



USAID
FROM THE AMERICAN PEOPLE

LABOR SECTOR STRATEGIC ASSESSMENT GUIDE



JULY 2010

This publication was produced for review by the United States Agency for International Development. It was prepared by ARD, Inc.

This publication was produced for review by the United States Agency for International Development by ARD, Inc., under the Analytical Services II Indefinite Quantity Contract Core Task Order (USAID Contract No. DFD-I-13-04-00227-00).

USAID Technical Advisor:

Dr. Kimberly Ludwig, Senior Civil Society and Labor Advisor, Office of Democracy and Governance

Authors:

Lynn Salinger, Nathan Associates Inc.
Jeffrey Wheeler, ARD, Inc.

Prepared for:

U.S. Agency for International Development
*Bureau of Democracy, Conflict, and Humanitarian Affairs and
Bureau of Economic Growth, Agriculture, and Trade*
and
U.S. Department of State
Bureau of Democracy, Human Rights, and Labor

ARD Contacts:

Dr. Rhys Payne, Senior Technical Advisor
159 Bank Street, Suite 300
P.O. Box 1397
Burlington, VT 05402
Tel: (802) 658-3890 ext. 2407
Email: rpayne@ardinc.com

LABOR SECTOR STRATEGIC ASSESSMENT GUIDE

JULY 2010

DISCLAIMER

The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

TABLE OF CONTENTS

LIST OF FIGURES	VI
LIST OF TABLES.....	VI
ACRONYMS	VII
EXECUTIVE SUMMARY	IX
1.0 INTRODUCTION.....	1
Why Labor and the Labor Sector?	1
Overview of Global Labor Sector Analytic Initiative	3
Purpose of the Assessment Guide.....	7
Organization of the Assessment Guide.....	7
2.0 LABOR SECTOR ASSESSMENT FRAMEWORK	8
Four Components of the Labor Sector	8
Legal Foundation for Labor Rights.....	8
Government	9
Labor Markets	9
Interplay Among Labor Sector Components.....	10
Overarching Development and Diplomacy Themes and the Labor Sector	10
Human Rights	10
The Rule of Law	10
Political Processes	11
Civil Society.....	11
Governance.....	11
Economic Growth.....	11
International Trade	12
The Informal Sector.....	12
HIV/AIDS	13
Vulnerable Populations	13
Labor Migration, Smuggling, and Human Trafficking.....	13
Conflict and Crises/Post-Crisis Transitions.....	13
Tensions and Synergies.....	14
Contribution of The Labor Sector to U.S. Foreign Assistance Objectives.....	14
Achieving Peace and Security	14
Governing Justly and Democratically.....	14
Investing in People.....	15
Promoting Economic Growth and Prosperity	15
Providing Humanitarian Assistance	15
Drawing from the Conclusions of the Technical Paper	15

3.0	APPROACH TO COUNTRY LABOR SECTOR ASSESSMENTS	17
	Overview of the Steps To Be Taken	17
	Step 1: Identification of Need for Country Labor Sector Assessment...	18
	Step 2: Prepare	19
	Identifying the Specific Objectives of the Assessment	19
	Composing the Team.....	19
	Recruiting Local Expertise and Contacts	21
	Establishing Contacts and Meetings Schedules	22
	Developing a Shared Outlook	24
	Understanding the Country Context.....	24
	Step 3: Conduct In-Country Assessment.....	24
	Arriving In-Country	24
	Sampling	25
	Information Checklist.....	25
	Planning an In-Country Field Trip	25
	Employing a Mix of Assessment Techniques	26
	Step 4: Distill Understanding of the Labor sector.....	27
	Taking Stock of Labor Sector Coverage Gaps and Strengths.....	27
	Debriefing the Mission.....	31
	Step 5: Prepare the CoLSA Report.....	31
4.0	APPROACH TO LABOR SECTOR STRATEGIC OUTLINES	35
	Composing the Team	35
	Step 1: Understand the Country Development Context.....	36
	Step 2: Assess Labor Sector Constraints and Key Opportunities.....	36
	Step 3: Identify Broad USG Development and Diplomacy Objectives in the Country	37
	Step 4: Elaborate an Illustrative Results Framework	38
	Step 5: Prepare the LaSSO Report.....	38
5.0	FUTURE STEPS	43
	APPENDIX A: COUNTRY BRIEFING MATERIALS.....	45
	APPENDIX B: INFORMATION CHECKLIST.....	51
	APPENDIX C: LASSO TEAM ROLES AND RESPONSIBILITIES	59
	APPENDIX D: TECHNICAL GUIDANCE FOR CONSTRUCTING A RESULTS FRAMEWORK.....	63

LIST OF FIGURES

Figure 1: Global Labor Sector Analytic Initiative	5
Figure 2: Four Components of a Well-Functioning Labor Sector	6
Figure 3: Example of a Country-Level Special Objective (Ukraine).....	64
Figure 4: Results Framework Elements	65
Figure 5: Worksheet For Use In Elaborating A Results Framework	68
Figure 6: Worksheet For Developing Special Objectives, Intermediate And Sub-Intermediate Results ..	69

LIST OF TABLES

Table 1: Labor Sector Assessment Core Institutional Organizations	22
Table 2: Examples of Labor Sector Premises, Corollaries, & Useful Data to Collect.....	29

ACRONYMS

CAFTA-DR	Central America-Dominican Republic-United States Free Trade Agreement
CBA	Collective bargaining agreement
CLS	Core labor standards
CoLSA	Country Labor Sector Assessment
COTR	Contracting Officer's Technical Representative
CSO	Civil society organization
DCHA	Democracy, Conflict, and Humanitarian Assistance Bureau of USAID
DRL	U.S. Department of State, Bureau for Democracy, Human Rights, and Labor
EG	Economic growth
EGAT	Economic Growth, Agriculture, and Trade Bureau of USAID
FAF	Foreign Assistance Framework
FES	<i>Friederich Ebert Stiftung</i>
FOA	Freedom of association
GDP	Gross domestic product
GSP	Generalized System of Preferences
GTZ	German Technical Cooperation Agency
ILAB	International Labor Affairs Bureau (U.S. Department of Labor)
ILO	International Labor Organization
iMILS	Monitoring International Labor Standards on Intelink
IQC	Indefinite quantity contract
ITUC	International Trade Union Confederation
LaSSO	Labor Sector Strategic Outline
LSAF	Labor Sector Assessment Framework
MCC	Millennium Challenge Corporation
MILS	Monitoring International Labor Standards
NGO	Nongovernmental organization
RF	Results Framework
ROL	Rule of law
USAID	United States Agency for International Development
USDOL	United States Department of Labor
USG	United States Government
USTR	Office of the U.S. Trade Representative
WebMILS	Monitoring International Labor Standards on the Web
WTO	World Trade Organization

EXECUTIVE SUMMARY

Defining the Labor Sector and Its Role in USG Development and Diplomacy Programs

The U.S. government's (USG) primary foreign affairs goal is to "help build and sustain democratic, well-governed states that respond to the needs of their people, reduce widespread poverty, and conduct themselves responsibly in the international system."¹ This project focuses explicitly on labor and the labor sector because full consideration of diplomacy and development issues in the labor sector can be critical to building well-governed, democratic states able to respond to their citizen's needs. The 2000 Report of the Advisory Committee on Labor Diplomacy to the Secretary of State and the President declared that "[p]romoting core worker rights is central to the basic purpose of U.S. foreign policy, which is to create a more secure, prosperous and democratic world...."²

Full consideration of diplomacy and development issues in the labor sector can be critical to building well-governed, democratic states able to respond to their citizen's needs. As addressed in this paper, therefore, the "labor sector" is defined as the aggregate of labor rights, regulations, actors, and institutions that shape labor relations and the functioning of labor markets, both formal and informal. It is the arena in which youth as well as adult men and women, prepare for and participate in the world of work. ***A focus on the labor sector matters because of its impact on people's abilities to find decent work, realize sustainable livelihoods, and raise themselves and their families out of poverty.***

The world of work is understood here in its broadest context, encompassing people engaged in agriculture, industry, and service sectors, whether formally employed, and thus protected under the law, or informally engaged in making a living. People work on- and off-farm, in rural and urban areas, in their own countries or abroad. They may toil in legal or illegal activities. They may be working voluntarily or, in the case of trafficked persons, against their will. Given the uneven access to power, economic resources, and political decision-making that frequently characterizes the position of workers and compromises their ability, individually and collectively, to access their rights, free and democratic labor unions can provide workers with a crucial voice in their places of work, in the industries in which they play a role, and in national decision-making as well.

Failure to address issues in the labor sector may increase a country's vulnerability. A country that cannot offer the prospect of employment to its labor force may leave itself open to the destabilizing pressures that can arise from unemployed and disaffected adults and youth. A country that cannot assure working conditions compliant with international standards or cannot provide stable labor relations may make itself less attractive to foreign investment. And a country that does not provide appropriate knowledge and skills to its workforce through education and training may risk productivity and its competitiveness on the global market. These factors in turn may discourage investment and exacerbate a downward economic spiral. The net result of these factors may be an increased reliance of the citizenry on public social

¹ U.S. Department of State, "Framework for U.S. Foreign Assistance." (Washington, DC., 2007) Available from <http://www.state.gov/f/c23053.htm>. The Obama Administration is finalizing its strategic reviews of foreign policy, including development. The results of the Presidential Study Directive on Global Development and the State Department's Quadrennial Diplomacy and Development Review are expected to be released in September 2010.

² U.S. Department of State. 2000. Report of the Advisory Committee on Labor Diplomacy to the Secretary of State and the President of the United States. September.

entitlement programs, such as social security and health programs. This in turn places huge burdens on the public treasury, straining the government's ability to provide for the basic needs of its people.

Since 2007, USAID and the U.S. Department of State's Bureau of Democracy, Human Rights, and Labor (DRL) have sponsored analytical work to develop a more uniform methodology to understand issues in the labor sector and how they intersect with U.S. diplomacy and development goals. A suite of technical products has been developed, including a **technical paper** outlining a conceptual framework, this **strategic assessment guide**, and a **programming handbook**. The conceptual framework was field-tested in Cambodia, and applied in four additional **country labor sector assessments** (Bangladesh, Honduras, Nigeria, and Ukraine). Three shorter **labor sector strategic outlines** were also subsequently carried out (Georgia, Mexico, and South Africa).

This Strategic Assessment Guide lays out the methodology recommended to conduct labor sector assessments, outlining the necessary steps to be undertaken prior to departure, while in the country, and upon return to home base; the various quantitative and qualitative data that should be solicited, and a range of questions that need to be probed while in the field and addressed in the assessment report. Approaches to the Country Labor Sector Assessments are elaborated, and an information checklist is included to guide the analysts to ensure adequate coverage while in the field.

Approach to Labor Sector Assessments

Undertaking a country labor sector assessment (CoLSA) normally involves several steps:

- Step 1:** *Identification of Need for an Assessment:* A country will be identified – by USAID's Global Democracy & Governance or Economic Growth, Agriculture, and Trade offices, by a local USG mission, or by a partner country or organization – as a candidate for a labor assessment. The reasons for the assessment and the outcomes sought from its completion should be specified very early on in the process.
- Step 2:** *Prepare:* From the outset, the assessment team should understand clearly who the main client is and what the client seeks from the assessment. International and local experts are identified to serve on the assessment team, with one person named as team leader. The local expert prepares a Labor Sector Briefing Note for the team's introduction at least two weeks prior to arrival, arranges meetings schedules with core institutional organizations and other labor sector actors, and organizes logistics in coordination with the contractor's home office support team. A shared labor sector outlook and vocabulary are cultivated within the team. The assessment team reviews literature to gain an overview of the historical, labor rights, democracy/governance/ political, economic, and cultural contexts in which the country's labor market operates. Preliminary team communications are conducted and expectations set.
- Step 3:** *Conduct the In-Country Assessment:* The labor sector assessment team is briefed upon arrival by the USG mission; mission and assessment team concur from the outset on the scope of the assessment's objectives. Key local labor sector issues (see "Information Checklist" on page 17), and actors are identified and prioritized. The nuances of issues, relationships among actors, and other factors that enter into the labor sector profile are probed more deeply through both the collection of quantitative data and a series of structured interviews and focus group discussions with a diverse sample of informants. Interviews are triangulated to ensure all sides of the issues are adequately explored and where possible collect quantitative data to validate more subjective sources. A two- or three-day trip outside the capital city may

be organized to provide additional perspective from another of the country's economic centers.

