being ‘set’ as the actual indicator values become apparent.

IO 1 Results	On Track?	Comments / Concerns
Knowledgeable		a TOT program (March '16).
1.6 Capacities of Labor Mediators & Awareness of Social Partners on Mediation	✘	Cadre of mediators trained; real-time coaching has taken place in conciliation efforts; 8 conciliation cases have occurred between March 2014 – June 2015
1.7 GOG capacity to address labor trends	✘	Concerns. Low political will and high turnover of key MOLHSA staff is delaying introduction and adoption of ILS-based legislation and achievement of result.

- IO 1. Capacity of the GOG to enforce labor laws and respect international labor standards is enhanced:** Not on track. There is no progress reported on the three IO1 indicator targets across the life of the project. There are also not any activities planned for this result on the ICLLG Workplan (2015-10-6)<sup>14</sup>. While ICLLG’s inputs to the NHRAP and on-going work with the HR Secretariat are considered important achievements under IO1, neither fulfills corresponding IO indicators. There are a number of external factors limiting IO1 progress, including: (1) GOG political will to advance labor rights is low and easily swayed by political and business interests; (2) TSPC has not been functioning across the project; and (3) project design weaknesses discussed under section 3.1.
- Output 1.1. A strategy and action plan for enforcing the labor legislation developed by the Georgian Government in close consultation with the social partners is available:** On Track. The one indicator for this result identifies “adoption” of strategies and plans. Elements of the EU Association Agenda were supported by the project and adopted in June 2014. The DOLEP/MOLSHA 2014-2017 Strategic Plan has been adopted by GOG. Stakeholders are currently commenting on the NHRAP 2016-17 and its Chapter 21; the aim is finalization by January 2016. A critical issue remaining in MOLHSA and NHRAP plans, however, is the emphasis on the state-monitoring program versus an ILS-consistent labor inspectorate.
- Output 1.2. Information and awareness raising tools on Labor Code have been made available to workers and employers:** On Track. As per indicators, answers to Frequently Asked Questions has been uploaded and available on the MOLHSA and GTUC websites; the MOLHSA website is being accessed by users (although not disaggregated by visits to labor portal); 40 hotline operators have been trained; and, 50,000 hotline calls occurred in September 2015 (although not disaggregated by labor queries). While on track, there is a question as to if current ICLLG activities will enable robust achievement of this output.
- Output 1.3. A Labor Inspectorate has been established, in conformity with ILS:** Not On Track. Indicators are advancing on this result (e.g., labor inspectorate organization plan, # inspectors recruited and # trained, and OSH legislation drafted). Still, the foundational one, “Bill creating a labor inspectorate”, has not been achieved that conforms to ILO Convention 81. While ICLLG is working with this reality (e.g., trying to generate demand from different angles and providing technical assistance for inspectorate legislation), there are concerns that an ILS-consistent inspectorate will not be in place before project close. This is due to external factors that include: (a) business community that is actively pressing against an

<sup>14</sup> As will be discussed further below, the utility and accuracy of the Annual Workplan in helping the project attain results is questionable. Some listed activities do not appear relevant to moving indicators forward, while other relevant ones show little or no progress or are not on-schedule.

inspectorate with mandatory inspection and sanctioning powers for both OSH and labor rights; (b) GOG low political will to fully move forward with legislation and institutional mandates and not wanting to be seen as ‘anti-business’; (c) non-functioning TSPC; and, (d) 2016 is a parliamentary election year and risk taking will be minimized. Overall, the ICLLG states that it has been treading carefully between its 1.3 offerings and absence of political commitment.

- **Output 1.4. The capacities of the Labor Inspectorate to effectively enforce LC provisions are developed.** Not On Track. Result dependent upon 1.3 achievements.
- **Output 1.5. The Georgian Court System is more knowledgeable about the Georgian labor legislation and the judicial use of ILS.** On Track. All four indicator targets under this result are either being met or surpassed. In cooperation with the HSOJ, a manual for judges is being drafted and a full rollout of the TOT is targeted for March 2016.
- **Output 1.6. Capacities of the labor mediators and awareness of the social partners on the benefits of mediation to prevent and resolve labor disputes are reinforced.** On Track. The first two indicators focused on training and knowledge achievement for mediators are advancing, as are the two indicators related to “social partners’ awareness on mediation”. Although the project is seen to be successful in facilitating the existence and initial capacity of mediators as well as supporting conciliation in eight cases, the evaluator has an emerging question about current levels of social partner awareness on mediation. Thus, a number of factors must continue to be prioritized by ICLLG to ensure the sustainability of 1.6 efforts: (a) TSPC must formally approve a mediator roster as required in Reg. 301, *Approval of the Rules on Consideration and Resolution of Collective Disputes by Conciliatory Procedures*; (b) GOG must formally institutionalize the mediation mechanism; (c) ‘collective bargaining’ needs to be better understood among social partners in order to generate demand for ‘direct negotiations’ as the precursor requirement to solicit mediation;
- **Output 1.7. GOG's capacity to address labor trends and issues is consolidated by introducing policies and programs consistent with ILS:** Not On Track. The one indicator measures # of ILS-based policies and programs adopted by GOG. While there are advances in the NHRAP and OSH legislation (former reported under output 1.1 and the latter reported under output 1.3), thus far there is not the level of programmatic focus or success necessary under this result to consider it on-track. External factors limiting achievement include: (a) high turnover of MOLHSA staff during ICLLG implementation; (b) low political will to draft and approve ILS compliant labor legislation; and (c) non-functioning TSPC.

## Result Achievement Under IO2

**Table 6: IO2 Status**

IO 1 Results	On Track?		Comments / Concerns
	Y	N	
IO2 Effectiveness of workers' organisations in representing workers' rights		✘	No reported progress on three corresponding indicators. No progression reported from GTUC-provided baselines.
2.1 GTUC Strategy & Action Plan to build capacity	✘		SWOT, Strategic Plan, Action Plan and M&E plan done. Action Plan completed Sept 2015. Concern that GTUC has not shared these documents with social partners.
2.2 Capacities of GTUC at recruiting, communicating and	✘		Communication plan; future leadership plan; 24 union educators have taken a TOT and are prepared to deliver

IO 1 Results	On Track?	Comments / Concerns
educating members		trainings to affiliates on LC and ILS.
2.3 Capacities of GTUC to serve their member's needs	✘	No reported progress on two of three indicators. One initiative, membership credit cards, is one initiative that links to the third indicator.
2.4 Emerging trade union leadership is nurtured	✘	Concerns. According to latest TPR, activities due to begin end of 2015. Evaluation is apprehensive about robust achievement of result in final year of project.

- IO2. The effectiveness of workers' organizations in representing workers' rights and interests is strengthened:** Not on track. With respect to the three indicators for this result (# of members, # collective agreements, % of workforce in CB), no quantitative or qualitative progress has been reported across the project. Also, no targets have been set from April 2014 forward. Beyond this, IO2 results are considered to be complementary and in some cases redundant with the USDOL project (2014-17) Strengthening Worker Organizations in Georgia, as implemented by the Solidarity Center. A strategy for streamlining both projects' efforts and increasing resource efficiency is addressed below under recommendations.
- Output 2.1. A strategy and action plan developed by GTUC and its affiliated unions to improve their capacities in representing workers' rights and interests is available.** On Track. 2015-17 GTUC strategy, action plan and M&E plan drafted and awaiting endorsement from GTUC board. The evaluator, however, is concerned that GTUC has not shared this strategy with social partners or Fridrich Ebert Stiftung (FES)—a German donor focusing on complementary GTUC capacity building and youth leadership efforts in local affiliates.
- Output 2.2. Capacities of GTUC at recruiting, communicating and educating members to better represent workers' rights and interests are strengthened:** On Track. Indicators focus on training and thus far 24 GTUC educators have participated in a TOT course. Educators are prepared to multiply trainings in GTUC and affiliates. Plans are in place with Solidarity Center for educators to deliver 32 courses to raise awareness on the LC. GTUC Communication and Recruiting plans have also been developed.
- Output 2.3. Capacities of GTUC and its affiliates to serve their members' needs in labor relations are reinforced.** Not on Track. Two of the output's three indicators have no reported progress across the project (# of staff trained and % of knowledge increase). One indicator (Membership services developed) is moving forward with a membership credit card initiative that is currently being piloted. The evaluator was also made aware of plans to initiate 'flying bargaining' teams, where members will be trained to negotiate and monitor collective agreements as well as strategies to prevent and resolve labor disputes.
- Output 2.4. Emerging trade union leaders have been nurtured so as to effectively exercise growing influence and occupy key functions within GTUC and its affiliates.** Not on Track. No progress has been reported in each of two indicators from April 2014 to present. The Annual workplan has one major activity programmed to initiate in year 1 (Young leaders training program – activity 2.42) and two others to start in year 2 (support to identify and attract young leaders – activity 2.41 and supporting the set up of a young leaders coaching program – activity 2.43). However, September 2015 TPR states that activities under this result will initiate at end of Year 2. The evaluator has concerns about the project's ability to robustly achieve output 2.4 in final year of the project. As a key external

factor, there is also concern about GTUC leadership commitment to strengthening the organization, which may limit achievement on this result and potentially that of outputs 2.2 and 2.3.

### 3.3.3 Stakeholder Engagement

Georgia’s previously discussed historical and political contexts are seen to affect both how ICLLG engages key stakeholders and their success in doing so. In analyzing the project’s stakeholder engagement, the evaluator is neither focusing on current relationships (e.g., positive or negative), nor ‘how much?’ is taking place. Instead, it will be determined if interactions are producing intended results and fostering commitment. The responses to this question are linked to findings above in sections 3.2.1 and 3.3.2. Stakeholder engagement effectiveness will be rated on one of four levels: low, moderate, above-moderate or high.

- ✓ **High effectiveness in engaging HSOJ:** project engagement with HSOJ and judges is considered as strongly effective and yielding potential to achieve and surpass intended output 1.5. ICLLG’s involvement with HSOJ—as an independent, but connected entity—is seen as key for exceeding results, facilitating a strong level of ownership, enabling commitment to scale activities in a manner that fosters sustainability (discussed below under section 3.6).
- ✓ **High effectiveness in engaging the Human Rights Secretariat (Administration of GOG):** the project is successfully engaging the HR Secretariat and has co-constructed Chapter 21 of the NHRAP and an action plan under output 1.1. Working with a task force, the project is now supporting the Secretariat to develop an M&E system to best monitor and manage achievement of the plan. Based on this engagement and the relationship it has enabled, the HR Secretariat is seen as highly committed and motivated to realize the five priority actions under the NHRAP’s Chapter 21.
- ✓ **Above-moderate effectiveness in engaging GTUC:** in addition to MOLHSA, the project’s main stakeholder is GTUC. While the project has been diligent about engaging GTUC through various ongoing efforts (i.e., training union educators, developing strategic plans, facilitating membership cards), the evaluator questions the level of effect these efforts are having on GTUC leadership in terms of fostering its full commitment and motivation to improve its capacity and leadership via ICLLG outputs 2.3 and 2.4.
- ✓ **Moderate effectiveness in engaging MOLSHA:** ICLLG works in a highly participative, inclusive and transparent manner with MOLSHA. However, due to the political context, high turnover of key MOLHSA staff, the dormant TSPC and the pressure of AmCHAM and BAG, the effectiveness of ICLLG’s engagement efforts with MOLHSA can be seen as moderately effective in achieving outputs 1.3, 1.4, 1.6, 1.7. As a result, and although the project has facilitated positive advances (e.g., hiring a cadre of 25 future inspectors; training/ coaching a group of mediators), the level and intensity of MOLHSA commitment to ICLLG IO 1 results has been and continues to be unpredictable.
- ✓ **Low effectiveness in engaging Employers Associations.** While the ICLLG project was not given the programmatic mandate to provide direct services to employers, the success of the project (under IO1 in particular) hinges upon their involvement and buy-in. Across two years, the project is seen as being inclusive to the GEA in particular. Still, the project has not generated the buy-in required to remove the obstacles these groups, and the Ministry of Economy as its main GOG advocate, are presenting to advance labor rights. The non-

functioning TSPC has also challenged ICLLG’s engagement ability and effectiveness.

In sum, ICLLG is diligent in its efforts to engage stakeholders in a manner that generates credibility, empowerment and ownership. ILO is also seen as successful in maintaining a neutral and diplomatic position amongst the tripartite partners. That noted, the project must continue striving to generate GOG commitment and action at the national level; motivate GTUC leadership to have a sense of urgency to strengthen its national organization and local affiliates; and, support the operationalization and effectiveness of the TSPC platform.

### 3.4 Efficiency of Resource Use

This evaluation category contains findings for two areas: (1) Overall Budget Execution Progress; and (2) Budget Execution Progress by IO1 and IO2 Outputs.

#### 3.4.1 Overall Budget Execution Progress

For the ICLLG project, ILO’s budget is managed out of Geneva on an Integrated Resource Information System (IRIS) that streamlines financial, human resource and technical cooperation administrative processes. ILO/Georgia makes transactions via External Payment Authorizations (EPAs), which are used by Geneva to process payments through the UN Development Program, which serves as ILO’s bank. ILO/Georgia has an unofficial, simple budget tracking system. In addition to the Chief Technical Advisor (CTA) who monitors the overall budget, there is an administrative specialist responsible for preparing, submitting and tracking EPAs.

To adequately answer this question, the evaluation utilized an outputs-based budget that was specifically prepared by ILO during the evaluation fieldwork. This budget is current up until the beginning of November 2015. To analyze overall budget execution progress, the evaluation will consider two questions: (1) does annual budget expenditure align with projected amounts?; and (2) what are potential issues for 2016 budget planning and execution?

#### Annual Expenditure Analysis

The expenditure rate for the five major line items in the ICLLG budget is presented in Table 7.

**Table 7: ICLLG Historical Expenditures 2014-2015<sup>15</sup>**

Major Line Item	Projected US \$	Expenditure US \$	Percentage Spent
<b>2014 (Year 1)</b>			
1. Total Direct Labor (CTA, M&E, Fin.& Admin, Driver)	180,650	251,586	139%
2. Total Equipment	69,720	8,341	12%
3. Other Office Expenses (security, supplies, misc.)	26,000	31,426	121%
4. Output Based Expenses Under IO1 & IO2 (11 outputs)	229,000	194,723	85%
5. Program Support Cost for ILO (13%)	65,698	58,020	88%
<b>Grand total for 2014</b>	<b>571,068</b>	<b>544,096</b>	<b>95%</b>
<b>2015 (Year 2 – up to beginning of November 2015)</b>			
1. Total Direct Labor	272,400	249,553	92%

<sup>15</sup> The five major line items on this table exclude two on the ILO output budget: project evaluation (#5) and Provision for Cost Increase (#7). Both represent minor figures and are budgeted for 2015-16.

Major Line Item	Projected US \$	Expenditure US \$	Percentage Spent
2. Total Equipment	----	----	----
3. Other Office Expenses	52,000	33,087	64%
4. Output Based Expenses Under IO1 & IO2 (11 outputs)	299,000	120,058	40%
5. Program Support Cost for ILO (13%)	88,507	52,350	59%
<b>Grand Total for 2015 (up until November)</b>	<b>711,907</b>	<b>455,048</b>	<b>64%</b>

In 2014, the project spent 95 percent of its budget, which represents an underspending value of 5 percent (US\$ 26,972). As of November 2015, expenditures were 64 percent of budget, which represents an underspending value of 36 percent (US \$ 256,859).

Overall, as of November 2015, ICLLG is underspending budgeted resources by 22 percent. It has a current underspent amount of: US\$ 283,831 (US\$ 26,972 in 2014 + US\$ 256,859 in 2015).

### Potential Issues for 2016 Budget Planning & Execution

- ✓ As ICLLG is a three-year project, 2016 is its final year. Based on the above information, there are four issues to consider in the 2016 budget planning and execution.
- ✓ The Equipment line item has a 12 percent expenditure rate in 2014. And while no further resources have been budgeted across the project, no further expenditures have occurred.<sup>16</sup>
- ✓ 2015 Output Based Expenses Under IO1 & IO2 are at risk of being underspent. While two months remain, current financial resources spent (40 percent) warrants management consideration (i.e., budget and technical adjustments) moving into 2016.
- ✓ With respect to Direct Labor, the CTA informed that instead of ILO covering the first six months of salary for project staff (CTA, M&E, Admin, Driver) as called for in the Cooperative Agreement, ILO will cover this amount in the last six months of 2016. This will address the total (2014 +2015) surplus-spending amounts, which will also be adjusted based on the fact that the CTA and M&E officer both started work in February 2014
- ✓ For ILO’s coming annual budget rephrasing exercise, consideration should be given to a cumulative adjustment of 2014 + 2015 under/over spending.

### 3.4.2 Budget Execution by IO1 and IO2 Outputs

As detailed above under 3.3.1 and 3.3.2, there are significant measurement issues with ICLLG’s indicators and targets. Thus, a rigorous efficiency analysis, which compares budget execution to indicator target compliance, cannot be performed. Instead, the output-based budget provided by the ILO for this evaluation will be analyzed and linked to output progress.

The focus of the analysis will, therefore, be to best answer the second part of the evaluation question: does progress on outputs justify the level of expenditure? Table 8 shows ICLLG’s 11 outputs, their costs and over/under percentages in 2014 and 2015, and the “on-track status” of each output as evaluated above in section 3.3.2.

<sup>16</sup> As planned by the project, the 12 % expenditure was for GTUC equipment. 88% was budgeted for the procurement of equipment for labor inspectors, and 2016 expenditures will depend on its formation.

**Table 8: Output-Based Budget Analysis vs. Progress**

ICLLG Output	Expenditure US \$		Percentage Spent		Output Progress According to Evaluation Section 3.3.2	Does Progress on Outputs Justify Spending?	
	2014	2015	2014	2015		Yes	No
<b>IO1 Capacity of the GOG to enforce labor laws and respect international labor standards is enhanced</b>							
1.1 A strategy & action plan for enforcing labor legislation developed by GOG with social partners is available	27,053	-----	97%	n/a	On-track (Nearly completed)	✓	
						Spending on track and matches progress on output	
1.2 Information and awareness raising tools on LC have been made available to workers and employers.	12,823	-0-	36%	0%	On-track (But emerging question as to if current activities will enable robust achievement)	✓	
						Underspending, but value spent matches progress thus far.	
1.3 A labor inspectorate has been established in conformity with ILS	1,644	37,612	4%	130%	Not on-track (CAs not holding true)		✓
						Underspending. Unsure if attainable by project close.	
1.4 Capacities of the labor inspectorate to effectively enforce LC provisions developed	-----	-0-	n/a	0%	Not on-track (Dependent on completion of 1.3)		✓
						Underspending. Unsure if attainable by project close. <sup>17</sup>	
1.5 The Georgian Court System is more knowledgeable about the Georgian labor legislation and the judicial use of ILS	15,328	28,420	64%	256%	On-track (ICLLG Promising practice)	✓	
						2015 overspending. But, value matches output progress	
1.6 Capacities of labor mediators and awareness of social partners on benefits of mediation to prevent and resolve labor disputes reinforced	27,720	8,964	Set at 0 <sup>18</sup>	21%	On-Track (Mediators trained, 8 conciliations in 2014-15)	✓	
						Minor underspending (see footnote 16), but value matches output progress.	
1.7 GOG's capacity to address labor trends and issues is consolidated by introducing policies and programs consistent w/ IL	5,171	1,990	40%	40%	Not on-track (Low political will)		✓
						Underspending. Unsure if attainable by project close	
<b>IO2 Effectiveness of workers organizations in representing workers' rights and interests strengthened</b>							
2.1 3-year GTUC Strategy and Action Plan developed and endorsed	14,324	11,527	42%	192%	On-track (Nearly completed)	✓	
						Underspending; but, amount spent matches progress on output.	
2.2 Capacities of GTUC at recruiting, communicating and educating members to better represent workers' rights and interests strengthened.	46,222	21,552	230%	28%	On-Track (Plans in place; TOT training occurred)	✓	
						Underspending; but, amount spent matches progress on output.	

<sup>17</sup> Total budgeted amount for this output over three years: US\$ 81,000. From 2014 to Oct 2015, US\$ 39,256 spent.

<sup>18</sup> In 2014, budgeted value of output 1.6 was 0. In this same year, ICLLG spent US\$ 27,720 for this output.

ICLLG Output	Expenditure US \$		Percentage Spent		Output Progress According to Evaluation Section 3.3.2	Does Progress on Outputs Justify Spending?	
	2014	2015	2014	2105		Yes	No
2.3 Capacities of GTUC and its affiliates to serve their members' needs in labor relations reinforced	4,671	8,693	16%	18%	Not on-track (Concerns about robust achievement of result by project end)		✓
						Underspending. Unsure if attainable by project close <sup>19</sup>	
2.4 Emerging trade union leaders nurtured to effectively exercise growing influence and occupy key functions within GTUC and its affiliates.	-0-	1,300	0%	5%	Not on-track (Concerns about robust achievement of result by project end)		✓
						Underspending. Unsure if attainable by project close	

In terms of expenditures on budgeted values across 2014 and up until November 2015, underspending is occurring in nine of the eleven outputs.

Of the 11 outputs, six (1.1, 1.2, 1.5, 1.6, 2.1 and 2.2) are considered to have progress that matches resources spent thus far; these are the same outputs considered 'on-track' under evaluation section 3.3.2. Five outputs are considered not to have progress that matches expenditure levels (1.3, 1.4, 1.7, 2.3 and 2.4); all these outputs are underspending, considered to be 'not on-track' under evaluation section 3.3.2. Consequently, there is concern about achievement of these five outputs in the remaining time of the project.

Based on the above information, a number of potential considerations for the last year of ICLLG's technical and budget related efforts are seen as noteworthy.

- ✓ Outputs with significant budgeted amounts across the project include: 1.3 (81k); 1.4 (94k); 2.2 (131k); and 2.3 (114k). Of these, all are underspending thus far and only one (output 2.2) is considered to have progress that matches expenditures.
- ✓ For output 1.5, the project overspent by a total of US\$11,793 up to October 2015. However US\$16,000 is budgeted for this output in 2016. Accounting for this overage, the total budget remaining for output 1.5 for 2016 should be reduced to US\$ 4,207.
- ✓ For IO1 and IO2, there are neither activities scheduled in the October 2015 Workplan, nor budgeted resources. Yet, there are indicators for both IOs. The presence of indicators typically implies that resourced activities are required to achieve corresponding results.

### 3.5 Effectiveness of Management Arrangements

With respect to the ICLLG management arrangement, it will first be useful to recognize that the project currently employs three key staff members, whose responsibilities include:

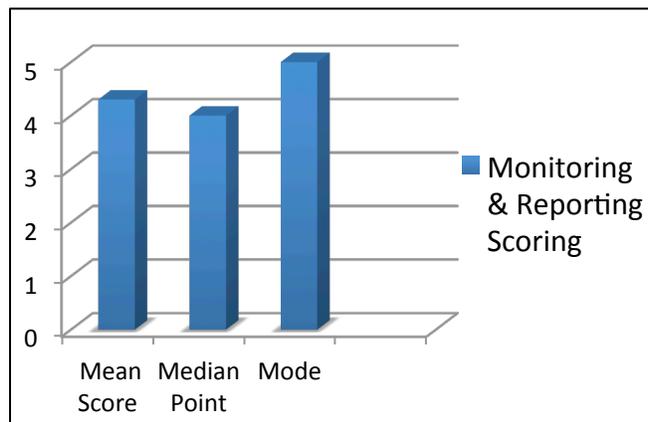
<sup>19</sup> Total budgeted amount for this output over three years: US\$ 114,000. From 2014 to Oct 2015, US\$ 13,364 spent.