Step 4: *Distill Understanding of the Labor Sector:* During the course of the assessment, team meetings are held to review what is being learned and the potential impacts of findings on USG goals and programs. Members of the team begin to lay out a *gaps analysis* of the country's labor sector. Strategic considerations are distilled, prioritizing unresolved issues that require attention and considering constraints faced by USG and other donor organizations. Local mission is debriefed on findings and the emerging themes that might constitute the basis of a strategy are "truth tested" with them.

Step 5: *Prepare Country Labor Sector Assessment Report:* Several steps are involved in preparing the CoLSA report: 1) Draft a document that synthesizes perspectives of multiple actors and sectors and lays out several strategic options, with next steps. Co-authors review for accuracy, team leader finalizes first draft. 2) Submit draft to USAID Contracting Officer's Technical Representative (COTR), revise as necessary. 3) Submit to USG mission for comments, revise as necessary. 4) Present to Labor Forum for comments, revise as necessary, report is finalized upon USAID approval.

A similar process is outline for the conduct of labor sector strategic outlines (LaSSOs), which are meant to be undertaken in a shorter time frame, with more limited budgets, focused more narrowly on a particular labor sector dimension, and with the goal of preparing a Results Framework (RF) template that can be used by the local USG mission to plan a labor sector program.

Step 1: *Understand the Country Development Context.* Because of the more limited breadth of the LaSSO team and the more limited time spent in the field, pre-mission preparation is crucial. Background documents are prepared by both the Local and the International Labor Sector Experts in order to understand development challenges facing the country and specific challenges faced by the country's labor movement before embarking, in order to shape an effective LaSSO mission itinerary.

Step 2: *Assess Labor Sector Constraints and Key Opportunities.* During the field visit, the LaSSO team seeks to identify which dimensions of the labor sector would benefit from USG support. The focus of LaSSO investigation is usually one of the four labor sector components (for example, trade unions and other worker organizations), as opposed to all four components of the overall sector.

Step 3: *Identify Broad USG Development and Diplomacy Objectives in the Country.* Since the LaSSO seeks to prepare strategic recommendations for the labor sector that will further the USG mission's overall development and diplomacy objectives it is crucial that the best available information regarding the latter is gained during the field mission.

Step 4: *Elaborate an Illustrative Results Framework.* The Results Framework is USAID's basic planning tool, linking assistance objectives with intermediate and sub-intermediate results (or outcomes with outputs and inputs or activities). An illustrative Results Framework (RF) is prepared by the LaSSO team to suggest a tentative labor sector RF (or one that is more narrowly focused on a special objective, e.g., worker organization development) structure to the USAID mission and get the

mission's feedback on how that might fit into their assistance plans. Worksheets are provided to aid the team in RF preparation.

Step 5: *Prepare the LaSSO Report.* A report outline is suggested, to be finalized upon discussion among the LaSSO team and representatives from USAID/Washington and the field mission.

Included in appendices at the back of this Strategic Assessment Guide are references for suggested background reading materials, detailed information checklists for field trips, illustrative scopes of work, and technical guidance for preparing an illustrative Results Framework.

1.0 INTRODUCTION

WHY LABOR AND THE LABOR SECTOR?

The term “labor” means different things to different observers. It may refer to people who work or the human activity that produces goods and services in an economy. As a grouping of people, the term generally refers to worker organizations that represent workers’ interests collectively and individually and have workers as their members. “Labor” may act to achieve specific short-term goals, such as ending addressing workplace conditions, or large-scale, long-term goals, such as bringing about social and political change. Thus, depending on one’s vantage, the term may refer to specific industrial relationships between employers and unions or it may be interpreted more broadly to refer to all those who strive to earn a living, whether formally or informally employed, self-employed, unemployed, or out of the workforce. At the broadest level, the term can simply mean all workers.

This paper, and the larger project it introduces, deals with all of these definitions and issues through a focus on the “labor sector” and the role it plays in development. The labor sector is the arena in which youth as well as adult men and women prepare for and participate in the world of work. *A focus on the labor sector matters because of its impact on people’s abilities to find decent work, realize sustainable livelihoods, and raise themselves and their families out of poverty.*

The world of work is understood here in its broadest context, encompassing people engaged in agriculture, industry, and service sectors, whether formally employed, and thus protected under the law, or informally engaged in making a living. People work on- and off-farm, in rural and urban areas, in their own countries or abroad. They may toil in legal or illegal activities. They may be working voluntarily or, in the case of trafficked persons, against their will. Given the uneven access to power, economic resources, and political decision-making that frequently characterizes the position of workers and compromises their ability, individually and collectively, to access their rights, free and democratic labor unions can provide workers with a crucial voice in their places of work, in the industries in which they play a role, and in national decision-making as well.

As addressed in this paper, therefore, the “labor sector” is defined as the aggregate of labor rights, regulations, actors, and institutions that shape labor relations³ and the functioning of labor markets, both formal and informal.

The U.S. government’s (USG) current and primary foreign affairs goal is to “help build and sustain democratic, well-governed states that respond to the needs of their people, reduce widespread poverty, and conduct themselves responsibly in the international system” (U.S. Department of State 2007).⁴ This project focuses explicitly on labor and the labor sector because full consideration of diplomacy and development issues in the labor sector can be critical to building well-governed, democratic states able to respond to their citizen’s needs. The 2000 Report of the Advisory Committee on Labor Diplomacy to the

³ Labor relations may be viewed generally as the relationship between workers and employers or more specifically “as a system for striking a balance between the employment relationship goals of efficiency, equity, and voice, and between the rights of labor and management” (Budd 2008, vii).

⁴ The Obama Administration is finalizing its strategic reviews of foreign policy, including development. The results of the Presidential Study Directive on Global Development and the State Department’s Quadrennial Diplomacy and Development Review are expected to be released in September 2010.

Secretary of State and the President declared that “[p]romoting core worker rights is central to the basic purpose of U.S. foreign policy, which is to create a more secure, prosperous and democratic world...” (State 2000).

The sources of authority related to the goals and roles of the labor sector in U.S. development and foreign policy may be found in U.S. framework legislation, such as the Foreign Assistance Act (as amended), targeted U.S. legislation such as the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008 (HOPE II Act), unilateral trade preferences and bi- or multilateral trade agreements with labor provisions, and USG policy as determined by the President’s Administration and long-standing USG principles and objectives.⁵

Just as a focus on the labor sector can help achieve foreign assistance goals, neglecting to address this sector has implications as well. For example, failure to address labor sector issues and correct asymmetrical access to resources may increase a country’s vulnerability to social and political dislocations that can adversely affect democracy, stability, and/or economic growth. A country that cannot offer the prospect of employment to its labor force may leave itself open to the destabilizing pressures that can arise from unemployed and disaffected adults and youth. A country that cannot assure working conditions compliant with international standards or cannot provide stable labor relations may make itself less attractive to foreign investment. And a country that does not provide appropriate knowledge and skills to its workforce through education and training may risk weak productivity and thus threaten its competitiveness on the global market. These factors in turn can also exacerbate a downward economic spiral. In such a scenario, investment may be discouraged, making it harder for local businesses to connect to international management techniques, modern technologies, and new markets. Formal sector growth can be stymied. People may look outside the legitimate sectors of the economy for new livelihood opportunities. The net result of these factors may be an increased reliance of the citizenry on public social entitlement programs, such as social security and health programs. This in turn places huge burdens on the public treasury, straining the government’s ability to provide for the basic needs of its people. At the same time, the downward spiral may affect prospects for democratic growth as well. Labor force participants whose rights are not protected by the country’s laws and institutions and who do not have an effective voice in advocating for legislative action or influencing government policy may lose faith in their governments, which in turn may lead to political and societal conflict.

A focus on the interests of labor, as represented by trade unions and other labor sector organizations, and business, as represented by employer or business associations, by developing country policymakers and the development organizations that work with them is therefore essential to address people’s rights and their needs to earn a decent living in support of themselves and their families. It is also important to the development of accountable political systems that respond to citizens’ concerns and interests, democratic multi-party systems that are interest-based, rather than based on personalities and patronage, and more vibrant civil societies. As people believe that their rights are respected, their voices are heard, and their access to education and livelihoods is improved, their commitment to their communities and nations is strengthened. Addressing these issues also builds human capacity in crucial areas such as negotiation and leadership accountability, which in turn contributes to the peaceful resolution of differences and disputes in labor and industrial relations and can provide critical incentives for more transparent governance.

The USG supports international labor sector programming in pursuit of development and diplomacy objectives primarily through the U.S. Agency for International Development (USAID), the U.S.

⁵ See also, for example, testimony provided by USG officials to Congress (e.g., Posner 2010, Polaski 2010, Reichle 2010, available at <http://www.internationalrelations.house.gov/111/55396.pdf> and <http://www.usaid.gov/press/speeches/2010/ty100310.html>).

Department of State's Bureau of Democracy, Human Rights, and Labor (DRL), and the U.S. Department of Labor's (USDOL) International Labor Affairs Bureau (ILAB).⁶ USG programming has aimed at:

- Affirming, and supporting the enforcement of, international labor rights;
- Combating child labor, forced labor, and human trafficking;
- Strengthening the capacity of institutions, governmental and extra-governmental, to administer effective programs in support of the labor sector;
- Promoting freedom of association, including the role of organized labor, building the capacity of free and independent labor unions around the globe to advocate effectively on behalf of their members for their rights and decent conditions of work;
- Engaging with civil society organizations to advocate regarding issues of concern to labor;
- Working with the private sector to protect human rights, including labor rights;
- Creating an international economic system that shares the benefits of increased economic growth and security with all workers; and
- Promoting economic growth with an enabling environment that encourages job formation, strengthens industrial relations between employers and unions, and addresses the needs of the workforce alongside the needs of employers to improve the competitiveness of firms, industries, and sectors, encourage growth, raise productivity, and stimulate wages and employment.

The USG's use of labor diplomacy has helped ensure more coordinated support between development and foreign policy goals. For example, the USTR has negotiated increasingly detailed labor provisions into trade agreements and, at times, the governments of developing countries respond with requests for technical assistance to better meet these obligations. The U.S. Department of State and the Department of Labor both provide technical assistance and act in the realm of labor diplomacy. Discussions on whether and what kinds of assistance the USG may provide to a country may be concurrent with a review of its compliance with labor rights provisions in trade agreements or beneficiary criteria for unilateral trade preference programs. This extension of assistance often has greater foreign policy implications in post-conflict and politically and economically unstable countries. Labor diplomacy may bring together developed and developing countries, as happened in April 2010 when USDOL hosted the first-ever meeting of labor and employment ministers from the world's 20 largest economies.⁷ The Department of State's Special Representative for International Labor Affairs also plays an important role in labor diplomacy.

OVERVIEW OF GLOBAL LABOR SECTOR ANALYTIC INITIATIVE

In 2007, the U.S. Agency for International Development's Bureau for Democracy, Conflict, and Humanitarian Assistance (DCHA), in cooperation with the U.S. Department of State's Bureau of Democracy, Human Rights, and Labor (DRL), were tasked with establishing how programs in the labor sector can best contribute to foreign assistance objectives. The aims of this paper are: 1) to present an innovative conceptual framework that unites democracy and governance and economic perspectives on the labor sector, 2) to explore how addressing issues in the labor sector (as defined above) can help

⁶ Drawn from mission statements found on websites for the State Department's Director of U.S. Foreign Assistance and its Office of International Labor and Corporate Social Responsibility and the Department of Labor's ILAB.

⁷ Described in detail at http://www.dol.gov/ilab/media/events/G20_MinistersMeeting/.

achieve USG strategic goals in international development and foreign policy, and 3) to explore how addressing labor sector goals helps countries to achieve their overarching development objectives.

Viewing the labor sector as an integrated system brings several additional benefits. A systems analysis underscores how a properly functioning labor sector is important to the development of a liberal democracy and favorable to market-driven economic growth, consistent with human rights and labor rights. Moreover, it is suggested that using that lens to identify programming options may actually be a *more effective strategy* for achieving those goals than focusing exclusively on a single, stove-piped component. Working with labor unions and business and employers associations, communicating social and political messages through such labor organizations, and strategizing economic growth by focusing on employment levels and conditions may provide valuable traction to achieve long-term development goals. In addition, working with labor unions may allow closer proximity to the poor, broader coverage, and more comprehensive and equitable program outreach.