- **Chief Technical Advisor (CTA).** Responsible for overall management, which includes: technical guidance; results achievement; coordinating with stakeholders; supervising staff and consultants; and monitoring overall project progress.
- **M&E Officer.** Responsible for overall M&E, which includes: collecting / analyzing data; preparing TPRs, DTFs and M&E reports; and administrative duties as called upon by CTA.
- **Financial & Administrative Assistant.** Responsible for overall administrative and logistical duties, including organizing ICLLG events; preparing and submitting EPAs; and supporting relevant duties as assigned by the CTA.

To support findings, the evaluation distributed a ‘rapid scorecard’ survey to each informant interviewed during fieldwork (see Annex B for scorecard).<sup>20</sup> This perception data was utilized alongside secondary resources and primary interview data to triangulate findings on the management effectiveness of: monitoring and reporting; internal and external communication; and, collaboration and coordination. Each of these elements was given an effectiveness rating of low, moderate, above-moderate or high.

### Monitoring & Reporting

**Figure 3. Score Card Results: Monitoring & Reporting**



**Fig. 3:** 34 participants positively rated the management effectiveness of ICLLG's Monitoring and Reporting practices (scale = 1 ineffective → 5 excellent).

Performance monitoring is considered to be the foundation of any project’s ability to learn and manage for results. Overall, surveyed informants scored this element positively, as the mean score was 4 out of 5—with five being excellent (fig. 3). Yet, of the three management elements, this scored the lowest and the sample size was the smallest, as less participants were willing to score it. Comments on the scorecard, tended to be more constructive and included: *“I think the existing monitoring mechanisms are not effective enough”* and *“The monitoring mechanism must be strengthened and accountability*

*procedures improved”*. Another comment recognized the consistency of reporting: *“Regular reporting and cooperation practice”*.

In examining scorecard results, interviews and M&E and TPR reports, ICLLG’s management effectiveness of monitoring and reporting is considered to be at a low level.

<sup>20</sup> As with all surveys, this mixed-method instrument had its limitations— two important ones being: (a) a limited sample that was identified by the ICLLG project; and (b) the distribution and completion of survey was performed after interviews, which prompted some informants to rapidly fill out survey or focus only on quantitative aspects.

The effort, diligence and intent around M&E by ICLLG staff are of the highest caliber; however, the precision, quality and use of information are lacking. The purpose of M&E is not just to report, but to learn, and from it to become more effective in planning, management and implementation. The following are outstanding issues that can (and should) be improved over the remainder of the ICLLG project:

- ✓ As described above, the PMP is not in a useful format or being effectively used. Minimally, each indicator should be precisely defined under the current column: “Indicator Definition and Unit of Measurement”. An optimal PMP matrix can be organized as seen in Figure 4 below.

**Figure 4. PMP Matrix Heading**

Result	Indicator	Definition and Unit of Measure	Data Collection			Baseline	Yearly Targets				
			Source	Method	Frequency & Responsibility		1	2	3	4	5

**Fig. 4:** An optimal PMP matrix can be organized as above. Note that this matrix synthesizes indicator definitions, data collection and quantitative metrics. Together, these lay a foundation for consistent indicator measurement and interpretation across the project.

- ✓ As described above, the project should reassess results statements and causal logic of the RF. When complete, corresponding indicators can be revised and/or strengthened.
- ✓ As described above, the information on the DTF is not seen to be useful in understanding progress against targets. Overall target setting is also questionable.
- ✓ There is limited technical support for the M&E specialist—in terms of external M&E capacity building, useful tools or templates or understanding of good practices.
- ✓ Based on TPR content (see below), there are questions as to the level to which the Annual Workplan’s activities are followed. There are also questions about the relevance of its activities to feeding into some indicator targets and supporting ICLLG result achievement.
- ✓ While ICLLG’s TPR submission has been consistent and timely, there are some challenges from both ILO and USDOL’s sides, which include:

**ILO TPR Weaknesses**

- While reporting is organized under each output, more specific information is needed in terms of: (i) progress of each workplan activity under corresponding results; and, (ii) describing how workplan activities are feeding into indicators of corresponding results.
- Key information in M&E training reports needs to be better integrated into TPRs. This can be weaved into narrative under appropriate results or as an embedded annex. The training reports are currently sent to USDOL as separate attachments to TPRs and there is concern that doing so limits review, broader understanding and feedback.
- A tendency to over-focus narratives on describing the labor situation (political, normative, social), versus detailing progress of key workplan activities and their effect on corresponding indicators.
- Redundant or duplicative entries within same reports or across different reports.

- More serious management reflection and ratings need to occur in TPR section, “VI Assessment of Project Performance”. Under the section, and only recently (i.e., April-Sept 2015) has the project provided accurate self-scored ratings for sub-section A, “TPR Summary Assessment Table of Project Performance”.
- USDOL requires reporting on performance on a semi-annual basis (March & September TPRs). Yet, ILO has not regularly conducted any serious analysis under sub-sections B (Analysis of Performance) or C (Material problems) in section VI. For sub-section B, March and September TPRs have either been left blank<sup>21</sup> or contain a general statement that “no significant delays or problems have been encountered”. For sub-section C, “n/a” is typically inserted. This is considered missed opportunities for strategic reflections that allow management interventions, mid-course corrections or direct support from USDOL.

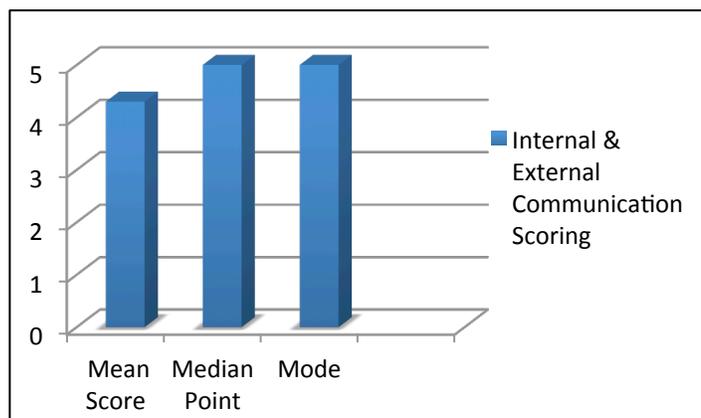
### **USDOL TPR Weaknesses**

- Questions exist as to why required time periods covered by reports are in increments of either three months or six months. This causes overlap and, in some cases, duplication of information.
- USDOL’s reporting template can be simplified and streamlined. An option could be to organize reporting requirements into three major sections: (1) highlights of workplan activities and results; (2) project performance assessment; and (3) summary of planned activities for next quarter.
- Across the ICLLG project thus far, TPR feedback is not seen as sufficiently timely, technically substantive or strategic.

### **Internal and External Communication**

Effective external and internal communication lays the foundation for productive relationships and enables a highly functioning project. Surveyed informants scored this element positively, as the mean score was 4.3 out of 5 (fig. 5). Again, comments on the scorecard tended to be more constructive and included: “*Externally, very good but information could be more precise (e.g., why hasn’t the project RF been shared more broadly?)*”; “*Systematic communication with the private sector is highly desirable*”; and, “*There is a need for more intensive communication*”. Other comments recognized the regularity of communication practices: “*Is permanent*” and “*Effective thanks to regular meetings with ILO representatives*”.

**Figure 5. Score Card Results: Communications**



**Fig. 5:** 37 participants positively rated the management effectiveness of ICLLG’s Internal / External Communications practices (scale = 1 ineffective → 5 excellent)

<sup>21</sup> On the October 2014-March 2015 TPR, ILO attached a comment box to Sub Section B under Section VI, that stated, “How come there is nothing written here?”.

In examining scorecard results, interviews and project reports, ICLLG’s management effectiveness of internal and external communication is observed to be at a moderate level.

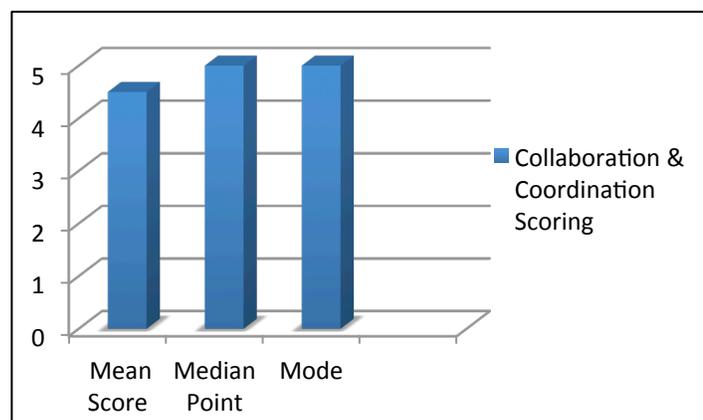
Internally, the project seems to be communicating regularly with staff, ILO entities in Moscow and Geneva, as well as USDOL. Externally, the project does not have formal mechanisms (e.g., regular information meetings, e-newsletter, ILO/Georgia website link etc.), but appears to be diligent about communicating and working with GOG and GTUC stakeholders in particular.

Notwithstanding, ICLLG can improve upon two areas: (a) precision of the information communicated (internal and external); and (b) regularity and intensity of communication to business associations and employers (external).

### Coordination and Collaboration

The focus of this element seeks an understanding of how ICLLG is coordinating and collaborating with other labor-focused projects—USG and others. Coordination and collaboration can be defined via a continuum of levels that move from good will → to joint planning → to pooling resources and collectively implementing → to collective performance monitoring efforts. Informants did not consider this precision or that the focus of this element was upon parallel labor projects in Georgia. Nonetheless, surveyed informants scored this highest among all three management elements, as the mean score was 4.5 (fig. 6). Comments on the scorecard included some general affirming statements: “*Very open, very supportive*”; and “*Is permanent and effective*”. And, some general constructive comments, included: “*Should be deepened*”; and “*More active cooperation with stakeholders needed*”.

**Figure 6. Score Card Results: Collaboration**



**Fig. 6:** 37 participants positively rated the management effectiveness of ICLLG’s coordination & collaboration practices (scale = 1 ineffective → 5 excellent).

In examining scorecard results, interviews and reports, the management effectiveness of coordination and collaboration with other labor projects is seen to be at an above-moderate level.

There are three major labor projects with which ICLLG is coordinating and collaborating with:

- **USDOL-Funded Project Strengthening Workers Organizations in Georgia (SWOG).** ICLLG’s highest level of coordination and collaboration exists with this three-year project, which is implemented by the Solidarity Center. SWOG has two major outcomes: (1) improved outreach and training of workers’ organizations on labor laws and enforcement; and (2) increased effectiveness of workers’ organizations in representing workers. In addition to engaging in regular planning and coordination meetings with SWOG, ICLLG has actively collaborated with the project under output 2.2. Thus far, SC has used three ICLLG-educated GTUC educators to train 40 union activists on a number of labor rights aspects,

such as collective bargaining, OSH, negotiation skills and resolving labor disputes. Current plans are underway for SC to involve more GTUC instructors in one-day LC workshops that raise the awareness of union activists, local government reps and city assembly members. These trainings are programmed to occur across the country over the next two years. SWOG will also be training 15 trainers in OSH and, of them, two will be selected to work with ICLLG on orienting stakeholders on the coming OSH law as well as the “Flying Bargaining” Concept” planned under output 2.3.