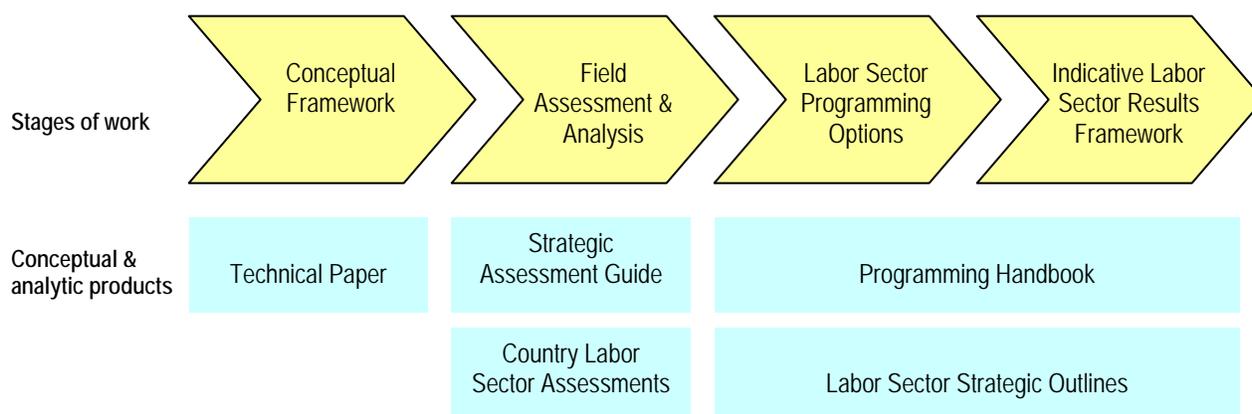
Labor diplomacy and development programs are implemented by USG agencies, international organizations, and implementing partners. Other programs managed by these three sets of actors may also affect the labor sector. To date, USG labor sector programs have generally addressed objectives in four main areas: labor rights, labor markets, and the roles of labor sector government institutions and civil society organizations in promoting foreign assistance goals. The USG has promoted labor rights as a key set of rights on their own and as a means of lending support to the advancement of all human rights.

The Global Labor Sector Analytic Initiative addresses the following questions:

- What is a “labor sector”?
- Who are the key actors in a labor sector, and what are the relationships among them?
- In what various ways are labor sectors structured around the globe and how do they behave?
- What performance standards would one expect to see in a “well-functioning” labor sector?
- How does the labor sector’s performance affect political, economic, and social development?
- How can various kinds of labor sector programs contribute not only to improved labor sector performance, but also broader diplomacy and development goals of the United States government (USG)?
- What results does labor sector programming seek to achieve and what data should we collect to evaluate progress toward such achievement?

The stages of work and corresponding conceptual and analytic products of the Initiative are depicted in the figure below.

FIGURE 1: GLOBAL LABOR SECTOR ANALYTIC INITIATIVE



The **Technical Paper** suggests that:

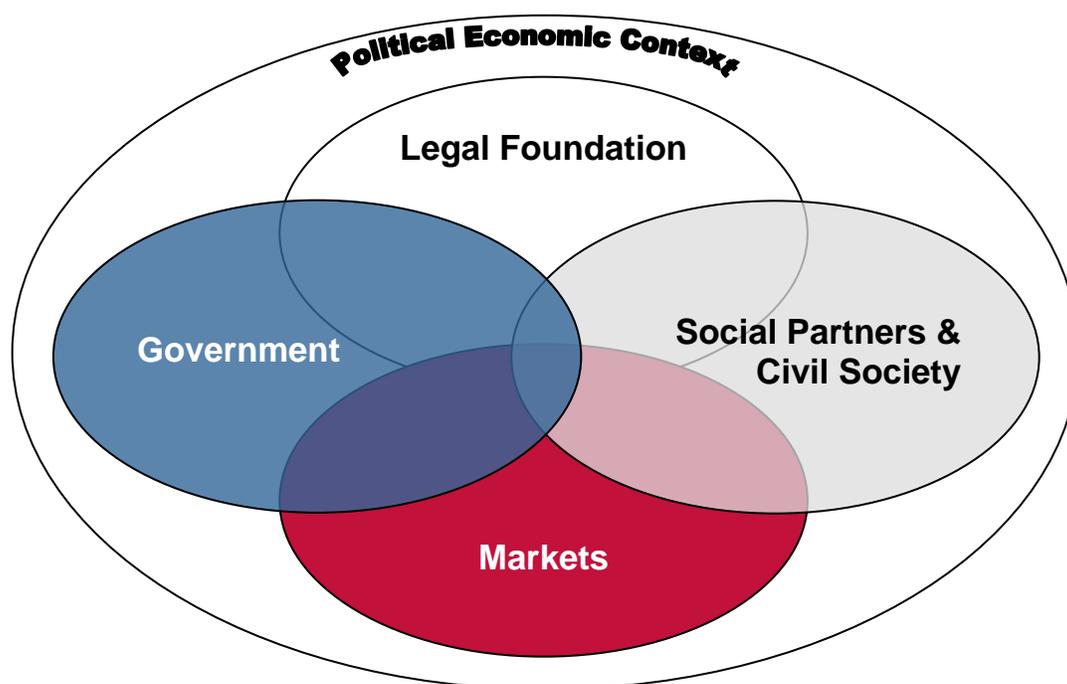
- 1) the labor sector – that is, the legal foundation, government, social partners⁸ and civil society, and labor markets, understood individually, overlapping, and intersecting with each other, as depicted below in Figure 2 – is a **multidimensional system** that requires multiple and integrated interventions to achieve diplomacy and development goals;
- 2) using this systemic approach offers **multiple utility**, as a means both to promote labor rights and trade unions and other labor sector organizations for their own sake and to increase the effectiveness of programs that seek to achieve a diverse set of USG foreign assistance goals;
- 3) labor sector issues are of **integral importance** to achieving progress in major foreign policy objectives, including respect for the rule of law (ROL) and human rights, promotion of democracy, and economic growth and prosperity; and
- 4) broad **political economy considerations** are an essential context for understanding how to address stability, rule of law, participation, livelihood, and social protection concerns.

In addition to the Technical Paper, the suite of labor sector analytic products includes:

- A **strategic assessment guide**, detailing how to approach the organization and implementation of continuing labor sector assessments in the field (Salinger and Wheeler 2009b). This how-to manual:
 - provides a checklist of information that the assessment team seeks to collect in the field,
 - outlines how to carry out an integrated labor sector analysis to identify strengths and weaknesses of a country’s current labor sector,
 - ties these considerations to the achievement of broad development goals in the country, and
 - recommends strategic considerations for achieving U.S. foreign assistance objectives for that country.

⁸ The term “social partners” refers to both workers’ organizations and employers’ organizations, both of which cooperate with governments in social dialogues.

FIGURE 2: FOUR COMPONENTS OF A WELL-FUNCTIONING LABOR SECTOR



- A **labor sector programming handbook** with suggestions for labor sector program design or ways to include labor considerations in broader democracy or economic growth programming and a proposed structure for the accompanying results framework used by USAID to monitor programs.
- A pilot **labor sector assessment** testing the conceptual framework, conducted in Cambodia (Lerner, Salinger, and Wheeler 2008).
- **Country labor sector assessments** (CoLSAs), carried out in four of the five regions in which USAID programs are active:
 - Asia and Near East: Bangladesh (Kolben and Penh 2009)
 - Europe and Eurasia: Ukraine (Fick et al. 2009a)
 - Latin America and the Caribbean: Honduras (Cornell et al. 2009)
 - Sub-Saharan Africa: Nigeria (Thomas et al. 2009)
- **Labor sector strategic outlines** (LaSSOs), representing a more rapid and resource-efficient approach to field assessment and preparation of a template for a labor sector Results Framework, have been conducted in the following countries:
 - Georgia (Fick et al. 2009b)
 - Mexico (Bensusan and Burgess 2009)
 - South Africa (Kalula and Sukthankar 2010)

Findings from this body of work have been presented at a series of public Labor Forums for discussion with USG partners, including representatives from the USG's National Endowment for Democracy collaborating institutions, international organizations that support labor sector programs, non-

governmental organizations and research institutions that work in the labor sector, and development consulting firms that implement labor sector programs.

PURPOSE OF THE ASSESSMENT GUIDE

The assessment methodology presented in this document applies the labor sector conceptual framework in order to identify a country's primary labor sector issues and their relationship to key foreign assistance goals, and recommend a strategy for addressing them. The assessment thus serves as a diagnostic tool to guide resources to the program areas where investments will have the most impact. By elaborating and standardizing the approach and methodology used for assessing labor sector issues and identifying opportunities for program interventions, a body of knowledge and analysis is being built to help identify best practices and achieve meaningful and sustainable results and impact from programming in this sector.

This Guide elaborates methodologies for two different kinds of labor sector assessments. The **Country Labor Sector Assessment (CoLSA)** is a comprehensive, multi-sectoral, and cross-disciplinary analysis of the several different labor sector components and their interaction, and is meant to provide a strategic overview of the sector in order to identify tensions and synergies that may exist in addressing multiple objectives, as well as establish more narrow areas for specific resource focus. A **Labor Sector Strategic Outline (LaSSO)** ideally follows the CoLSA to identify specific areas in which resources might be targeted and particular results to be achieved in those areas; in cases where resources do not permit both studies, the LaSSO includes a brief overview of the entire sector in order to provide background and contextualize a more focused and nuanced treatment of a particular labor sector component.

ORGANIZATION OF THE ASSESSMENT GUIDE

This Guide lays out the methodology recommended to conduct labor sector assessments, outlining the necessary steps to be undertaken prior to departure, while in the country, and upon return to home base; the various quantitative and qualitative data that should be solicited, and a range of questions that need to be probed while in the field and addressed in the assessment report. Approaches to the comprehensive **Country Labor Sector Assessment (CoLSA)** and more limited **Labor Sector Strategic Outline (LaSSO)** are elaborated. A list of briefing materials, information checklists, a matrix of team roles and responsibilities, and technical guidance for preparing a Results Framework are included in appendices.

2.0 LABOR SECTOR ASSESSMENT FRAMEWORK

The following framework for assessment of country labor sectors (labor sector assessment framework, or LSAF) has been derived from the systemic approach elaborated in the companion Technical Paper and summarized in the introduction (Section One) to this document. For the purposes of this paper, the labor sector encompasses four main components: the legal foundation for labor rights and employment, trade unions and other labor sector organizations, government institutions, and labor markets. More detailed information on these components and their interlinkages can be found in the Section Two of the Technical Paper.

FOUR COMPONENTS OF THE LABOR SECTOR

Legal Foundation for Labor Rights

A well-functioning labor sector operates within an established legal framework that promotes the rule of law, which requires both respect for substantive human rights, including labor rights, and respect for procedural justice with established rules and procedures that are fairly, transparently, and consistently applied. The term “labor rights” has been defined in international instruments, multilateral agreements, trade law, and domestic law to cover international labor standards, including these six labor rights:

1. Freedom of association and the right to organize;
2. Effective recognition of the right to collective bargaining;
3. Elimination of all forms of forced and compulsory labor;
4. Effective abolition of child labor and the prohibition of the “worst forms” of child labor;
5. Elimination of employment discrimination; and
6. Promotion of “acceptable conditions of work” with respect to minimum wages, hours of work, and occupational safety and health.⁹

Social Partners & Civil Society

In establishing the role of the labor sector in international development and diplomacy, it is necessary to address the role that the specialized organizations in this sector can play in the process. For the purposes of this paper, labor sector organizations include social partners, i.e., workers’ organizations, including labor (or trade) unions, and employer organizations, as well as labor rights organizations. The key difference between worker organizations and most rights and development groups is that the former, by definition and ideally in practice, are governed by and for their members. Because workers’ organizations

⁹ This list represents a synthesis of the ILO “fundamental human rights” and “internationally recognized worker rights” as defined in U.S. trade law. See Annex B of the Technical Paper for more detail.

are representative organizations, they have special responsibilities and duties to their members both in terms of process and outcomes.

The role of labor sector organizations is relevant in achieving goals in three areas:

1. Promoting democratic change as important partners in civil society;
2. Improving labor law, relations, policies and practices and expanding social dialogue to protect labor rights as a foundation for democracy, improve government policy, broadly promote the interest of workers, and encourage sustainable economic growth and employment; and
3. Promoting good governance and combating corruption.

Tripartism is the foundation for international labor sector governance for dialogue within the ILO and most national-level labor sectors. Tripartism supports balanced relations and cooperation among governments, employers' organizations, and workers' organizations. "Social dialogue" among these three parties seeks to promote cooperative and stable economic and political relations. However, the allocation of education, assets, and power among these three may not be equal or static. While collaborative and respectful tripartite relations represent the international ideal for government-worker-employer relations, the gap between realities on the ground and that ideal may remain wide in many countries.