- **EU-Funded Project on Social Dialogue Project.** ILO is the implementer of a newly funded EU project that promotes social dialogue in Georgia by focusing on the employer side of the tripartite.<sup>22</sup> The project has the overall objectives of improving tripartite dialogue and supporting employers’ organizations to best address labor relations and issues of its members. Importantly, the EU project is focusing on a critical piece of the tripartite system that was not originally addressed by ICLLG programming. Thus, progress achieved under the EU project can have immediate positive effects on ICLLG’s efforts—particularly under output 1.3 and 1.4. The coordination and collaboration between the Social Dialogue and ICLLG projects should inherently occur as ILO is leading implementation for both projects.
- **FES-Funded Portfolio of Labor-Focused Small Grants.** ICLLG maintains regular coordination meetings with this German private foundation and it’s numerous labor small grants, which include: capacity building of GTUC affiliated trade unions; building CSO/NGO interest in labor rights and advocacy capacity; social dialogue project; supporting SoCodex, a Georgian think tank, to generate empirical data on labor; and, a youth leadership project that focuses on developing young union leaders. While the emphasis of collaboration has been at the strategic level, it has nonetheless been regular and consistent.

### **3.6 Impact Orientation and Sustainability**

This final evaluation category contains findings for three areas: (1) Progress on Development Hypothesis; (2) Key Project Achievements; and, (3) Good Practice & Lessons.

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<sup>22</sup> The project timeline is from 1/2015 – 7/2017 and is worth 300.000 Euros.

### 3.6.1 Progress on Development Hypothesis

As discussed in the limitations, this study is not an experimental or quasi-experimental design and thus cannot measure the impact of any particular aspect of ICLLG. That said, the evaluation will respond to the project's progress toward achieving its development hypothesis, which rests at the highest level of the RF—moving causally from the IOs to the DO (fig. 7).

At this particular moment in implementation, the project is considered to be 'not on-track' for robust achievement of IOs.

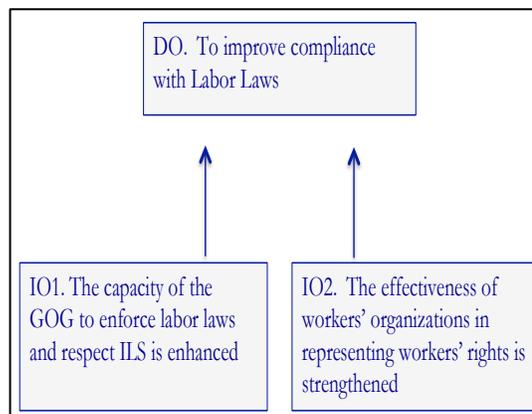
The lack of progress on IO indicators, as identified under section 3.3.2, further supports this finding. As

of the September 2015 DTF, there are no documented values on any of the three corresponding indicators for IO 1, since establishing use of this instrument in April 2014. In regards to IO2's three indicators, there is also no progress from baseline values that were provided to the project by GTUC. In regards to the DO, and as has been identified above in Table 3, there are no established indicators to track progress or allow measurement towards achievement.

Two major issues are seen to be limiting ICLLG's ability to achieve its development hypothesis (or its "intended impact based on IOs" as per this USDOL question):

1. **Weaknesses in Project Design:** There are major design shortcomings that have limited project success thus far, as identified above under evaluation section 3.1. These revolve around a development hypothesis that is based on flawed logic. Two design issues stand out: (a) the DO is considered to be too far advanced for achievement under the three-year, US\$ 2 million project; and (b) there are logic gaps at horizontal (i.e., lack of an IO focusing on employers and TSPC) and vertical (i.e., missing middle of results) levels. Collectively, these are seen to limit progress toward and overall achievability of ICLLG's development hypothesis.
2. **The project's critical assumptions (CA)<sup>23</sup>, particularly for IO 1, are not holding true:** There are a number of critical assumptions that were identified by ILO in the RF design. Three CAs are seen as central to the success of IO1 and the project as a whole:
  - CA1.1: GOG maintains commitment to enforce labor legislation and social dialogue;
  - CA1.2: MOLSHA commitment at creating a labor inspectorate and a labor mediation service will remain unchanged and be approved by GOG;
  - CA1.3: Parliament will adopt a law on labor inspectorate.

**Figure 7. Highest Level of RF**



**Fig. 7:** This is the highest level of the ICLLG RF causal logic: moving from the IOs to the DO

<sup>23</sup> Critical assumptions are external conditions that are necessary for project success but over which implementers have little or no control.

Each of these CAs is not holding true and significantly limiting progress in achieving key results in the RF. These CAs are particularly important to the success of this project due to the complex political context it is working within.

In the case of IO2, one CA is seen as critical to holding true to allow levels of success:

- CA 2.1: Trade union leaders, namely those of GTUC and affiliates, are committed to reconsider current approaches at recruiting and servicing their members.

While the CA appears to be holding to some degree, it is recommended that it be closely monitored in terms of actualizing the numerous GTUC plans that have been developed.

A principle of using RFs to manage for results is that if CAs don't hold true, then there is a need to modify the RF to strengthen the project, adjust implementation approach or redesign the project altogether. Given this, and has been stated above, there are concerns in terms of what and how much can realistically be achieved with one year left in the project.

### 3.6.2 Key Project Achievements

In the face of numerous contextual, political and technical challenges, the project is considered to have a number of important, strategic and hard-won achievements. It is further considered that these achievements comprise the groundwork upon which Georgia can continue to progress toward reaching levels of normative and operational consistency with ILS.

The following ICLGG achievements, which are adding to Georgia's progress, will also be rated (low, moderate, above-moderate, high) for their potential to be technically and financially sustained beyond the project.

- **Judges Training Program: High Level of Sustainability Potential.** ICLLG has formed and solidified a partnership with the HSOJ: a Georgian independent entity whose mission is to build the capacity and effectiveness of judges. ICLLG and HSOJ are working collectively to train Georgian judges on ILS and critical ILO conventions such as Termination of Employment Convention (No.158.). There is considered to be a high potential of technical and financial continuance of these efforts absent the support of ICLLG given that: HSOJ has institutionalized this training; a manual is being developed by a working group of judges; and a TOT methodology will be used to train 250 judges at the three levels.
- **GTUC Union Educators: Moderate Level of Sustainability Potential.** ICLLG has delivered a TOT course to 24 union educators from July 2014 to May 2015. The course consisted of three phases: (i) phase 1 was a nine-day course that focused on education in trade unions; LC and ILS; and, training planning and delivery and teamwork; (ii) phase two was a four-day training that provided guidance on developing training curricula and then designing actual modules; and (iii) phase three was an eight-day training, where educators delivered their training modules to a committee of ILO and GTUC senior staff for performance feedback.

Given that the educators are members of GTUC, their status as trainers bodes well for technical continuation without the project's presence. However, a question arose with respect to the financial sustainability of such trainings, as there has only been one training

delivered to affiliate unions (via the SWOG project) since the TOT. Educator focus group informants identified costs of training as the major prohibitive factor in replicating the trainings. Thus, while there is solid potential to technically replicate these efforts and multiply knowledge in affiliated unions, there are questions around the financial sustainability absent the project.

- **Mobilizing & Training Future Inspectors: Unpredictable (Low) Level of Sustainability Potential.** As expressed above, ICLLG has been active in building the capacity of future inspectors absent the necessary legal and institutional mandates. Three, three-day trainings have focused on good inspectorate practices in OSH. And, one included a shadow visit to the Georgia American Alloys (GAA) factory, where 30 future inspectors were given a 1.5-hour tour of a production area and debriefed among themselves afterwards on danger areas and issues of concern. As has been illuminated above, the future inspectors have conducted 75 voluntary OSH inspections since July 2015.

Future inspectors are a part of MOLHSA, however, there is no institutional mandate that provides for status as an independently funded entity. This is also true of the future inspectors themselves, who were waiting for funding at the end of 2105 to continue in DOLEP. Likewise, there are not yet the necessary laws and standards on labor rights (i.e., contracts, wages, overtime) or OSH that provide the legal basis to conduct inspections and sanction. And, while ICLLG has offered technical guidance to the GOG on a number of legislative options for labor inspection (e.g., OSH law<sup>24</sup>, Statutory Labor Inspection Law, Amendment to Law Controlling Entrepreneurial Activity, or an Amendment to the LC), there remains no adopted legislation. These realities signal an unpredictable (low) level of technical and financial continuation of future inspectors, absent the project.

- **Mediators Cadre: Unpredictable (Low) Level of Sustainability Potential.** ICLLG has been diligent in training and coaching a group of eight labor mediators, which has included eight conciliation efforts in five companies, with four resolutions. Again, this was done with no institutional mandate for mediation and little knowledge and practice around collective bargaining within the country.

The mediator cadre is also a part of MOLHSA and has similar normative, institutional and resource challenges of future inspectorates. An additional dilemma, however, is that this group's members have not been approved by the TSPC and cannot occupy full-time GOG positions. Thus, members of this cadre are voluntary. Accordingly, there is an unpredictable (i.e., low) level of technical and financial continuation of the mediator cadre absent the ICLLG project.

With respect to USDOL's sub-question as to the existence of an ICLLG strategy to sustain these elements, there is no current, formal sustainability plan in place. However, the evaluator did receive confirmation from the project that a formal sustainability plan is currently under development and will be submitted with the next TPR. Noteworthy is that USDOL originally requested that, "*the project should have a sustainability plan, and should be able to report on how the implementation of the plan is going*", in the Oct 2014-March 2015 TPR.

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<sup>24</sup> There is a full OSH law—which the ILO has provided significant technical guidance on—that MOLHSA has in its possession and is close to being submitted for approval and adoption. However, it has taken close to a year for this process and, according to the MOLHSA, they still have to discuss comments with all stakeholders. MOLHSA/DOLEP stated during the evaluation that its goal is to submit to the Cabinet by the end of December 2015.

### 3.6.3 Emerging Good Practices & Lessons

At this moment, there are ample experiences that can serve as learning opportunities for the project and USDOL. The following, therefore, are considered emerging lessons and practices that warrant highlighting:

#### Emerging Good Practices

- ✓ **Leveraging Judicial System to Influence Public Policy:** ICLLG's partnership with the DOJ represents a strategic and successful effort to influence Georgia's progress toward an ILS consistent labor regime. Indeed, there are gaps and inconsistencies in Georgia's LC, which are left for courts to deal with. And there are emerging signs that the judges trained by the project are adjudicating in a way that public policy or future laws could be effectuated. Judge informants confirmed that their past decisions have helped shape or improve national legislation such as the 2013 Amended Labor Code, 2012 Law on Freedom of Speech and Expression and 2014 Law of Georgia on the Elimination of all Forms of Discrimination. The project understands that Georgia's emerging democracy and economy are in need of a judiciary that is knowledgeable of the ILO conventions, which guide the majority of the world's countries (and certainly EU countries) in maintaining ILS-consistent labor regimes. Judge informants stated that their hope is to continue educating other judges so that they too can make decisions based on ILS. They are also aware that not only will such practice set judicial precedents in the labor realm, but will also comprise a body of legal evidence upon which to support the improvement or creation of ILS-consistent legislation in the near future.
- ✓ **Partnering with Local Entities for Sustainability:** ICLLG's success in the judges program has been based on its partnership with HSOJ. The participative and transparent manner in which the alliance was formed as well as ILO's credibility as the premier labor rights organization, have allowed a high level of HSOJ commitment as well as the motivation to institutionalize and scale-up this effort. From the outset, the partnership has been win/win and is seen as a key ingredient to the success and sustainability potential of ICLLG.
- ✓ **Managing in the Middle of the Tripartite Triangle:** ICLLG staff, particularly the CTA, has been diligent and very effective at maintaining a diplomatic and neutral position between the tripartite partners: GOG, GTUC and Employers. Such a posture (maintaining a position in the middle of the triangle) is critical to securing advancements in Georgia's labor realm. While employers are not an ICLLG focus, the neutrality maintained by the CTA and the intent demonstrated to collaborate with employers, has enabled ILO/Georgia to obtain EU resources to work with this group over the next two years.