Government

Labor sector government institutions include labor ministries and departments, labor courts, and administrative tribunals and boards. Labor ministries and departments generally educate on labor law, enforce the law, and regulate, investigate, conciliate and prosecute either directly or through another government body, such as a ministry of justice. Labor ministries and departments also commonly promote labor peace.

Legal systems usually have a role for the judiciary either for hearing labor disputes or reviewing administrative decisions on appeal. A well-functioning legal foundation also requires a judicial process that results in binding decisions. The judiciary may process labor cases through common courts or through specialized industrial or labor courts. Administrative tribunals and boards commonly adjudicate disputes and/or promote the resolution of disputes through alternative dispute resolution (ADR) processes.

Labor Markets

Labor markets allocate the work of men and women according to the forces of supply and demand. Well-functioning labor markets are critical to achieving economic growth, job creation, and poverty reduction. The ideal of a well-functioning labor market approximates the classic definition of a competitive market. Yet other labor market structures may exist in which either the numbers of employers or the number of workers are more limited, access to information is not equitably distributed, transition and transaction costs are high, risks abound, etc. In recognition of the *imperfect* market conditions under which buyers and sellers of labor frequently interact, society has developed institutions and regulations to guide labor markets, manage risks, and defend social goals, including:

- Provision of institutions that allow stakeholders' voices to be heard in the workforce system;
- Regulation of conditions of work according to agreed-upon core and substantive labor standards;
- Establishment of social protections; and
- Respect for dispute resolution and contract enforcement mechanisms by all stakeholders.

Interplay Among Labor Sector Components

In addition to defining the areas that perform key functions in the labor sector, it is also important to consider how the various labor sector components are mutually reinforcing and interdependent. For example, the effective functioning of the legal enabling environment requires strong and transparent government institutions, labor sector organizations need to have enough capacity to feed evidence-based analysis and demands into the system, and markets have to function well enough that most people have work of one sort or another which the legal framework can regulate and adjudicate. ***One of the key findings to emerge from this paper is that advantages are to be gained through the use of a more holistic and systemic way of strategizing interventions in this system.***

OVERARCHING DEVELOPMENT AND DIPLOMACY THEMES AND THE LABOR SECTOR

Labor sectors are integral to central themes in both international development and diplomacy. Labor sector issues pertain to and involve rights, organizations, institutions, and markets. The protection of human rights, the promotion of democracy and governance, improving the environment for economic growth, and the encouragement of international trade are all objectives that can be furthered to one degree or another through interventions in the labor sector. Assessing the components of a well-functioning labor sector, determining the gaps therein and engaging in strategic interventions to address/mediate those gaps, can help inform and promote USG development and diplomacy objectives in a given country and contribute to the prioritization of specific interventions to develop and support well-functioning labor sectors. Important issues are summarized below – further details can be found in Section Three of the Technical Paper:

Human Rights

In the past century, a broad consensus in the international arena has developed concerning the principle that labor rights are fundamental human rights worthy of universal protection and promotion. Governments are not simply obliged to recognize fundamental labor rights as an abstraction; rather, consistent with the rule of law, they are obliged to actively promote and protect them in law and in practice with appropriate remedies and penalties for their infringement. The promotion of labor rights may also serve a functional role in promoting other goals related to democracy building, good governance, and social and economic development, among others. It plays an integral role in supporting a well-functioning labor sector with its legal foundation rooted in the rule of law and supported by labor sector organizations and institutions and appropriate labor market policies.

The Rule of Law

Promoting the rule of law in the labor sector is both a goal in itself and a means of providing broader support for the rule of law. Labor sector organizations play essential roles regarding labor rights. Unions focus on educating workers, employers, and labor sector government institutions; advocating for changes in laws and practices consistent with the fundamental principles of labor rights; representing their members' interests in bargaining; and promoting improvements in democracy, governance, and economy that serve the interests of their members, all workers, and, in many cases, the public. Employers seek a predictable rules-based environment that adheres to rule of law principles in order to effectively manage their operations and risks. Additional means by which to promote labor rights and the rule of law can be drawn from rule of law approaches. Examining rights and remedies involves looking at coverage provided by the labor legal framework and the effectiveness of government institutions to make and enforce policies that are consonant with labor rights.

Political Processes

Trade unions and other labor sector organizations often play instrumental roles in giving voice to important segments of society. Employers often push for the implementation of political policy that supports business growth. Labor rights organizations often advocate for policy change that protects the rights of disadvantaged groups and for working people in general. Trade unions are among the most effective civil advocacy organizations in providing voice, organization, and leadership for the working and middle classes. Yet, labor movements do not always support expanded political competition. They often engage political actors, parties, and processes with a utilitarian approach to advance their institutional interests that usually, but not always, support expanding democracy.

Civil Society

Labor sector organizations are key actors in civil society. The labor sector is hence important to democratic reform because the natural tensions between business and labor form one of the most important and enduring socio-political divisions within many societies. It is thus important to strengthen dialogue processes and culture of compromise that are key to the functioning of democratic institutions, the formation of interest-based party systems, the sustainable and demand-driven development of an accountable justice system, and a strong and sustainable civil society. Trade unions are a special subset of civil society organizations because they are both representative membership organizations and interest groups with a unique set of interests, opportunities, and abilities. When properly understood, appropriate trade unions can be engaged to promote democracy-building, good governance, and economic growth as well as labor rights and other labor sector issues.

Unions at their best are highly democratic because they have many decision-makers which, ironically, may make them more difficult and time-consuming to work with in foreign assistance programs. Engaging workers can lead to *better decisions* because of the numbers of persons consulted and their specialized knowledge and experience gained through their work and communities. Worker organizations are “interest groups” because they represent the interests of their members.

Governance

All labor sector organizations and institutions have important roles to play in improving governance and fighting corruption in matters pertaining both to the labor sector and governance in general. Labor ministries and departments commonly enforce laws that protect labor rights, promote labor peace by encouraging collective bargaining, support tripartite social dialogue to improve labor relations and labor policy, promote best practices, and promote the resolution of labor-management disputes through investigation and enforcement of the law. Worker organizations, employer organizations, and NGOs may find common ground in promoting democracy, the rule of law, and good governance. They often have acted on their common interests in promoting predictable rights- and rules-based systems. There is a role for labor, in particular, public sector unions, to play in anti-corruption efforts in the public and private sectors, since workers in the public sector are often losers in corruption.

Economic Growth

The process of economic growth brings pressure on labor across the economy, for men and women in rural and urban environments and in informal and formal sectors. Economic growth strategies that are truly broad-based must therefore directly incorporate labor considerations in order to ensure that workers can access the education and skills, assets, rights, mobility, and livelihood and employment opportunities they need in order to benefit from the new opportunities that economic growth should stimulate.

Such issues are particularly vital as the political economy of the labor sector is affected by structural adjustment and globalization. The cost of labor in the developing world in the 1970s and 1980s was kept low by publicly financed social welfare systems that subsidized the cost of basic consumer goods, such as food and energy. After the era of structural adjustment in the 1980s and 1990s, this public safety net disappeared as many developing countries shed some or all of the subsidies. Although informal economies and social networks have sprung up to provide private safety nets in the wake of adjustment, their effectiveness is being tested in the face of exogenous economic shocks, such as the global commodity boom experienced in 2008 and the global economic crisis of 2009. Such pressures thus pose acute questions regarding how best to represent workers' interests in the labor market. The representation of worker interests by trade unions or other worker organizations is the exception, not the norm, in most developing countries.

Promoting core labor standards (CLS) serves as a means of improving competitiveness both in individual enterprises and national economies. The promotion of labor rights also has a functional utility for economic development. In fact, a number of studies have shown a correlation between economic growth and respect for CLS. Similarly, some developing countries have successfully promoted CLS and trade union rights as part of a market-based globalizing strategy. The World Bank has also recognized that labor standards can be instrumental in helping to achieve its objectives.

International Trade

Labor rights issues have increasingly been a critical consideration in trade liberalization. To gain increased access to markets, technology, and capital, both developed and developing countries have entered into a wide range of trade agreements that establish rules-based trading systems. Many of these agreements establish rules-based systems for labor standards as well as commercial standards.

Promotion of international trade also affects labor markets, as labor demand shifts with new production opportunities that arise from easier access to global markets for goods and services. When developing countries open their borders to foreign trade and investment, demand often rises for the larger supplies of less skilled (and thus lower cost) labor that typically comprise the bulk of their workforce. However, demand also increases for skilled labor, the supply of which is usually much more limited in developing countries. This puts upward pressure on the wages of skilled workers and may increase domestic wage inequality as a result. This in turn requires that the workforce development system provide appropriate education and training to respond to changing workforce requirements.

The Informal Sector

In the developing world, 60 percent or more of the labor force works in the informal economy, essentially unregulated by the institutions of society. Governments neither tax nor monitor economic activity in the informal sector, often due to their weak capacity to enforce existing laws. A truly broad-based labor sector strategy must address labor issues in the informal, as well as formal, sector of the economy.

The informal sector was once viewed as a segment of economic activity in developing countries to be absorbed by the formal economy as the latter grew. However, the continued expansion of informal employment around the world has led to the emergence of another view of informal labor as the residual of economic activity that remains after the formal economy has shed itself of permanent workers. While labor laws protect worker rights and uphold labor standards in many countries, these protections often apply only to workers in the formal sector.

HIV/AIDS

Because the fight against HIV/AIDS is a common concern for employers, workers and government, it presents an opportunity for promoting and building tripartite cooperation. Labor sector organizations address health issues, particularly HIV/AIDS, where transmission/infections may occur at work, for example in hospitals and clinics, and in occupations where workers face a greater risk given the nature of their work, such as truck driving. At the same time, employers have used their organizational skills to help manage the processes of education and treatment. Labor ministries can also play an important role in educating and discouraging discrimination on the basis of HIV/AIDS. When competing stakeholders join together to advance a common interest, they build a relationship of trust that makes it possible for them to address more contentious zero-sum matters, such as collective bargaining over wages or negotiations to establish minimum wage rates.

Vulnerable Populations

Labor sector issues are often of paramount importance to persons in vulnerable populations because obtaining income and evading discrimination may be a matter of survival. Attempts to engage vulnerable populations in sustainable development activities will necessarily involve integrating them more effectively into the labor force. While women workers often predominate especially in certain sub-sectors of the informal economy, their relative importance is often not reflected in labor organizations and institutions. Elimination of child labor, including the worst forms of child labor, is a key issue, addressed through education, capacity-building, awareness-raising, and research.

Labor Migration, Smuggling, and Human Trafficking

The concepts related to human migration, trafficking, and smuggling are quite distinct though they all involve the movement of persons within and between countries and, in practice, have some aspects that overlap. Migrants, most of whom are neither smuggled nor trafficked, are compelled by economic and social circumstances to move within their own country or to another country for work. In the expanding global economy, both push and pull factors have contributed to increasing numbers of migrant workers, who are “pushed” to move because in their home countries they face few or no jobs, low pay, and bad working conditions and are “pulled” because of real or perceived improvements in job opportunities and pay in other countries.

“Human trafficking” – the recruitment, transport, transfer, harboring, or receipt of persons by means of the threat or use of force – should be distinguished from “smuggling,” i.e., financial or other benefit of the illegal entry of a person into a state of which the person is not a national or permanent resident. By definition, smuggling necessarily involves the crossing of a state border, while trafficking does not; trafficking necessarily involves exploitation, while smuggling does not.

Conflict and Crises/Post-Crisis Transitions

Labor sector concerns directly affect the potential for conflict in two principal ways. First, labor unrest can occur and affect relations between and among specific groups of workers, government, and often business. Secondly, as states gradually shift the onus for the provision of public safety nets to the private sector at the same time that the need for international competitiveness creates a downward push on compensation, there is a greater likelihood that workers will contribute to broader manifestations of political unrest as citizens are challenged to take care of their own basic needs.

Mitigation of the potential for conflict in fragile states often will require addressing the degree to which entitlement to basic goods and services is accessed through market mechanisms as opposed to public programs. In the past, wage, employment, and safety net policies helped buffer workers against volatility

in wage markets, both formal and informal. Currently, however, it will increasingly fall on business and labor organizations to seek to reach better accommodation regarding reconciling the need for competitiveness with the requisite of an adequate degree of economic buffering and political stability.

In the wake of crises, disasters, and other unexpected upheavals, peoples' livelihoods are disrupted. In the face of such instability, people need to resume earning a living either at home or in a new place of residence, or they will either starve or remain dependent on humanitarian assistance. The humanitarian assistance community can better strategize for post-crisis transitions by incorporating labor considerations into their work.

Tensions and Synergies

Both perceived and real tensions exist between and among the foreign assistance objectives above, particularly between promoting competitiveness and labor rights. There are also considerable synergies. ***One of the important goals of labor sector assessments is to identify these areas of tension and synergy.*** Where synergistic compromise solutions cannot be found, clear identification of the trade-offs may allow local parties to work toward the optimal solution for their society. Four examples illustrating key tensions and synergies can be found in Chapter Four of the Technical Paper.

CONTRIBUTION OF THE LABOR SECTOR TO U.S. FOREIGN ASSISTANCE OBJECTIVES

The USAID country and regional mission strategies provide further levels of specificity around which specific labor sector results frameworks can be constructed. Section Five of the Technical Paper provides further detail on this topic; in brief, the U.S. Government seeks to promote the efficient and effective use of USG resources in five priority foreign assistance areas: peace and security, democracy and governance, human capital investments, economic growth, and humanitarian assistance. To determine whether the labor sector is relevant to objectives in the five priority program areas, it is useful to pose the following questions when reviewing each of them. Does the program area, element and sub-element set forth an objective that:

- Explicitly promotes a labor right or standard?
- Includes, integrates or incorporates a labor right or standard?
- May be achieved by addressing the labor sector?
- May be achieved by engaging labor sector institutions and organizations?

Achieving Peace and Security

Trafficking in persons is a key issue addressed by diplomacy and development activities under “Achieving Peace and Security.” Labor sector organizations assist in prevention, victim support, and prosecution of traffickers. Another area of intersection between “Achieving Peace and Security” and the labor sector is through activities carried out by worker organizations in the name of peace and security, through unions that may represent police, customs and border agents, prison guards, and other law enforcement officials. Civil unrest is sometimes related to another labor sector issue, namely access to basic goods and services, which is closely linked to the level of compensation for both informal and formal labor.

Governing Justly and Democratically

Labor sector organizations, particularly unions, play an important role in promoting political competition and consensus building. Development activities in the civil society strengthening area also develop and

strengthen trade unions and their federations to promote labor rights through organizing and advocacy for workforce development and health initiatives. They also may help to improve their capacities to engage in collective bargaining and tripartite processes, and to act as incubators for democracy. Program priorities in this area also call for promoting a free media, which journalist organizations and unions have done under difficult and often dangerous circumstances. Because it is in their members' interests to do so, they can serve as excellent watchdogs to ensure that public funding is spent for government purposes rather than stolen or squandered.

Investing in People

Labor sector dimensions in this program area include protecting the rights, including labor rights, of people in vulnerable groups, promoting their employment and ability to earn income, and ensuring that they have safety nets. Programs to prevent child labor aim to raise awareness of the importance of education for children in order to improve families' desires to keep their children out of the workforce. To reform the laws and policies, tripartite partners could be engaged; to implement them, the capacities of labor ministries/departments and other government offices should be improved.

Promoting Economic Growth and Prosperity

Employers, labor organizations, and labor sector government institutions and their stakeholders all have stakes in promoting economic growth and prosperity. Promotion of economic growth is a crucial first step in beginning to ensure growth in demand for labor. At the firm-level, there are many promising methods of employee involvement, including workforce councils at the enterprise-level and joint committees at a sectoral or national level, for employers and worker organizations to promote their common interests. Labor is already a crucial, if often hidden, dimension in many economic growth programs.

Providing Humanitarian Assistance

With efforts focused on achieving specific results in the short term, engaging labor sector organizations may be instrumental in providing humanitarian assistance regarding income generation, employment opportunities, basic social services, and livelihood support.

DRAWING FROM THE CONCLUSIONS OF THE TECHNICAL PAPER

The Technical Paper suggests that foreign assistance programming to the labor sector has the potential for a much broader impact than has been identified in the past. Four key findings of this paper suggest how a re-conceptualization of labor sector programming could improve the contributions of such interventions to USG priority areas for foreign assistance. ***One of the goals of the labor sector assessment is to identify ways to apply these concepts:***

- Does conceptualizing the labor sector using a ***systemic approach*** offer new advantages that can render labor sector programming more nuanced and better able to contribute to a broad set of objectives?
- Is the ***multiple utility of programming*** in the labor sector relevant in this case? Can the labor sector itself be used as a platform for programming that can directly help to achieve a more diverse set of priority USG foreign policy objectives?
- Is the labor sector of ***integral importance*** to priority USG foreign policy objectives in the country? That is, would incorporating labor elements into strategic plans may be instrumental to

achieving the five FAF objectives? Would failure to take the labor sector into account in broader foreign assistance programming risk undermining progress that might otherwise be achieved?

- Does broadening the systemic approach to include *political economy considerations* help to underscore the urgent need to balance trends towards competitiveness that threaten to undermine popular access to rights, basic goods, and services with mechanisms that will continue to assure access? Would failure to address such growing equity and social protection concerns mean that greater threats to political stability will continue to emerge?

The challenge in conducting a labor sector assessment is to consider how to work within the labor sector to both effect meaningful gains for all workers in developing countries as well as to contribute to broader foreign policy objectives. As countries become increasingly globally interconnected, getting the labor equation right will also involve developing a better understanding of how to address critical challenges in each of the four components of the labor sector. Fruitful dialogue is needed with policy makers about the pace, sequencing, and intersectoral incidence of such liberalization. These and other questions should be part of the analysis of country-level labor assessments, in order to provide useful guidance for effective labor sector interventions.

3.0 APPROACH TO COUNTRY LABOR SECTOR ASSESSMENTS

This guide lays out how the LSAF can be applied in two ways, primarily distinguished by their level of detail and corresponding cost. The CoLSA represents the more thorough of the two assessment types, with a larger field team and a more in-depth brief. The LaSSO represents a shorter, more targeted approach that often incorporates from the beginning a priority focus on one or more components of the labor sector, or more narrowly defined labor sector issues. Both of these assessment approaches draw on the same conceptual framework that is elaborated in the Technical Paper. Specific details for the CoLSA and LaSSO approaches are presented in here and in Section 4. An indicative checklist of questions around which research could be structured is available in Appendix B.

OVERVIEW OF THE STEPS TO BE TAKEN

Undertaking a country labor sector assessment requires several steps:

- Step 1:** *Identify Need for an Assessment:* A country will be identified – by USAID’s Global Democracy & Governance or Economic Growth, Agriculture, and Trade offices, by a local USG mission, or by a partner country or organization – as a candidate for a labor sector assessment. The reasons for the assessment and the outcomes sought from its completion should be specified very early on in the process. Labor sector assessments might also be conducted when there is an opportunity to design a new assistance strategy or significantly reorient an assistance portfolio. This could be at the outset of a new country program or at the end of a strategy/beginning of a new strategy period. An assessment may also be called for when critical assumptions which underpin a current strategy or program fail to hold true. Significant changes in USG foreign policy priorities, trade agreements or preference programs, or availability of resources may also warrant an assessment.
- Step 2:** *Prepare:* From the outset, the labor sector assessment team should understand clearly who the main client is and what the client seeks from the assessment. International and local experts are identified to serve on the assessment team, with one person named as team leader. The local expert prepares a Labor Sector Briefing Note for the team’s introduction at least two weeks prior to arrival, together with the local logistics specialist arranges meetings schedules with core institutional organizations and other labor sector actors, and organizes logistics in coordination with the contractor’s home office support team. A shared labor sector outlook and vocabulary are cultivated within the team. The CoLSA team reviews literature to gain an overview of the historical, labor rights, democracy/governance/ political, economic,

and cultural contexts in which the country's labor market operates. Preliminary team communications are conducted and expectations set.

Step 3: *Conduct the In-Country Assessment:* The labor sector assessment team is briefed upon arrival by the USG mission; mission and assessment team concur from the outset on the scope of the labor sector assessment's objectives. Key local labor sector issues and actors are identified and analyzed. The nuances of issues, relationships among actors, and other factors that enter into the labor sector profile are probed more deeply through both the collection of quantitative data and a series of structured interviews and focus group discussions with a diverse sample of informants. Information gleaned from interviews is triangulated to ensure that all sides of the issues are adequately explored and, where possible, quantitative data is collected to validate more subjective sources. A two- or three-day trip outside the capital city may be organized to provide additional perspective from another of the country's economic centers.

Step 4: *Distill Understanding of the Labor Sector:* During the course of the assessment, team meetings are held to determine what is being learned and the potential impacts of findings on USG strategic goals. Members of the team begin to lay out a strategic *gaps analysis* of the country's labor sector. Strategic considerations are distilled, prioritizing unresolved issues that require attention and considering constraints faced by USG and other donor organizations. Prior to team departure from the country, the local mission is debriefed on findings and the emerging themes that might constitute the basis of a strategy are "truth-tested" with them.

Step 5: *Prepare Country Labor Sector Assessment Report:* Several steps are involved in preparing the CoLSA report: 1) Draft a document that synthesizes perspectives of multiple actors and sectors and lays out several strategic options, with next steps. Co-authors review for accuracy, team leader finalizes first draft. 2) Submit draft to USAID Contracting Officer's Technical Representative (COTR), revise as necessary. 3) Submit to USG mission for comments, revise as necessary. 4) Present to Labor Forum for comments, revise as necessary, report is finalized upon USAID approval.

STEP 1: IDENTIFICATION OF NEED FOR COUNTRY LABOR SECTOR ASSESSMENT

Demand for a country labor sector assessment (CoLSA) will usually be driven either by the needs of the local or regional U.S. mission, or by those of the global departments and bureaus in Washington that oversee labor sector programs. The conduct of a labor sector assessment can also be a response to country concerns about their particular situation, especially in the context of new treaties or compliance with international conventions.

Labor sector assessments offer important insights at a number of levels. They can help missions to probe one or more elements of the labor sector in greater depth. The assessment team provides insights from a number of disciplines – law, political science, economics, workforce development, youth, and gender – to develop a more nuanced understanding of labor sector issues. They provide an opportunity for missions to consider strategic opportunities that integrate across two or more objective areas and they can help local authorities assess and improve their own legal and organizational frameworks.

The onset of contentious industrial relations or egregious working conditions in one or more sectors of the host country economy may also prompt the request for a labor sector assessment to sort through problems

and possible solutions. A labor sector assessment may be undertaken as part of a broader democracy and governance assessment, if labor sector issues or organizations are playing a significant role in the country's political debates. Or failures of labor markets resulting in unemployment, skills mismatches, migration, forced labor, or trafficking may occasion the need for deeper analysis.

In some countries, the impetus to consider strategic issues in the labor sector may be the signing or negotiation of a trade agreement between the partner country and the U.S. government. This has been the case in both Cambodia, when a bilateral textile agreement was signed with the U.S., and the six countries that comprise the Central America-Dominican Republic-U.S. Free Trade Agreement. Or, alleged labor rights abuses by international or local organizations may call into question a country's beneficiary status under the U.S. Generalized System of Preferences (GSP), whose eligibility criteria require countries to afford internationally recognized worker rights and implement commitments to eliminate the worst forms of child labor. In countries where international companies are strongly criticized for doing business because of controversial labor practices, and thus may be considering withdrawing investments or curtailing commercial relations, a labor sector assessment may also be considered.

STEP 2: PREPARE

Identifying the Specific Objectives of the Assessment

From the outset, the labor sector assessment team should understand clearly the specific objectives of the assessment from the perspective of the end user. Generally, the labor sector assessments are undertaken or commissioned by one of several possible units within USAID. Understanding the motivations for carrying out an assessment can help the team best tailor the study to make it most useful. For instance, a Global Technical Bureau might be most interested in understanding and comparing labor sector dynamics across countries and regions, whereas overseas missions might be more interested in exploring how labor sector programming might best contribute to their broader development strategies. As described above, under "Why Conduct a Labor Sector Assessment," there are numerous possible purposes to which a labor sector assessment could be put, and a clear vision of the policy relevance of the study will improve its utility. Before the assessment team ever arrives in country, the Team Leader should identify the key objectives of the assessment. This understanding of the client's objectives will shape the composition of the team and the schedule of visits it will seek in country.