#### Emerging Lessons

- ✓ **Courts are not a substitute for an ILS-consistent Labor Regime:** A number of GOG and employer association informants pointed to the need of a competent court system to resolve labor issues versus mechanisms that address the issues proactively (i.e., a labor inspectorate, and mediation unit). Such a perspective is not only contrary to ILS, but also privileges employers that have resources and disempowers employees who may be hurt, sick or unemployed. For them, the time, resources and logistics it takes to get their case to court could mean the difference between life or death; maintaining or losing their home; preserving their personal financial assets or going bankrupt; or, preserving food security or becoming

food insecure. By the time a labor dispute arrives at court, it is generally too late from the employee's perspective.

- ✓ **Balancing Achievability with High Level Goal Setting:** Perhaps not a 'new' lesson, this project demonstrates the critical importance of having an achievable and prioritized goal that drives project design. This should begin with a DO that is high enough to motivate needed change, but not too high for the project's available time and resources. A goal set too high, only leads to resource inefficiency, technical ineffectiveness and inevitably frustration on not reaching planned results. In the case of ICLLG, it has pushed programming under IO1 toward compliance at the expense of crucial normative needs. With USDOL's finite resources and shorter project periods (i.e., 3 years) a DO's achievability is of the essence, as it will guide relevant and successful programming.
- ✓ **Programming to the Tripartite:** Clearly, employers groups, employees and the government have their own needs, incentives and perspectives when it comes to labor. And, with finite resources, it may not be feasible to meet every one of these needs. However, programming to strengthen or create (in the case of Georgia) an ILS-consistent labor regime must, at some level, target each. While not recommending a standardized programming approach, strategic results and corresponding tailored interventions should touch all three social actors. In the case of Georgia, this could have been achieved by targeting a result toward improved TSPC performance. Overall, the tripartite's social partners should guide the conceptual design of any labor-focused project.
- ✓ **'At-Source' Normative Interventions:** Implementation and compliance are at the heart of why countries have standards and laws. Yet, in Georgia's case the labor rights normative framework is deficient. To be clear, there is utility in generating demand for an ILS-consistent labor regime via an accelerated focus on compliance-related results such as establishing a labor inspectorate (output 1.3) or mediators (output 1.5). However, accompanying such a focus should be 'at source' results that target improved or new labor legislation in Georgia. Such a focus can include activities that generate needed evidence, mobilize the right partners, facilitate action to strengthen the LC, and, as required, establish laws. While ICLLG's output 1.7 can be looked to as such a component, its capacity focus is too far removed from immediately needed actions to address normative weaknesses.
- ✓ **Managing Critical Assumptions as Closely as ICLLG Results:** One of the main reasons for possessing CAs in a results framework is to monitor their ability to hold true. If CAs are holding true, the project will have a strong likelihood of progressing through the RF's causal logic (given adequate logic, resources and activities). However if they are not holding true, management interventions must be considered and can include, strengthening the RF, changing approaches, enlarging or reducing target beneficiaries or redesigning the project. The more closely these are monitored and the earlier the adjustment, the more likely the project can turn around to meet results.
- ✓ **Getting Measurement Right Early:** The importance of maintaining a relevant and precise PMP cannot be overstated. It is recognized that as a project kicks off, adjustments and precisions will need to be made. However, more must be done to ensure that: (i) results logic and statements are solid; (ii) indicators are direct, objective, adequate and practical measures of results; and (iii) any required target setting is based on evidence and appears in annual (or bi-annual in the case of shorter projects) increments. This will require effort from USDOL's side in terms of affording effective templates; more rigorous PMP requirements; providing

timely and critical technical feedback; and, offering a capacity building intervention early in the project to best orient newly hired M&E staff. It will also require effort from the project implementer's side in terms of rigorously designing and vetting the PMP as the project initiates; advocating for any needed strengthening; and, being proactive by reporting on M&E issues early in the project.

- ✓ **Going Beyond a Training Emphasis for Capacity Building:** An improved level of capacity in the labor sector is the primary objective for both the GOG (IO1) and GTUC (IO2). And, the major method used by ICLLG to build and measure this capacity has thus far been via training. While important to get at 'what people or the organization know?', there is also another important level in 'how the organization behaves'. Facilitating behavior change in organizations is complex and there is no cookie cutter approach. Yet, organizational development and change management approaches point to a number of focus areas that include: culture-strengthening/change; management systems' strengthening (e.g., governance, performance, financial, human resources, information); leadership and management development; internal/external communications; partnership and alliances; mission delivery; or organizational strategy and execution. With respect to this last example of organizational strategy, ICLLG has conducted crucial strategic planning efforts with GTUC and the GOG (DOLEP and PM Chancellery). Yet, overall efforts to move GTUC and GOG beyond what they know to how they act can and should be strategically ramped up.
- ✓ **Integrating Political and Technical Efforts:** ICLLG must mix political (intangible) efforts with technical (tangible) ones. At this stage in Georgia's early democracy, there are significant internal pressures for parties such as the GDC to stay politically relevant. Likewise, and recognizing this vulnerability, external groups such as business associations can effectively apply pressure from the outside. These factors play a critical part in the march toward an ILS-consistent Georgia. Accordingly, designing a project such as ICLLG should take into account, indirect factors as: identifying and using incentives for GOG or Employer cooperation or participation; removing political, economic or social barriers that limit progress; building stronger GOG constituencies around labor rights; and generating demand from civil society and other key actors around labor rights. Overall, a purely technical focus in a context like Georgia will only yield limited progress.
- ✓ **The Power of International Pressure:** Across the evaluation, informants confirmed the critical need to continue international pressure to advance labor rights in Georgia. The EU AA, EU visa liberalization, GSP, international donor projects, AFL-CIO, ILO, US Ambassador, high level EU officials, international NGOs, and multinational businesses all have roles to play in applying pressure to promote Georgian labor rights. To avoid potential backsliding and continue momentum around an ILS-consistent labor regime, the continuance, and strategic increase, of this international pressure is seen as an absolute necessity.

## IV CONCLUSIONS

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The following conclusions were reached based on an analysis of background material and findings from each of the evaluation questions. For ease of reference, the conclusions are grouped under the evaluation's six framing areas and their corresponding questions.

### 4.1 Validity of Project Design

**USDOL Question #1. To what extent was the project design logical and coherent and do they meet the criteria in the USDOL-ILO Management Procedures and Guidelines (MPG)?**

While meeting the general MPG requirements that calls for a results based design approach, the logic and coherence of ICLLG project design is considered to be weak. Based on available time and resources for the project, USDOL's initial design framework is considered to be overambitious in its goal statement focus and missing a major IO. ILO's RF has major weaknesses in causal logic and results statements. Collectively, these issues have constrained management, implementation, measurement and potentially IO and DO achievement. Specifically:

- USDOL's *Project Description* was diligent about framing a results-based design of a goal and objectives that could be transformed into a results framework. Yet, two major weaknesses exist: (a) a goal focusing uniquely on compliance is considered too accelerated for Georgia's current normative, institutional and cultural realities; and (b) a missing results mandate (IO) to focus on employers and the TSPC.
- ILO's *Project Document* complied with a results-based design and laid out a results framework as the foundation of the project. Yet, its RF had two major weaknesses: (1) causal (if/then) logic gaps at the (a) horizontal level, stemming from USDOL's missing programmatic mandate of an IO on employers, which is seen as necessary and sufficient to allow a causal effect to the DO level, and (b) vertical level, in which there is a 'missing middle' of results between IOs and DO; and, (2) weak DO, IO and output results statements.

### 4.2 Relevance and Strategic Fit

**USDOL Question #2. To what extent are the project's interventions consistent with the needs (and obligations) of key stakeholders including trade union representatives, workers, employers, the Government of Georgia, particularly officials within the Labor (particularly the inspectorate) and Justice ministries? Have stakeholder needs changed that would warrant a change in interventions?**

The following is a summary of project fit to needs: (i) MOLSHA: interventions are moderate in meeting needs; (ii) Future inspectors: interventions are moderate in meeting needs; (iii) Mediators: interventions are moderate in meeting needs; (iv) Judges: interventions are high in meeting needs; (v) GTUC: interventions are above-moderate in meeting needs; (vi) Employers: interventions are low in meeting needs.

The fit of ICLLG interventions to stakeholder needs varies. In addition to challenges associated with Georgia's political context, project design weaknesses limit the project from most effectively meeting needs, particularly for GOG and employers. With respect to the latter, ICLLG was not given the programmatic mandate to offer services to employers and thus cannot strategically and directly meet needs.

**USDOL Question #3. Is the project relevant to move the GOG towards resolving the GSP complaint with the USG and in meeting the requirements of the EU Association Agreement?**

ICLLG is considered to be relevant and supportive in moving forward specific elements within the GSP complaint and the EU AA. For the GSP, ICLLG outputs 1.3 and 1.4 are seen to support one of the two GSP's major issues of establishing a credible, independent labor inspectorate with a mandate to enforce ILS. ICLLG does not have the explicit programmatic mandate, which enables support of GSP's second major issue of improving the LC to conform to internationally recognized workers' rights. For the EU AA, outputs 1.1, 1.6, and 2.4 are notably feeding into and supporting Georgia's progress toward achieving Article 229.

### **4.3 Project Progress and Effectiveness**

**USDOL Question #4. How appropriate and useful is the performance management plan (PMP) (including indicators) in assessing the project's progress?**

ICLLG's PMP is not being optimally used to manage and monitor all levels of the project (i.e., manage against budget, verify progress against workplan, ensure progress and assess expected change). In practice, the project uses a Data Tracking Form to store and track quantitative information on indicators. Current indicators listed in this form are different than those originally proposed in the ILO *Project Document*. They also possess numerous measurement weaknesses, which challenge an accurate understanding of progress and limit ability to manage for results.

The current PMP consists of a table (which is missing indicator definitions) versus a full-fledged management plan. A comprehensive PMP elaborates upon the development hypothesis and results framework; identifies and adequately defines indicators; sets evidence-based baselines and/or targets; and frames data quality assurance strategy. Minimally, it should define indicators, identify data collection methods and sources, and pinpoint annual targets.

**USDOL Question #5. Is the project on track to achieve the indicator targets according to schedule? If not, what have been the obstacles to achievement both in terms of factors that the project is able to influence and external factors beyond its control?**

The project's movement toward indicator targets and corresponding results varies. Under IO1, the project is considered to be: on track for outputs 1.1, 1.2, 1.5 and 1.6; and, not on track for IO1 and outputs 1.3, 1.4 and 1.7. Under IO2, the project is considered to be: on track for outputs 2.1 and 2.2; and, not on track for IO2 and outputs 2.3 and 2.4.

External factors beyond the project's control are, to a significant extent, limiting ICLLG achievement, particularly under IO1. Three interrelated factors most significantly restricting progress are: (i) pressure on the GOG from employers' groups such as AmCHAM and BAG to

limit ILS consistent labor rights—particularly around an inspectorate; (ii) a resulting low political will of the GOG that is risk-averse on labor rights; and, (iii) project design weaknesses that originated in USDOL’s *Project Description* and ILO’s *Project Document*.

**USDOL Question #6. How effectively has the project engaged stakeholders in project implementation? How effective has the project been in establishing national or local-level ownership including government commitment?**

ICLLG’s success varies in engaging stakeholders to produce intended results and foster national or local commitment. The project’s stakeholder engagement effectiveness is considered as: (a) high in engaging HSOH and the Human Rights Secretariat; (b) above-moderate in engaging the GTUC; (c) moderate in engaging MOLSA; and (d) low in engaging employers. The political context and how it affects ICLLG stakeholders is a critical factor that influences engagement. Thus, external factors are also responsible for limiting effectiveness of GOG engagement.

The ICLLG project is, however, demonstrating that if stakeholders are open to being engaged, positive results can manifest. Nowhere is this more apparent than in the project’s work with the HSOJ, judges and the Human Rights Secretariat. Overall, the project is seen as diligent in its intent and efforts to engage key stakeholders. However, more must be done to generate further commitment and a sense of urgency among the tripartite social partners—both individually and as a collective.