Composing the Team

As detailed in the Technical Paper, understanding the context in which the local labor sector operates requires multiple disciplinary perspectives. A comprehensive labor sector assessment should be comprised of the following experts, one or more of whom should have prior experience in the region and ideally, in the specific country:

- A **labor lawyer** or **labor rights expert** (preferably someone with international labor law experience) can provide insight into the effectiveness of the local labor laws, rule of law, human rights, implementation and regulation, and government-based and alternative dispute resolution institutions.
- A **political scientist** (preferably with prior experience working on labor sector issues) can describe the political economy background to labor sector issues, discern how active labor sector organizations are with respect to community, provincial, and national-level politics, and evaluate the efficiency of labor sector government institutions (particularly, the Ministry of Labor).

- An **economist** (preferably with labor market experience) can gauge to what extent macro-, meso-, and/or microeconomic issues are propitious for job-related growth, the extent to which a country and its various economic activities face labor or skills surpluses or shortages, employment and wage policies, how trade and investment may affect and be affected by labor sector issues, and the effects of labor relations on firm-level competitiveness.
- A **gender specialist** (preferably with prior experience on labor sector issues) can disaggregate labor sector issues faced by men and women.¹⁰
- Expertise in education, sociology, law enforcement, etc., may also be useful for addressing particular aspects of the labor sector, such as child labor or migration/smuggling/trafficking.

With regard to finding appropriately experienced experts, it should be noted that the field of multidisciplinary labor sector analytics in the development community is relatively nascent.¹¹ Thus, while development professionals in the areas of labor law and rights and labor unions exist, fewer political scientists and economists are likely to be specialized in labor sector issues in developing countries. Gender experts are likely to bring a particular perspective, as the analysis of work issues is central to their field.

The assignment of some of the topics to be covered by the assessment may not be exclusive. For example, labor justice issues could be covered either by a labor lawyer or by the political scientist, if s/he is experienced in judicial matters. Child labor and migration/smuggling/trafficking may be covered by the labor economist, labor lawyer, or other experts, depending on the relative familiarity of each with the topics. The issue of firm-level competitiveness may be explored by an industrial relations specialist familiar with tripartite dialogue in this area, or by an economist who has worked on economic competitiveness.

While fully funding a team with all expert positions may be infeasible, at least two different perspectives should be represented in order to encourage cross-disciplinary inquiry and conclusions. It is useful for curricula vitae of the team members to be circulated among the team, so that everyone can become familiar “on paper” with each other in advance of the assessment.

In addition to the contracted experts, the Contracting Officer’s Technical Representative (COTR), or another USAID official, may accompany the assessment team into the field.

A Team Leader should be named from among the international experts. The Team Leader is normally a senior professional, with extensive rapid appraisal field experience and proven writing skills. S/he is responsible for:

- Facilitating team communications;
- Establishing contact with the local expert prior to team’s arrival in-country;
- Distributing relevant technical papers, other guidance, and the report outline to team members and facilitating discussion among the team members to solicit the input of each and assign respective interview and writing responsibilities;

¹⁰ USAID’s Automated Directives System (ADS) Chapters 201, 203, 302, and 302 have been revised to strengthen the integration of gender issues into all stages of development assistance planning, programming, and implementation, effective November 5, 2009.

¹¹ In fact, the International Industrial Relations Association, founded in 1966, promotes multidisciplinary industrial relations research. See <http://www.ilo.org/public/english/ira/about/>.

- Receiving written contributions from individual team members and integrating these into a first draft;
- Circulating a preliminary draft among the team, correcting/editing/revising as necessary with input from team;
- Distributing a clean First Draft to the USAID COTR and contractor representatives;
- Discussing the first draft and integrating comments received from COTR, USAID mission, and labor sector partners into revised first draft, circulation draft, and final draft reports.

Logistics for the assessment (travel, lodging, recruitment) are handled by the contracting agency's home office staff.

Recruiting Local Expertise and Contacts

In addition to international experts, it is essential that at least one locally-based Labor Sector Expert also be included in the team, with the ideal being a local expert in each of the component areas (if the budget permits). S/he should be trained in one of the disciplines above, with sufficient experience to be well-connected to the key actors in the labor sector. In addition to the local labor sector technical expert, the team will also include a Logistics Assistant who is responsible for making appointments, arranging travel, transport, and other related administrative tasks, such as hotel bookings.

The Local Labor Expert should be recruited with sufficient lead time to allow him/her to prepare a short Labor Sector Briefing Note (5-10 pages) for the team to read, ideally two weeks before the team arrives in-country. This report should include:

- Brief history and important current issues in labor law/labor politics/labor economics *[as appropriate, given local country specialist's area(s) of competency]*
- Identification/description of
 - Key legislation, policies, and regulations that affect the labor sector,
 - Key government institutions whose work affects the labor sector, with an assessment of their relative political significance,
 - Key non-governmental organizations that represent the labor sector, with description of their memberships and agendas, and an assessment of their relative political and economic significance, and
 - Key economic sectors in which to concentrate.
- Map of key actors, reason for inclusion, and their contact information (name, address, phone, email), in the areas of labor law, organizations, institutions, and markets, as well as key donor representatives engaged in work on the labor sector.
- Preliminary bibliography of key documents to be read.
- Recommendation, if appropriate, of one field trip destination, if a second locus of economic activity exists outside of the capital city where interviews would be fruitful.

The Local Logistics Assistant is also responsible for setting up appointments with the necessary key informants and forwarding essential documentation before the team arrives in the field, helping to assure an efficient launch as soon as the team arrives in country.

An indicative list of appointments to be arranged is provided below. An appointment calendar should be set up in a format that allows for easy daily updates, and provides a historical record of full names, organizational references, and contact information for each meeting held. A prototype for the calendar is suggested in Appendix B. The Local Logistics Assistant should also coordinate with the team (or the administrator from the team’s contractor) to arrange for hotels and drivers in both the capital city and the field trip destination before arrival in country.

Establishing Contacts and Meetings Schedules

Before the assessment team arrives in country, it is essential to arrange for the availability and participation of core USG agencies and international and local country partner organizations, as outlined below. Other USG agencies with expertise in labor affairs often have extensive information about the history and current affairs in the countries and their regions, particularly State/DRL and USDOL/ILAB.

TABLE 1: LABOR SECTOR ASSESSMENT CORE INSTITUTIONAL ORGANIZATIONS

U.S. Government Agencies	Host Country Partners	International Partners with in-country presence
<ul style="list-style-type: none"> • U.S. Embassy • USAID • U.S. Department of Labor * (International Labor Affairs Bureau) • U.S. Trade Representative's Office 	Ministries, departments or agencies of: <ul style="list-style-type: none"> • Labor • Justice, home affairs, immigration etc. (law enforcement, prosecutions) • Commerce • Education, welfare, women’s affairs, youth affairs, etc. • Human rights ombudsman Judiciaries: courts and tribunals Alternative dispute resolution offices	<ul style="list-style-type: none"> • Solidarity Center representative • International Labor Organization field office • Other international donors or implementing partners supporting in-country labor sector programs

*Note: * USDOL/ILAB has expertise in its Office of Child Labor, Forced Labor and Human Trafficking (OCFT), the Office of International Relations (OIR), and the Office of Trade and Labor Affairs (OTLA), with its divisions on Trade Agreement Administration & Technical Cooperation (TAATC), Trade Policy & Negotiations (TPN), and Economic and Labor Research (ELR).*

In addition to the core institutional partners, the assessment team should meet during the course of the assessment with a broad cross-section of labor sector representatives. An indicative list of the organizations with whom the assessment team should seek to schedule informational interviews includes the following, with essential meetings **highlighted in bold letters**.

- **Trade unions: Union leaders and a sample of members**, preferably both at national and local levels, and from central federation unions (often corporatist in developing countries) as well as independent ones. Also, **the national or regional Solidarity Center representative**, as well as other external actors who work with trade unions (e.g., representatives from European donor-supported programs who work with local labor unions).
- **Other labor sector civil society organizations:** Local women’s groups, children’s rights groups, farmer associations, etc.; international non-governmental organizations working in the areas of democracy and governance, education and training, and economic development with a labor sector focus.
- **Employers: Private and public sector employer associations**, chambers of commerce, foreign investment associations, export processing zones.

- **Government:**
 - **Ministry of Labor: Departments of labor, employment, workplace inspection, wages, labor laws, migration and anti-trafficking, social protection, employment services, workforce development or professional training offices** (these latter may also reside in the Ministry of Education, to be determined).
 - **Ministry of Justice, the judiciary, and other adjudicatory bodies: Labor courts or justices familiar with labor casework;** labor arbitration, mediation, and conciliation boards and individuals; also, labor lawyers.
 - **Ministry of Commerce:** In countries whose trade agreements with the U.S. include a chapter on labor, the Ministry of Commerce may be tasked with oversight of labor standards compliance.
 - **Ministry of Women’s Affairs:** Offices of women’s rights, women’s education and training, anti-discrimination.
 - **Ministry of Youth Affairs:** Offices of child labor prevention, youth employment, education and training, alternative programs for out-of-school youth.
 - **Human Rights Ombudsman’s Office:** Labor rights office.
 - **Parliamentary or legislative committees** working on labor issues.
 - **Political parties** may have a dedicated staff person who works on labor issues.
- **Tripartite councils or government-private sector fora**
- **Independent labor experts:** Local labor lawyers, sociologists, political scientists, economists, etc. who are expert in the country’s labor history, politics, markets, law, etc.
- **U.S. Government: Department of State (labor attaché, political officer, economic officer), U.S. Agency for International Development (mission director, DG officer, EGAT officer, education officer, and key staff in these offices).** State/DRL and USDOL/ILAB have regional and country experts that oversee technical assistance and cooperation, engage in labor dialogue, and address labor in trade issues.
- **International organizations:** International Labor Organization and associated programs, World Bank Group (including the International Finance Corporation) and associated programs, international NGOs that work on labor sector issues.
- **Bilateral donors:** It is important to inventory what major bilateral development donors may be doing in labor sector arenas. In Ukraine, for example, European organizations supported a range of activities, from gender discrimination to labor market dialogue, while in Nigeria, European programs help to fund anti-trafficking programs.
- **USG partners: Representatives of key U.S.-funded contract and cooperating activities that work on labor sector issues,** e.g., USAID democracy and governance projects in the areas of rule of law, civil society development, political development; USAID economic growth projects in the areas of competitiveness, trade capacity-building, workforce development, agriculture and rural development; USAID education projects that focus on youth, school-to-work, curriculum reform, or skills standards; State Department grantees working on labor rights, anti-trafficking; USDOL grantees working on child labor or trade agreement-related labor sector capacity-building; National Endowment for Democracy grantees who may collaborate with labor sector organizations.

Developing a Shared Outlook

Labor sector issues, tied as they are to human rights and political economy, are inevitably a flashpoint for political and economic debate. Each team member brings his or her own paradigms and world views to this work. As members of the team begin their work, they should lay out for discussion the basic assumptions of their analytical approach. Each of the technical disciplines represented on the team is also steeped in terminology that may not be clear to experts from other areas.

Since the objective of the work is to foster cross-disciplinary insights into labor sector issues, it is therefore essential at the beginning of a labor sector assessment for members of the team to discuss and come to consensus on their understanding of key concepts. Early, open conversations should focus on cultivating a shared knowledge base and outlook.

Understanding the Country Context

A critical step in the preparatory stage is to obtain basic information regarding the country's legal, political, economic, and cultural systems, as well as relevant historical context, in order to be able to compose appropriate questions concerning labor sector issues and properly understand the answers.

In addition, the local USG mission should give the team a preliminary indication, before or immediately after the team's arrival in-country, regarding possible local political sensitivity to the presence of the assessment team and the possible need for media savvy by the team. For example, the country presence of a USG-funded assessment team may be quite sensitive if allegations of labor rights violations have recently been made public, raising the possibility of restriction or revocation of the country's preferential access to the U.S. market under existing trade agreements. Such sensitivity can impact directly the assessment process and outcomes.

During the course of these preparations, assessment team members should bear in mind the checklist of information that will be sought during the assessment (see Step 3 below).

STEP 3: CONDUCT IN-COUNTRY ASSESSMENT

Arriving In-Country

It may be useful to schedule the early arrival by one or two days of one member of the international team, either the team leader or a USAID colleague, to ensure that local logistics are well organized prior to the arrival of the rest of the team. Once the full team has arrived in country, a team meeting should be held with the Local Labor Expert(s) and the Logistics Assistant. The breadth of subject coverage and scheduling should be reviewed, the Labor Sector Briefing Note discussed, and the Information Checklist modified, as necessary. The Team Leader should also facilitate a discussion about respective areas of responsibility for interview leads and report writing, so that each member of the team is comfortable with his or her areas of responsibility and to ensure that all areas of the assessment will be covered.

The next priority is a briefing meeting with the U.S. government mission, including both USAID and the U.S. Embassy. An indicative list of offices with whom the team should try to have informational interviews is indicated beginning on page 22.

It is important that the mission and assessment team concur from the outset on the scope of the labor sector assessment's objectives. The mission may want to prioritize among labor sector issues and identify key informants to be included in the team's visitation schedule. Also at this first meeting, the outline and calendar for deliverable(s) and the setting of a date and time at the end of the team's in-country visit for a

final debrief of the USG mission should be agreed upon. The team member(s) with regional/country experience should brief the team on major political issues and patterns of development.

Sampling

Formal, survey-based data collection is not normally feasible in labor sector assessments (see “Assessment Techniques” below). However, it is important nonetheless to think about how to structure one’s interview and data collection sample in order to be sure to include informants, organizations, political parties, regions, economic sectors, genders, age groups, and other variables that represent the diversity of labor sector issues in the country and the diversity of views on each.

A number of biases may creep into the design of an assessment interview schedule. For instance, “government representatives” may be interpreted to mean civil servants in executive branch offices, such as the Ministry of Labor. The team should try as well to make contact with legislators, such as those who sit on the parliamentary labor committee. Understanding how labor sector issues are perceived by other ministries or legislative committees may be revealing of the country’s political priorities.

Who represents the perspective of workers? Unions – at local, sectoral, and national levels – are obviously the first point of contact. Workers in both private and public sector employment should be contacted. If possible, in addition to organized labor union representatives, the team should try to meet with associations of peasants, women, informal sector workers, and other important social groups. The most difficult issue here is how to understand the interests of the unorganized who in some countries may be the vast majority of workers. Understanding how workers compare and contrast the pro’s and con’s of formal and informal employment may help to appreciate the full world of work. Where possible, interviews should be conducted with those who work in the rural economy, to understand how they view their labor opportunities within the rural sector, relative to urban opportunities, or even relative to opportunities for migration outside of the country.

Who represents the perspective of employers? National private sector associations may be broadly representative, or they may only include nationals from the country. In that case, one should also arrange to speak with representatives of foreign investors operating in the country.

In every country, it is also important to include in the sample a few “independent” experts who can guide the team through the maze of players. These may be individuals with long experience (such as host country nationals) employed in the USG mission (or another donor agency), academics, former political or labor leaders, or independent consultants (foreign or national) who have a long history of working on labor sector issues in the country.

Information Checklist

The Information Checklist in Appendix A provides a detailed inventory of questions to be explored during the field assessment. The assessment team should feel free to modify, as appropriate, to local country contexts, guided by the USG’s labor sector concerns in the country.

Planning an In-Country Field Trip

Consideration should be given to getting out of the capital city for a two- or three-day trip to the field for additional perspective on the structure and behavior of the labor sector in one of the country’s leading economic centers. For example:

- In Cambodia the labor sector assessment team traveled to the town of Siem Riep, the locus of the country’s tourism sector, where organized labor activities were distinctly different from garment factory-focused activity in Phnom Penh.

- In Honduras, the team traveled to San Pedro Sula and Puerto Cortés, where the *maquila*, port, and banana sectors are concentrated.
- In Bangladesh the team left Dhaka for Chittagong and Khulna to gain perspective on labor sector issues in the processing of textiles and seafood for export.
- In Nigeria visits were made in both Abuja, the capital, and Lagos, the country’s commercial center, as well as the smaller city of Kaduna, which once had a thriving textile industry.
- In Ukraine, visits were made to Donetsk, the locus of the country’s coal mining sector which was severely affected by the 2008 downturn in steel exports; Lviv, where industries are more Europe-focused in their export production; and Crimea, the focus of particular local economic development interest because of its status as an autonomous republic and heavy concentration of foreign (especially Russian) investment.
- In Georgia, the team visited Kutaisi, the country’s second largest city, in addition to the capital of Tbilisi.

In a two-week assessment, the scheduling of travel to and from the field site and the reservation of hotel rooms should be set up, if possible, prior to the team’s arrival in country.

Employing a Mix of Assessment Techniques

Because labor sector assessments are a relatively new development tool, much of the information to be collected during the field trip is of a qualitative and descriptive nature. The team will want to be sure it has a firm grasp of the structure of the legal, social, political, and economic frameworks that govern labor sector issues (as described in Salinger and Wheeler 2009).

A number of techniques can be employed to gather such information, such as:

- **Structured informational interviews:** One or more team members may interview representatives from donor organizations, government, and labor unions and other civil society organizations, in order to understand the objective, structure, and functions of each. Meetings are best conducted with smaller groups; the number of interviewers should not exceed three. These interviews should be guided by a set of questions that are formulated by the interviewers. However, space should be allowed in these meetings for more open-ended conversations to probe information. Interviewees should be given clear explanations about the purpose of the assessment, and should be asked whether or not they wish their comments to be confidential or not. This is particularly important in politically sensitive contexts. Space should be allowed as well for informants to be able to ask questions of the assessment team as well.
- **Focus group sessions:** It may be more effective for some meetings to be held in a group format. A labor union may be able to organize such a gathering with labor leaders, organizers, or workers. A sample of donor organization representatives working on labor sector issues may be convened for a productive group discussion that might also help to coordinate efforts in this area. Youth or students may also be brought together in a group to share reflections on work aspirations and experiences in seeking employment. Depending on the local cultural context, women-led focus groups of women workers may be advised.
- **Round-robin focus group sessions:** Group discussions can be difficult because a team of multi-disciplinary interviewers have different agendas and information needs. In such situations, it may be useful to split the focus group into smaller groups and circulate the team members among the sub-groups. In this way, each assessment team members gets “his or her own time” with each sub-group and can ask his or her structured questions of the sub-group.

- **Personal narratives:** At the risk of over-emphasizing a non-random, limited sample of experiences, the collection of personal narratives gathered from informants can be an extremely useful way of understanding the local realities within which labor sectors are actually experienced. Thus, it is often useful to ask about family and educational backgrounds, why they live and work where they do, how easy or difficult it is to find a job, what personal experiences with labor union organizing they have had, etc.
- **Good practice case studies:** Some meetings will result in the collection of in-depth information about a successful company, community organization, association, labor organizing effort, social benefit, project, etc. that can be highlighted in a text box or annex in the labor sector assessment report. In such a case, permission to highlight the case by name should be asked of the informant.

A two-week field assessment normally would not allow enough time to engage in more sophisticated data-gathering techniques, such as mini- or full-blown survey questionnaires.

STEP 4: DISTILL UNDERSTANDING OF THE LABOR SECTOR

For examples of premises or working hypotheses that the team may probe during its field investigation and the kinds of data that should be collected in the course of these investigations, see Table 2. For information on indicators that may inform hypotheses, the National Research Council’s Monitoring International Labor Standards (MILS) references address each core labor standard, providing definitions, frameworks for assessing compliance, sources of information, and references (National Research Council 2004).¹²

Note that some of the quantitative data suggested in Table 2 can be interpreted in several ways. Collecting the quantitative data is a first step, but interpretation of that data is a complex task requiring qualitative information and deep understanding of the sector as a whole. For instance, is the case load of labor inspectors or the number of disputes filed with the Ministry of Labor low because the system works well or very poorly? The number of labor courts and judges, compared with the size of the population, may be limited, but interviews with actors in the sector may indicate that there is one very large, yet very effective court, or there may be many courts, but none is terribly effective, or most disputes may be resolved in the country outside of the judiciary system.

The list of premises or working hypotheses in the table are meant as suggestions only, with examples given of data to be collected to probe them. Each COLSA or LaSSO team will develop its own set of appropriate hypotheses during the course of its assignment.

Taking Stock of Labor Sector Coverage Gaps and Strengths

As the team begins to gather descriptive information, a more multi-dimensional view of the labor sector is being formed. Team members should meet every second or third evening after the day’s interviews to brief each other on insights gleaned from meetings, particularly if the team has split to expand its coverage of interviews. The Information Checklist and Daily Schedule should be referred to regularly to ensure that all key topics and informant groups are being included.

On **Day Four** of the mission, a formal meeting should be organized for all members of the team to begin to lay out a *strategic gaps analysis* of the country’s labor sector. Gaps analysis is conducted relative to a

¹² National Research Council, *Monitoring International Labor Standards: Techniques and Sources of Information*, Committee on Monitoring International Labor Standards; Center for Education, Division of Behavioral and Social Sciences and Education and Policy and Global Affairs Division (Washington, DC: The National Academies Press, 2004). See www.nap.edu.

benchmark. In this case, the benchmark is the four foundational dimensions of the labor sector, outlined above.

Gaps may be “negative,” in the sense that a country lags behind expected benchmarks, or “positive,” if the country’s labor sector has innovated institutions or practices that exemplify outstanding consideration of issues in the labor sector.

TABLE 2: EXAMPLES OF LABOR SECTOR PREMISES, COROLLARIES, & USEFUL DATA TO COLLECT

Premise	Corollaries	Data
<p>Rule of law involves more than a sound legal framework and the efficient and effective resolution of individual cases. It also requires that those who believe their rights have been violated have access to effective review and that – through this process – public and private parties are given incentives for future compliance with the legal framework. In sum, ROL requires: 1) the protection of rights; 2) the use of appropriate remedies and penalties that to address the concerns of aggrieved parties and discourage violations without being overly punitive; and 3) that processes be fair, professional, and can be implemented in a reasonably quick fashion.</p>	<ul style="list-style-type: none"> • A low number of labor inspectors and other administrative officials relative to the number of code infractions suggests an inability to address violations. • Minimal fines for labor rights violations will not deter noncompliance with rules • An emphasis on conciliation of disputes may indicate a lesser interest in respecting legal rights • Many citizens' limited understanding of their rights, how to access them, and the general workings of the justice system continue to impede access. • Limited supply of subsidized legal services, whether provided by the state, NGOs, universities, or some other source, also discourages clients with limited resources from seeking ways to defend their rights. 	<ul style="list-style-type: none"> • # of labor inspectors' per 100,000 inhabitants • Case loads of labor inspectors • # of disputes filed with Ministry per 100,000 inhabitants • # of conciliated disputes versus awards made to one or other party • # of labor courts, judges per 100,000 inhabitants • Case loads in labor courts • Processing time for resolution of labor dispute • % of cases that are resolved judicially • Breakdown of case topics - redress of individual complaints versus charges of rights violations • Average breakdown of decisions over time • # and amounts of fines assessed on employers, by types of rights violations¹³ • Country's scores on international rankings (Freedom House, Transparency International) with respect to corruption, rule of law, and governance indicators
<p>Job security enables workers to participate more fully in other aspects of society.</p>	<ul style="list-style-type: none"> • Higher participation rates in politics, greater likelihood to protest corruption, and more effective engagement with the government on issues like security result. 	<ul style="list-style-type: none"> • Voter participation rates • Voters interested in programmatic campaigns (anti-corruption, job creation as opposed to "what my candidate will give me") – source, surveys • Size of independent vote and basis on which voters say they will decide (surveys) • Post-election questioning of candidates for programmatic promises

¹³ Remedies should make whole and penalties should discourage, but not be punitive – e.g., a large fine would be inappropriate for a minor administrative violation.