#### **4.4 Efficiency of Resource Use**

**USDOL Question #7. Is budget execution progressing as expected (i.e. expenditure rates)?**

As of the beginning of November 2015, the project is underspending its total budgeted financial resources by about 22%. That is, ICLLG has a total underspent amount of US\$ 283,831. For ILO’s coming annual budget rephrasing exercise, consideration should be given to a cumulative adjustment of 2014 + 2015 under/over spending at 2015’s end. And, a reallocation exercise may be called for based on any potential decisions for project redesign (see below).

**USDOL Question #8. Is the level of budget execution for each component consistent with the level of compliance of targets? Do currently achieved outputs justify the level of expenditure?**

Underspending is occurring in nine of eleven ICLLG outputs. Of the total 11 outputs, six are considered to have progress that matches financial resources spent thus far (1.1, 1.2, 1.5, 1.6, 2.1 and 2.2). Five outputs are considered to not have progress that matches budgeted resources spent (1.3, 1.4, 1.7, 2.3 and 2.4).

Where outputs were rated as “on-track” in section 3.3.2, progress matches resources spent thus far. Likewise, where outputs were rated as “not on track”, there is neither progress nor the level of spending required to achieve the results. In addition to adjusting the Output Based Budget for the final year of implementation, serious consideration should be given to streamlining project activities (see recommendations below) to maximize effect of remaining resources.

## 4.5 Effectiveness of Management Arrangements

**USDOL Question #9. Has the project been effectively managed in terms of monitoring and reporting, internal and external communication, and collaboration and coordination with other labor project (US Government funded and others as relevant)?**

Monitoring and reporting is currently being managed at a weak level and major contributing factors include: inheriting a weak measurement system of indicators; weak M&E protocols around target setting; inadequate monitoring (and to some extent reporting) templates; and a lack of proactive and timely technical feedback and guidance from USDOL. While many of these areas require improvement, efforts to do so should be prioritized and strategically carried out in the remaining project year.

Internal and external communication is currently being managed at a moderate level. ICLLG is regularly and transparently managing information exchange to key stakeholders. Still, gains can be made in: precision and specificity of information shared; and, regularity and intensity of communication to employers' associations, particularly with BAG and AmCHAM.

Coordination and collaboration is currently being managed at an above-moderate level. This was considered as the most effective category of the three and the project is seen to be both strategic and purposeful in working with other labor projects—namely Solidarity Center, EU and FES.

## 4.6 Impact Orientation and Sustainability

**USDOL Question #10. Is the project on track to have the intended impact based on the intermediate objective indicators? If not, why?**

At this particular moment in implementation, the project is considered to be 'not on-track' for robust achievement of IOs. With one year remaining in the project, there is no reported progress on each set of indicators for IO1 and IO2. Two external factors beyond the project's influence are seen to be limiting progress: (a) project design weaknesses discussed above under 3.1; and (b) critical assumptions under IO1 are not holding true. The evaluator also has emerging concerns about the IO2 critical assumption, "GTUC leadership is committed to strengthening its own organization and its local affiliates", holding true. Of equal concern is that ICLLG's DO has no assigned indicators, rendering it impossible to measure progress toward achievement.

**USDOL Question #11. What are the key project achievements thus far, that could be sustained beyond the life and the context of the project? Does the project have a strategy in place to sustain these elements?**

Important ICLGG achievements that are moving Georgia toward ILS and have a level of potential to be technically and financially sustained, include: Judges Training Program (high level of sustainability potential); GTUC Union Educators (moderate level of sustainability potential); Inspectorate Cadre (unpredictable/low level of sustainability potential); Mediators Cadre (unpredictable/low level of sustainability potential). With respect to the presence and use of a sustainability plan, there is currently none in place.

**USDOL Question #12. What emerging project practices or experiences are worth highlighting as holding potential to become good practices or lessons learned at the end of project?**

ICLLG possesses a number of important practices and learning opportunities that can be utilized by the project over the next year and beyond. Based on only two years of ICLLG implementation, three emerging good practices and nine emerging lessons learned were identified.

## V RECOMMENDATIONS

The following recommendations are for ICLLG to consider during the remaining life of the project. Some may have project scope or funding implications and thus require USDOL leadership in their consideration and potential action.

1. **Re-Focus Efforts in Year 3:** A number of on-going realities point to and serve as important considerations to a re-design of ICLLG: (a) critical assumptions around GOG’s commitment to establishing a labor inspectorate and a mediators service (in law and practice) are not holding true; (b) ICLLG is under spending current resources and is not on-track to achieve outputs 1.3, 1.4 and 1.7, in particular; (c) the Solidarity Center (via USDOL) and FES are currently implementing projects that focus on strengthening Georgian workers’ organizations; (d) the final year of ICLLG is a parliamentary election year in Georgia; and, (e) as of January 2015, ILO is implementing a three-year project that focuses on the employer’s side of the tripartite. Three strengthening options for ICLLG’s final year, include:
  - **Option 1. Ramp up IO1 and Ramp down IO2:** This option maintains focus on all original ICLLG results, and consists of strategically transferring the management of IO2 results to the Solidarity Center and increasing ILO-effort under IO1. The ILO’s CTA and SC’s SWOG Project Director collectively identified this option during evaluation fieldwork. Table 9 operationalizes this option.

**Table 9: Option 1 Change Management Choreography**

IO Action	Output # & Remaining Effort (According to ILO)	Choreography
<b>IO2: ILO Ramps-Down Effort</b>	2.1. Finished	SC Monitors adoption and implementation of strategic plan.
	2.2. Implement plans & deliver trainings	ILO works with SC to identify key remaining efforts; SC integrates 2.2 into education component of SWOG.
	2.3 Flying Bargaining training to GTUC affiliates	ILO supports initial design and delivery and then transfers to SC; SC integrates into the education component of SWOG
	2.4 Coaching and mentoring new leaders; GTUC board is prepared to share experiences and move forward	ILO continues as primary implementer.
<b>IO1: ILO Ramps-Up Effort</b>	1.1. Finished	ILO Monitors adoption and implementation of plans
	1.2. Conduct education within MOLHSA	ILO reduces focus and solidifies work in hotline center and on website.
	1.3. OSH legislation needs approved and inspectorate institutionalized (adequate statutory powers, protocols and management structure).	ILO primary focus in Year 3
	1.4. Develop specific training for the Inspectorate based on 1.3 advances.	ILO primary focus in Year 3
	1.5 Finished	Monitor manual development and TOT roll-out; support where needed
	1.6 Coaching and training to Cadre	Provide periodic support
	1.7. Unsure whether to continue	Potentially eliminate result and transfer remaining \$11k into 1.3 and 1.4 efforts.

The drawback of this management option, of course, is that the critical assumptions are still very much in play for success. Thus, it will be important that new approaches (incentive, evidence or constituency-based) drive an augmented emphasis for outputs 1.3 and 1.4 under this option.

- **Option 2. Streamline ICLLG & Add Normative Framework Focus:** This option would prioritize the most critical results and add an ‘at source’ result, which focuses on improving the normative and institutional framework for labor rights. This could consist of, for example, three key change processes:
    - 1) Rapid, yet informed transfer of all IO2 results to SC;
    - 2) Streamlining efforts under IO1 results to only focus on 1.3 and 1.4; and,
    - 3) Add a result that seeks improvement of current normative framework on labor rights.<sup>25</sup> Activities for the result could focus on: (a) prioritizing and facilitating amendments on key aspects of LC; (b) shepherding current OSH law through to adoption; and, (c) developing and adopting an inspectorate law by strategically leveraging: (i) international pressure from ILO, EU, US; (ii) PM’s 2016 commitment on gender equality<sup>26</sup>; (iii) a legal base of evidence that can be created by Unions; and (iv) developing a base of economic evidence and facilitate further pressure from US and European multinational companies.
  - **Option 3. Combination of Options 1 and 2:** This option can take the most relevant and feasible efforts suggested in the above options and tailor for the remaining year.
2. **Strengthen Performance Monitoring System:** Once a re-focused project strategy is decided upon for the final year, the performance monitoring system and the PMP should be strengthened as recommended under evaluation areas 3.3 and 3.5. Of importance is that causal logic and results statements are strengthened, existing indicators are fully defined and targets are set accordingly. In doing this, it will be important to strengthen (as much as feasibly possible) existing measures, processes and reporting templates without disrupting the established system. It is also of key importance that all such strengthening efforts be done with the M&E officer. Lastly, it is recommended that at least one M&E capacity building session be provided in the final year to the M&E officer in areas such as results based management, developing indicators and targets, utilizing the PMP, and conducting effective performance monitoring.
  3. **Rapid Action Plan to Maximize EU project Effect on ICLLG:** It is recommended that ILO be as strategic as possible in leveraging the EU project to positively affect ICLLG (and visa-versa). A rapid action plan can be developed that pinpoints key EU efforts with the social tripartite and their planned effect on re-focused ICLLG efforts. This will allow more purposeful efforts and increase likelihood of cross-fertilizing activities and effects.

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<sup>25</sup> Under the project, ILO has assessed existing legislation and the corresponding gaps through such studies as, *Labor Inspection System for Georgia - 2014*; and, *Assessment of Georgian Legislative Framework on Enforcement of Labor Rights and OSH Regulation - 2015*.

<sup>26</sup> This is in reference to PM Irakli Garibashvili’s speech made at the Global Leaders Meeting on Gender Equality and Woman’s Empowerment in September of 2015

4. **Conduct a Year 3 Output-Based Budget Adjustment Exercise:** Based on a potential re-focus of ICLLG (recommendation #1), it is considered as useful for ILO to conduct an output budget exercise that takes account of all expenditures (i.e., over and under spending) and re-allocates values for the final project year.
5. **Sustainability & Exit Plan:** Absent the project, the technical and financial continuance of ICLLG efforts needs to be strategically reflected and acted upon. Among the project's key achievements, many are seen to possess lower levels of sustainability potential. The sustainability plan exercise currently being conducted by the project should include an "exit plan". Here, ILO can outline its process for disseminating key lessons and innovations to partners and a case can be made for follow-on assistance, targeted results and strategic approaches.
6. **Continuance of Labor Efforts in Georgia:** Clearly the culture around labor rights in Georgia is emerging. Gains thus far have been built on international pressure and donor funding. The importance of strategically and effectively maintaining and augmenting this momentum is of the essence. As work thus far in ICLLG has demonstrated, this process will take time, patience, persistence and the continuation of international funding and pressure. It is recommended that serious and strategic consideration be given to follow-on resources to continue established momentum for an ILS-consistent labor regime in Georgia.
7. **Leverage Judges' Program to Affect Normative Framework & ICLLG Stakeholders:** Strategic ways to leverage or scale-up on-going efforts and success attained in the judges training program should be considered. For example, the manual that will highlight Georgian judicial practice per ILS can be used to develop a series of policy guidelines or recommendations. Another example could be the development of a briefer from this manual, which can be distributed to key ICLLG stakeholders (i.e., GOG, business associations) to begin building a case for normative change. Also, the judges training can be replicated among strategically selected Georgian businesses, as judge informants shared that when high-level representatives from Energo-pro and Georgia Railways found out about the judges' training, they expressed motivation to take it themselves. In sum, both the success of this effort and the legitimacy of the judicial sector provide a strategic opportunity to influence and incentivize other ICLLG stakeholders.
8. **Build-up Evidence Base:** As an incentivizing measure for GOG and business association stakeholders, it is recommended that ICLLG develop a body of evidence in three key areas:
  - **Economic.** Gather concrete macro and micro economic data that shows the economic advantages of having ILS-consistent labor regimes. Such data can include per capita income, employment rates, GDP, commercial balance or net exports, direct foreign investment rates or a list of international companies investing in a specific country. This information would be best if gleaned from post-Soviet countries in the region that have a similar historical context (e.g., Latvia, Lithuania, Armenia, Ukraine). As well, it must come from respected sources that will be accepted by key Georgian stakeholders.
  - **Business:** Mobilize high-level multinational companies from the US and EU to advocate for or articulate upon the benefits associated with an ILS-complaint labor regime. A concrete example of this is an August 25, 2015 letter that the Fair Labor Association (FLA) wrote to MOLHSA advocating for a fair minimum wage in Georgia's growing

apparel industry. Key companies such as, Adidas, New Balance, Nike and Puma signed the letter, which was seen as an impactful statement from companies of this caliber.

- **Operational.** Develop case studies or good practice briefers that highlight ILS consistent inspectorates or mediation mechanisms that are successful in nearby countries (e.g., Poland, Latvia) and what makes them successful. The idea is to highlight and promote key elements that these bodies must possess in order to operate effectively, such as: maintaining levels of independence from ministries; ensuring leaders of these bodies are not politically nominated; being supervised by independent oversight bodies made up of social tripartite members; possess dedicated and independent training academies; and maintaining and communicating a culture that is supportive of businesses as opposed to dismantling them.

## ANNEXES

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## **ANNEX A: Terms of Reference**

### **An External Mid-Term Evaluation of the Improved Compliance with Labor Laws in Georgia Project**

The U.S. Department of Labor (USDOL) has contracted O'Brien and Associates, International (OAI) to undertake an external mid-term evaluation of the Improved Compliance with Labor Laws in Georgia (ICLLG) project. ICLLG is a three-year, \$2 million project that is funded by USDOL and implemented by International Labor Organization (ILO). The evaluation is intended as a formative evaluation that will allow the project to address problems and take mid-course corrective actions before the project is scheduled to end in December 2016.

The following Terms of Reference (TOR) serves as the framework and guidelines for the evaluation. It is organized according to the following sections.

- Background of the Project
- Purpose, Scope, and Audience
- Evaluation Questions
- Evaluation Management and Support
- Roles and Responsibilities
- Evaluation Methodology
- Evaluation Milestones and Timeline
- Deliverables and Deliverable Schedule
- Evaluation Report

#### **1. Background of the Project**

The ICLLG project aims to strengthen the capacity of the Georgian labor and national stakeholders to comply with International Labor Standards (ILS). The development of public institutions aimed at informing and raising awareness of employers and workers on labor laws, enforcing their application when required and preventing and settling labor disputes is required. Reinforcing the capacity of workers' organizations to recruit members and adequately negotiate working conditions and resolve disputes on their behalf is also a mean towards better compliance

The project was established with the goal to promote a labor regime that contributes to economic development with social justice in Georgia. The specific development objective of the project is to strengthen government mechanisms to protect fundamental rights at work, particularly freedom of association and collective bargaining. To this end, three immediate objectives were established:

- The capacity of the GoG to enforce labor laws and respect ILS is enhanced; and,

- The effectiveness of workers' organizations in representing workers' rights and interests is strengthened

The project intends to produce a range of outputs and outcomes focused on those Government agencies obligated to protect and enforce labor rights and the Georgian Federation of Trade Unions (GTUC). These outputs are summarized below.

For the Government of Georgia (GoG), especially the Ministry of Labor, Health and Social Affairs, enhance their capacity to enforce labor laws and respect for International Labor Standards (ILS) by: i) supporting the GoG in adopting a 3-year strategy and action plan to enforce the labor legislation; ii) supporting the development and implementation of information and awareness raising tools on the Labor Code for workers and employers; iii) assisting in establishing a Labor Inspectorate (LI) in conformity with ILS; iv) enhancing the capacities of the LI to effectively enforce the Labor Code; v) training Judges on the national labor laws and the judicial use of ILS; vi) assisting in reinforcing the capacities of labor mediators and raising the awareness of the social partners on the benefits of mediation to prevent and resolve labor disputes; and vii) providing technical assistance for consolidating the GoG's capacity to address labor trends and issues.

For GTUC and its affiliates, strengthen their effectiveness in representing workers' rights and interests by: i) supporting them in the adoption a 3-year strategy and action plan to improve their capacities in representing workers' rights and interests; ii) enhancing their capacities at recruiting, communicating and educating members to better represent workers' rights and interests; iii) reinforcing their capacities to serve their members' needs in labor relations; and iv) nurturing emerging unions leaders at effectively exercising growing influence and occupying key functions.

## **2. Purpose, Focus, and Audience of Evaluation**

USDOL-funded projects are subject to independent mid-term and final evaluations. The mid-term evaluation of the ILO Georgia ICLLG project is due at this time.

The overall purpose of this midterm evaluation is to assess program design, review the progress made toward the achievement of the outcomes of the project and identify lessons learned from its program strategy and its key services implemented to date. The evaluation will investigate how well the project team is managing project activities and whether it has in place the tools necessary to ensure achievement of the outputs and objectives.

The evaluation will focus data collection primarily on selected project documents and reports and interviews with key project personnel, partners, and stakeholders in Georgia. The project will be evaluated through the lens of a diverse range of stakeholders that participate in and are intended to benefit from the project's interventions.

The primary audiences of the evaluation are USDOL and the ILO. USDOL and ILO intend to use the evaluation report to determine the strengths and weaknesses of the project design and implementation and assess its possible use as a model to promote compliance with international labor standards.

### 3. Evaluation Questions

To serve these purposes, this mid-term evaluation will focus on the validity of the project's design, the relevance of the project's services to the target groups' needs, the project's efficiency and effectiveness, the impact of the results, and the potential for sustainability. These criteria are explained in detail below by addressing their associated questions.

Additional questions also may be analyzed as determined by the stakeholders and evaluators before the fieldwork begins. The evaluators also may identify further points of importance during the mission that may be included in the analysis as appropriate.

#### *Validity of the project design*

1. To what extent was the project design logical and coherent and do they meet the criteria in the USDOL-ILO MPG)?

#### *Relevance and strategic fit*

2. To what extent are the project's interventions consistent with the needs (and obligations) of key stakeholders including trade union representatives, workers, employers, the Government of Georgia, particularly officials within the Labor (particularly the inspectorate) and Justice ministries? Have stakeholder needs changed that would warrant a change in interventions?
3. Is the project relevant to move the GoG towards resolving the GSP compliant with the USG and in meeting the requirements of the EU Association Agreement?

#### *Project progress and effectiveness*

4. How appropriate and useful is the PMP (including indicators) in assessing the project's progress?
5. Is the project on track to achieve the indicator targets according to schedule? If not, what have been the obstacles to achievement both in terms of factors that the project is able to influence and external factors beyond its control?
6. How effectively has the project engaged stakeholders in project implementation? How effective has the project been in establishing national or local-level ownership including government commitment?

#### *Efficiency of resource use*

7. Is budget execution progressing as expected (i.e. expenditure rates)?
8. Is the level of budget execution for each component consistent with the level of compliance of targets? Do currently achieved outputs justify the level of expenditure?

#### *Effectiveness of management arrangements*

9. Has the project been effectively managed in terms of monitoring and reporting, internal and external communication, and collaboration and coordination with other labor project (US Government funded and others as relevant)?

#### *Impact orientation and sustainability, including effectiveness of stakeholder engagement*

10. Is the project on track to have the intended impact based on the intermediate objective indicators? If not, why?
11. What are the key project achievements thus far, that could be sustained beyond the life and the context of the project? Does the project have a strategy in place to sustain these elements?
12. What emerging project practices or experiences are worth highlighting as holding potential to become good practices or lessons learned at the end of project?

#### **4. Evaluation Management and Support**

Raymond (Ramon) Balestino will serve as the O’Brian and Associates evaluator, contracted by USDOL. Mr. Balestino has over 23 years of experience in strengthening the capacity of governments, development organizations and communities. He has worked to enhance organizations’ approaches, systems and policies to ‘manage for results’ and has performed evaluations, conducted organizational capacity assessments, delivered trainings and facilitated events with numerous development organizations, including USAID, World Bank, MCC, UNDP, IDB, USDA, USDOL and FEMA. He has designed and managed projects for youth workforce, microfinance and enterprise development, food security, agriculture, combating child labor and human rights education. Fluent in Spanish and Portuguese, he holds a M.A. in International Economic Development, is a Certified Performance Technologist, and a certified practitioner of Myers Briggs Type Indicator.

##### *Roles and Responsibilities*

The evaluator is responsible for conducting the external mid-term evaluation according to the terms of reference (TOR). They will:

- Receive and respond to or incorporate input from ILO and USDOL on the initial TOR draft
- Finalize and submit the TOR and share (concurrently) with ILO and USDOL
- Review project background documents
- Review the evaluation questions and refine the questions, as necessary
- Develop and implement an evaluation methodology (i.e., surveys, conduct interviews, review documents) to answer the evaluation questions, including a detailed discussion of constraints generated by the retrospective nature of this evaluation methodology and data collection and how those constraints could be avoided in future projects
- Conduct planning meetings/calls, as necessary, with USDOL and ILO
- Decide composition of field visit interviews to ensure objectivity of the evaluation
- Present verbally preliminary findings to project field staff and other stakeholders as determined in consultation with USDOL and the ILO
- Prepare an initial draft (48 hour and 2 week reviews) of the evaluation report and share with USDOL and ILO
- Prepare and submit final report

*USDOL is responsible for:*

- Drafting the initial TOR and sending to the evaluators to revise and finalize
- Reviewing proposed evaluators
- Providing project background documents to the evaluators (responsibility is shared with ILO)
- Obtaining country clearance
- Briefing ILO on upcoming visit and work with them to ensure coordination and preparation for evaluators
- Reviewing and providing comments of the draft evaluation report
- Approving the final draft of the evaluation report
- Participating in the post-trip debriefing
- Including USDOL evaluation contract COTR on all communication with evaluators

*ILO is responsible for:*

- Reviewing the TOR; providing input, as necessary, directly to the evaluators; and agreeing on final draft
- Providing project background materials to the evaluators as requested
- Preparing a list of recommended interviewees
- Scheduling meetings for field visit and coordinating all logistical arrangements
- Reviewing and providing comments on the draft evaluation reports
- Organizing and participating in the stakeholder debrief
- Including USDOL program office on all communications with evaluators

## **5. Evaluation Methodology**

Performance shall be assessed in terms of six criteria: relevance and strategic fit; validity of project design; project progress and effectiveness; efficiency of resource use; impact orientation and sustainability of the project; and effectiveness of management arrangements.

The evaluation shall draw on six methods: 1) review of documents, 2) review of operating and financial data, 3) interviews with key informants, 4) field visits, 5) a stakeholder debrief before leaving Tbilisi, and 6) a post-trip conference call.

Document Review: The evaluators will review the following documents before conducting any interviews or trips in the region.

- The project document
- Cooperative agreement
- Technical progress reports and comments
- Reports on specific project activities

- Training materials
- Trip reports, field visits, meetings, needs assessments and other reports
- Strategic framework, PMP, and performance indicators
- Work plans and budgets
- Any other relevant documents

Interviews with key informants: Interviews are to be conducted with key program stakeholders (by phone or in-person) including (but not limited to):

- USDOL project management team
- Relevant ILO officials in Geneva and ILO regional/sub-regional office
- ILO Georgia officials and project key personnel and staff
- Government counterparts
- Employer representatives
- Trade union representatives
- Mediators
- Inspectors
- Trainees
- Other collaborating projects and partners, as appropriate

Fieldwork in Georgia: The evaluator will meet the projects Chief Technical Adviser (CTA) and project team to discuss the purpose and logistics of the evaluation. In addition, the project team will assist the evaluators to schedule interviews with the key informants listed above and any others deemed appropriate.

The evaluators will interview the trade union representatives separately rather than as a group. The evaluators will work with project staff to develop a list of criteria that will be used to select a non-random sample of site visits / key informants to interview. Interviews with all relevant ILO representatives outside Georgia will be conducted by telephone (or Skype) once the fieldwork is completed.

The exact itinerary will be determined based on scheduling and availability of interviewees. Meetings will be scheduled in advance of the field visit by the project staff, coordinated by the designated project staff, in accordance with the evaluators' requests and consistent with these terms of reference. *The evaluators should conduct interviews with beneficiaries and stakeholders without the participation of any project staff.*

*Stakeholder debriefings:* Before departure from Georgia, the evaluators will conduct a debriefing meeting with project staff and key stakeholders to present and discuss initial findings of the evaluation.

*Post Trip Debriefings:* Upon return from Georgia, the evaluators will provide a post-trip debrief by phone to relevant USDOL and ILO staff to share initial findings and seek any clarifying guidance needed to prepare the report. Upon completion of the report, the evaluators will provide

a debriefing to relevant USDOL and ILO on the evaluation findings, conclusions, and recommendations, as well as the evaluation process. In discussing the evaluation process, the evaluators will clearly describe the constraints generated by the retrospective nature of this evaluation methodology and data collection and how those constraints could be avoided in future evaluations.

*Ethical Considerations:* The evaluators will observe utmost confidentiality related to sensitive information and feedback elicited during the individual and group interviews. To mitigate bias during the data collection process and ensure a maximum freedom of expression of the implementing partners, stakeholders, communities, and beneficiaries, implementing partner staff will generally not be present during interviews. However, implementing partner staff may accompany the evaluators to make introductions whenever necessary, to facilitate the evaluation process, make respondents feel comfortable, and to allow the evaluators to observe the interaction between the implementing partner staff and the interviewees.

*Limitations:* The scope of the evaluation specifies two weeks of fieldwork, which is not enough time to visit all of the project sites to undertake data collection activities. As a result, the evaluators will not be able to consider all sites when formulating her findings. All efforts will be made to ensure that the evaluators are visiting a representative sample of sites, including some that have performed well and some that have experienced challenges.

This is not a formal impact assessment. Findings for the evaluation will be based on information collected from background documents and in interviews with stakeholders, project staff, and beneficiaries. The accuracy of the evaluation findings will be determined by the integrity of information provided to the evaluators from these sources and the ability of the latter to triangulate this information.

Furthermore, the ability of the evaluators to determine efficiency will be limited by the amount of financial data available. A cost-efficiency analysis is not included because it would require impact data, which is not available.

## 6. Evaluation Milestones and Timeline

Activity	Date	Products/Comments
Prepare and submit TOR	October 23	Draft TOR
Doc reviews, methodology, data collection instruments	October 19-30	Final evaluation questions Methodology section Instruments
Evaluator logistics and briefing call with USDOL	November 4	
Fieldwork Georgia including debrief meeting	November 9-17	Preliminary findings presentation
USDOL and ILO debrief calls (separately)	Feb. 19 or 20	Debrief notes
Analysis and report writing	November 23- December 14	
Send first draft report for 48-hour review	December 14	Draft Report 1
Revise and send second draft report for 2-week review	December 18*	Draft Report 2
Finalize and send final report	December 31*	Final Report

\* These dates depend on when USDOL and ILO provide comments to evaluators

## **8. Deliverables and Deliverable Schedule**

- A. Finalized TOR with USDOL and ILO consensus, October 23, 2015
- B. Method to be used during field visit, including itinerary, October 30, 2015
- C. Stakeholder debriefing meeting/presentations, November 17, 2015
- D. USDOL and ILO debrief calls, November 19 or 20, 2015 (to be determined)
- E. Draft Report 1 to USDOL and ILO, December 14, 2015 (48-hour review)
- F. Draft Report 2 to USDOL and ILO by December 18, 2015 (2 week review)\*
- G. Final Report to USDOL and ILO by December 31, 2015\*

These dates depend on when USDOL and ILO provide comments to evaluators

## **9. Evaluation Report**

The evaluators will complete a draft report of the evaluation following the outline below and will share it with the USDOL and the ILO for an initial 48-hour review. Once the evaluators receive comments, they will make the necessary changes and submit a revised report. USDOL and the ILO will have two weeks (ten business days) to provide comments on the revised draft report. The evaluators will produce a second draft incorporating the comments from USDOL and ILO where appropriate, and provide a final version within three days of having received final comments.

The final version of the report will follow the format below (page lengths by section illustrative only) and be no more than 40 pages in length, excluding the annexes:

### *Report*

- 1. Title page (1)
- 2. Table of Contents and Lists (tables, graphs, etc.) (2)
- 3. Acronyms (1)
- 4. Executive Summary (5)
- 5. Background and Project Description (2)
- 6. Purpose of Evaluation (2)
- 7. Evaluation Methodology (2)
- 8. Findings This section should be organized around the six key issues outlined in the TOR (20)
  - 8.1. Relevance and Strategic Fit
  - 8.2. Validity of the Project Design
  - 8.3. Project Progress and Effectiveness
  - 8.4. Effectiveness of Management Arrangements
  - 8.5. Efficiency of Resource Use
  - 8.6. Impact Orientation and Sustainability
  - 8.7. Lessons Learned and Good Practices (2)

9. Conclusions (2)

10. Recommendations (1)

11. Annexes

- 11.1. Terms of reference
- 11.2. Strategic framework
- 11.3. Project PMP and data tables
- 11.4. Project workplan
- 11.5. List of meetings and interviews
- 11.6. Any other relevant documents

## **ANNEX B: Interview Guide**

**1. Master Interview Protocol:** below is the general interview guide that was modified / adjusted for the semi-structured interviews and focus groups.

### **Validity of project design**

Do you consider the project design logical and coherent? Why / why not?

- Is it relevant to Georgia's labor rights reality? Why / why not?

### **Relevance and Strategic Fit**

- Are the ICLLG project interventions relevant to your current needs? Explain.
- Can these interventions move the country forward in meeting the GSP and EU AA arrangements? Why /why not?

### **Project Progress and Effectiveness**

- Is the PMP being used? Explain (if so, how; if not, why not).
- Do its indicators measure their intended results and produce information that enables performance monitoring of ICLLG's intended results? Why/ why not?
- Is the project considered to be "on track" to meet its outputs under IO 1 and IO 2? Explain.
- If not, what are the key constraining factors that are limiting achievement?
- Has the project effectively engaged the stakeholder? Please explain.
- Are key stakeholders committed to the project? Are these stakeholders willing to invest resources and effort to sustain the ICLLG interventions?

### **Efficiency of Resources**

- Does annual budget expenditure align with projected amounts?
- Does progress on outputs thus far justify the level of expenditure?
- What are the potential issues for 2016 budget planning and execution?

### **Effectiveness of Management Arrangements**

- How has the project managed its: (i) monitoring and reporting?;(ii) internal and external communication?; and, (iii) collaboration and coordination?
- \*The Rapid Scorecard was also used for evaluation question #9 (see below)

### **Impact Orientation and Sustainability**

- Is the project considered to be "on track" to meet its IO1, IO2 and DO results? Explain.
- If not, what are the key constraining factors that are limiting achievement?
- What are the project's most important achievements thus far?
- Has the project produced any important practices or lessons thus far?
- \* Rapid Scorecard was also used for evaluation question #9 and #12

**2. Rapid Scorecard:** below are the rapid scorecard templates, which sought information on USDOL evaluation questions # 9 and # 12. These were translated into Georgian and distributed to all informants. A Georgian translator then transcribed informant responses into English.

9. From your perspective, analyze how effectively (e.g., moving project toward its intended results) the project has been managed in terms of:

Management Element (Circle one rating 1-5 for each element)	Comments
1. Monitoring & Reporting 	
2. Communication (Internal / External) 	
3. Collaboration and Coordination 	

12. Thus far, what project practices or experiences do you consider exceptional or important:

Name of Practice	Translated Description (What does it look like? Who is involved? What are results?)
1.	1.
2.	2.
3.	3.

## **ANNEX C: List of Documents Reviewed**

AFL-CIO, “Petition to Remove Georgia from the list of eligible countries of the GSP”, 2010

AFL-CIO, “Update to Petition to Remove Georgia from the list of eligible countries of the GSP”, 2015

EU, “Georgia Association Agreement”, Official Journal of the EU, August, 30, 2014

Fair Labor Association, “Legal Minimum Wage for Private Sector Workers in Georgia,” Letter to Honorable David Sergeenko, Minister of MOLHSA, August 2015.

“Frequently Asked Questions on Labour Rights”

GTUC, “Communication Strategy of GTUC”, Tbilisi, Georgia, 2015

GTUC, “GTUC Strategy: 2015-2017”, Tbilisi, Georgia, 2015

GTUC, “M&E Plan GTUC 2015-2017”, Tbilisi, Georgia, 2015

GOG, “Action Plan of the GOG on the Protection of Human Rights, 2014-16”

GOG, “Draft Law of Georgia on Labour Safety and of Health Protection”, July 2015

GOG, “Law of Georgia on amending the Law of Georgia on Combatting Human Trafficking”

GOG, “Law of Georgia on amending the Law of Georgia on Entrepreneurs”

GOG, “Law of Georgia on Combatting Human Trafficking,”

GOG, “Law of Georgia on Control of Entrepreneurial Activity,” September 2009

ILO, “A Labor Inspection System: Assessment and Roadmap”, 2014.

ILO, “Assessment of Georgian Legislative Framework on Enforcement of Labor Rights and Occupational Safety and Health Regulation, Tbilisi, Georgia, May 12-17, 2014

ILO, “ICLLG Annual Workplan” October 6, 2015

ILO, “Concept Flying Bargaining Teams”

ILO, “GEO-13-20-USA-Logic Model-Oct 2015” (Excel version).

ILO, “ICLLG PMP” (Excel version)

ILO, “ICLLG Data Tracking Form”, April 1, 2015 – September 2015; September 1, 2014-March 31, 2015;

ILO, “ICLLG Data Tracking Table” (Excel version)

ILO, “ICLLG Outputs Based Budget” (prepared for evaluation purposes only), November 2015.

ILO - Lecourt, Roger, “Coaching Report – Providig coaching to labour mediators at APM Terminals Poti Sea Port”, 19 April – 14 May 2015, Tbilisi Georgia

ILO - Lecourt, Roger, “Mission Report – Part 1, Assessing the Labour Mediation Machinery”, October 6-18, Tbilisi Georgia

ILO, “M&E Training Reports”: 15-11-17-20; 15-09-12-16; 15-07-13-18; 15-03-06; 15-02-20; 14-12-23; 14-11-15; 14-11-10; 14-09-26; 14-08-13; 14-05-08.

ILO, Project Document (Technical Proposal), October 11, 2013

ILO, “Results Framework” (Excel version)

ILO- Szymonek, Joanna, “SWOT of GTUC”, (Update version) March 16, 2015

ILO, “Technical Progress Reports”: 01 April 15 - 30 Sept 15; 01 April – 30 June 2015; 01 October 2014 – 31 March 2014; 01 April 2014 – October 2014; 01 February 2014 – July 2014; 01 January – 31 March 2014.

Irakli Garibashvili, PM, “Speech at Global Leader’ Meeting on Gender Equality and Woman’s Empowerment”, September 2015.

Mulvey, Kieran, “ILO, Report to the ILO on the Mission to Georgia (ILO/EU Project) in regard to Social Dialogue its status, current development and Recommendations for future action”, July 6-9, 2015

Solidarity Center, “Strengthening Worker Organizations in Georgia, Workplan”

Solidarity Center, “Strengthening Worker Organizations in Georgia, Technical Proposal”

USDOL, Cooperative Agreement Award, December 18, 2013

USDOL, Georgia Project Description, July 29, 2013

USDOL, “Management Procedures and Guidelines for USDOL/ILAB/OLTA Cooperative Agreements with ILO”, FY 2013

USDOL, “ICLLG Comments to Status Report”, February 2015; August 27, 2014

USDOL, ICLLG Embedded Comments in TPR, 01 April 2015 – 30 June 2015; 01 October 2014 – 31 March 2014;

USDOL, “March Trip Report” March 2014

## **ANNEX D: List of Persons Interviewed**

This page has been left intentionally blank in accordance with Federal Information Security Management Act (FISMA) of 2002, Public Law 107-347.