Premise	Corollaries	Data
Employment ranks high among citizens' expectations regarding accountability from their country's government. ¹⁴ Concern about unemployment is connected by citizens to concerns about crime, poverty, and corruption.	<ul style="list-style-type: none"> • Governments should focus on the many aspects of the employment issue, not only overall employment levels, but also measures to ensure more equitable access to employment, job security, and fairer and safer working conditions. • Governments should also establish the economic conditions for growth and job creation to occur. 	<ul style="list-style-type: none"> • Employment data, broken out by three primary economic sectors (agriculture, industry, services) and in greater detail, if possible • Labor force participation rates by age, region, and gender • Minimum wage, entry level or unskilled labor • Wage ranges, by sector • Household incomes, by region • Cost of minimum consumption basket • Out-migration statistics • Importance of remittances to the local economy • Doing Business rankings and macroeconomic indicators such as economic growth rate, inflation rate, and rate of currency over/undervaluation
International trade agreements and international commercial trade relations have introduced new actors into the dialogue about labor standards, new levers to promote progress, and new potential hurdles.	<ul style="list-style-type: none"> • Traditionally weak Ministries of Labor may now find traditionally stronger Ministries of Commerce vying for attention and resources in the area of labor rights programs. • International buyers, whose interests in local labor conditions are prompted by the threat of consumer reaction to bad press about local labor conditions in manufacturing countries, may contribute time and resources to labor dialogue and remediation programs. • Rigorous programs that monitor labor conditions and industrial relations in manufacturing facilities may help to create a competitiveness niche for exporting countries as "labor-friendly" production platforms. 	<ul style="list-style-type: none"> • Inventory of country's trade agreements, highlighting those with specific linkage to labor standards • # of meetings held by domestic and international parties to discuss labor issues relevant to trade • # of labor-related complaints filed by interested parties under the auspices of trade agreements, and their outcomes • Codes of conduct and non-state enforcement and norm-setting mechanisms.
As developing countries open their economies to trade, the wage premium for skills rises, leading to greater wage inequality.	<ul style="list-style-type: none"> • Education and training systems must prepare youth not only with basic numeracy and literacy skills, but also the language, technical, and management skills required by global industries. 	<ul style="list-style-type: none"> • # educational and training institutions that have professional or vocational focus • # of opportunities for workforce development issues to be discussed between/among employers, educators, and students • % of local citizens who work in mid- and upper-level technical and management positions

Note: For more discussion of techniques and sources of information, see National Research Council (2004) and the discussion in Appendix A below.

¹⁴ This is not meant to imply that government is responsible for job creation. That is primarily the responsibility of the private sector, although it is recognized that public sector employment is a subset of total employment in all countries.

Debriefing the Mission

At the end of the labor assessment mission in country, the assessment team should prepare a presentation to debrief USG actors. The presentation should aim to:

- Summarize the team’s itinerary while in country;
- Offer a brief overview of the political economy of the country’s labor sector;
- Summarize the team’s understanding of the structure of the labor sector, the key strengths and weaknesses of each component, and the team’s understanding of the USG’s strategic objectives;
- Provide an analysis of the most notable strategic gaps observed with respect to 1) the labor sector structure and behavior, and 2) the contributions that the labor sector might make to development and/or diplomacy objectives in which the mission is already engaged.
- Present the indicative Results Framework that is suggested by the assessment findings.

STEP 5: PREPARE THE COLSA REPORT

The labor sector assessment seeks to present readers with descriptive, analytic, and strategic insights. Several steps are involved in preparing the CoLSA report:

- 1) Draft a document that synthesizes perspectives of multiple actors and sectors and lays out several strategic options, with next steps clearly identified. Co-authors review the initial draft for accuracy, to be finalized by the Team Leader.
- 2) Team Leader submits First Draft to USAID Contracting Officer’s Technical Representative (COTR) and revises as necessary, per his/her comments, to produce a Revised First Draft.
- 3) The COTR submits the Revised First Draft to the USG mission for comments. This version is revised, as necessary, per mission comments, to produce a Circulation Draft.
- 4) The Circulation Draft is presented to a public Labor Forum for comments, and revised to produce a Final Draft.

Team members will contribute sections to the tentative outline below. The team’s goal should be to submit a draft to the COTR within one month of its return from the field.

Template for the CoLSA reports:

1. Introduction: Why the Labor Sector?

- A. USG & Labor Sector Issues
- B. Report Outline
- C. “Story Line” – main themes to be conveyed by the report

2. Country: Setting the Context

An introductory section that sets the “story line” for the evolution of the country’s labor sector with reference to contemporary events and key political, economic, and demographic structures and patterns.

- A. Principal Development Challenges Facing the Country
May be good to include a map of the country; compares the country with logical reference countries (either neighbors or other countries in the region with similar geographical or resource endowments that represent aspirations for the country)

- i. Comparative economic statistics
- ii. Comparative development indicators
- B. Political Economic Overview & History of the Country's Labor Movement

This section examines how the interests and relative powers of key groups/actors condition the feasibility of reform to address the problems identified in the previous section. What does a political risk analysis indicate about the stability of current arrangements and reform? How does access to basic goods and services by those outside the formal economy condition investment climates?

 - i. Brief history of the country's development, focusing on major economic, social and political issues and the challenges currently confronting it.
 - ii. Brief history of the country's labor movement and its place within the social, economic, and political context
 - iii. Interest Group Relations: between organized workers and the state, unions and political parties, informal sectors/workers and state, business groups and state, foreign investors and state; what mechanisms exist for interest group dialogue about labor sector reform?
 - iv. Labor, the State, and the Social Contract: Describes availability of social protection programs (such as unemployment support, health insurance, disability insurance, support to the elderly, and pensions for retirees) and safety net programs (such as public assistance for food consumption, transportation, heating, and other services; child care support; education; farming inputs) and extent to which these are available to all workers or only to targeted groups of workers. Discusses the extent to which unions and/or employers seek to broaden the public debate about beneficiaries of social protection and safety nets beyond formally employed workers.
 - v. Distilling the Political Economy of Labor Sector Reform

3. Country's Labor Sector

The objective of this section is to describe the four key components of the labor sector, evaluate how well they are performing (strengths/weaknesses) their functions both individually and from a systemic perspective, and identify key issues. This section is in large part based on answers to the indicative checklist questions.

- A. Legal Foundation
 - i. External Framework
 - 1. ILO Conventions
 - 2. International Instruments
 - 3. Trade-Related Agreements
 - ii. National Framework
 - 1. History of Labor Laws
 - 2. The Present Legal System
 - 3. Current Labor Rights and Laws
 - iii. Labor Law Strengths and Weaknesses
- B. Government Institutions
 - i. Ministry of Labor
 - ii. Legislature
 - iii. Courts and Arbitration Councils
 - iv. Government Institutions Strengths and Weaknesses
- C. Labor Sector Organizations
 - i. Worker Organizations/Trade Unions
 - ii. Employer Organizations
 - iii. Labor Rights Organizations and NGOs

- iv. Labor Sector Organizations Strengths and Weaknesses
- D. Labor Markets
 - i. Labor Market Supply and Demand, Employment, and Wages
 - ii. Labor Migration
 - iii. Labor & Social Protection Programs
 - iv. Labor Productivity, Competitiveness, and Workforce Development
 - v. Labor Market Strengths and Weaknesses

4. The Role of the Labor Sector in Overarching Development Themes

This section examines how labor sector issues impact each of the foreign assistance objective areas. It also considers tensions and synergies of labor sector programming between/among these objective areas.

- A. Peace and Security
- B. Governing Justly and Democratically
 - i. Rule of Law and Human Rights
 - ii. Good Governance
 - iii. Political Competition & Consensus-Building
 - iv. Civil Society
- C. Investing in People
- D. Economic Growth
 - i. Macroeconomic Foundations
 - ii. Trade & Investment
 - iii. Agriculture & Rural Development
 - iv. Private Sector Competitiveness
 - v. Economic Opportunity
- E. Humanitarian Assistance
 - i. Protection, Assistance, & Solutions
 - ii. Migration Management
- F. Tensions and Synergies Observed Between and Among Objectives with Regard to the Labor Sector

5. Strategic Considerations

This concluding section situates the assessment findings within USG strategic objectives, and is the most carefully scrutinized part of the report. It is important that the issues in this section are discussed and finessed before the assessment team leaves the country.

- A. Foreign Assistance Context
 - i. Current or Expected USG Mission Strategy
 - ii. Other Donor Programs
 - iii. Other Relevant Initiatives, such as CSR-related programs, GDA partnerships, etc.
- B. Strategic Approach
 - i. Principal labor sector problems to be addressed, given political feasibility of reform and potential synergies with development objective areas
- C. Strategic Recommendations
 - i. Recommend specific initiatives by FAF Objective Area
 - ii. Draft corresponding Results Framework

Appendix A: Contacts Made

Appendix B: References

4.0 APPROACH TO LABOR SECTOR STRATEGIC OUTLINES

Labor Sector Strategy Outlines (LaSSOs) represent a modified approach to country assessments that build upon the Country Labor Sector Assessment (CoLSA) framework. These are normally undertaken with a more limited budget for human and temporal resources than the CoLSAs, as they focus on more limited objectives.

Ideally, a LaSSO follows the completion of a CoLSA to identify specific areas in which resources might be targeted and particular results to be achieved in those areas. In cases where resources do not permit both studies, the LaSSO includes a brief overview of the entire sector in order to provide background and contextualize a more focused and nuanced treatment of a particular area. While LaSSOs thus incorporate the broad, systemic labor sector conceptual framework of the CoLSA, two differences are important.

First, priority attention in the LaSSO is focused on a particular component within the framework, or on specific labor sector issues. In the LaSSOs carried out in Georgia, Mexico, and South Africa, specific recommendations have focused on labor movements and worker organizations as consistent with the goals of the Civil Society Division of the USAID Office of Democracy and Governance. Subsequent LaSSOs may focus more specifically on one or more of the other components.

Second, the development of strategic recommendations for the USG mission, framed in terms of an illustrative Results Framework, is sought. The LaSSO will generate strategic objectives and intermediate results that can help to overcome constraints to a well-functioning labor sector and can help to achieve broader development goals (e.g. strengthening civil society, improving industry competitiveness, etc.). In particular, the LaSSO offers objectives and results directly relevant to the component of the labor sector that is its focus.

COMPOSING THE TEAM

A LaSSO team is normally comprised of one International Labor Sector Expert and Team Leader, working in tandem with a Local Labor Sector Expert, and assisted by a Local Logistics Specialist. Prior familiarity of team members with both the country context and the labor sector is crucial. Roles and responsibilities of team members are outlined in Appendix C below.

The LaSSO's strategic recommendations are derived through completion of the following five steps:

1. Understand the country development context.
2. Assess labor sector constraints and key opportunities, with a pronounced focus on at least one of the key components.
3. Identify broad USG development and diplomacy objectives in the country and analyze how the labor sector intersects with these objectives.
4. Elaborate an illustrative Results Framework, focusing on two levels: strategic objectives for the labor sector and strategic sub-objectives for one or more of the components of the labor sector.
5. Prepare the LaSSO report.

STEP 1: UNDERSTAND THE COUNTRY DEVELOPMENT CONTEXT

Prior to the LaSSO team's arrival in country, the Local Labor Sector Expert will prepare a 10-15 page **Labor Sector Background Briefing Draft**. In instances where resources allow, a desk study may also be prepared Stateside, conducted by a separate researcher, to gather background information in fields outside of the Local Labor Sector's area(s) of expertise in order to provide background in all four labor sector component areas.

The International Labor Sector Expert incorporates the Briefing Draft (and, if available, the desk study) directly or partially into his/her **Briefing Note** and draft **workplan**, prepared before departure into the field. The purpose of the Briefing Note is to provide an integrated descriptive summary of the labor sector and identify areas in which knowledge is thin or non-existent prior to the field trip, i.e. highlighting field research questions and interview priorities in the workplan for investigation while in the field.

The descriptive summary becomes the first section of the LaSSO, situating the labor sector outline in a country context. The International Labor Sector Expert must read and absorb core documents prior to departure, including the Technical Paper, this Assessment Guide, and the Programming Handbook, and one example of a prior CoLSA or LaSSO. In addition, the International Labor Sector Expert should read country briefing materials,; suggested sources are presented in Appendix A.

STEP 2: ASSESS LABOR SECTOR CONSTRAINTS AND KEY OPPORTUNITIES

As with the COLSA, it may be useful to schedule the early arrival by one or two days of one member of the international team, either the team leader or a USAID colleague, to ensure that local logistics are well organized prior to the arrival of the rest of the team. Once the full team has arrived in country, an introductory team meeting should be held with the Local Labor Sector Expert and the Logistics Assistant.

Similarly to the CoLSA, in Step Two of the LaSSO, the consultant(s) should seek to assess the status of each of the four components of the labor sector, using the Information Checklist in Appendix B as a guide to inquiry in the field. However, a LaSSO is normally focused more narrowly on one (or more) components of the labor sector and thus does not seek the same depth of analysis of all four labor sector components as a CoLSA, relying more on existing desk studies and the Local Labor Sector Expert's Background Briefing Draft for the collection of descriptive material to characterize the labor sector. This means that the International Labor Sector Expert, while normally specialized in just one of the component areas, is responsible for assuring some minimal coverage across all four areas.

Under the abbreviated LaSSO methodology, the International and Local Labor Sector Experts will spend their time in country filling in any knowledge gaps revealed through the desk studies, making expert judgments regarding the functioning of the labor sector, and consulting with representatives from USAID/Washington and the USAID Mission to develop an appropriate Results Framework.

Identification of key interlocutors will in part depend upon the findings from the Labor Sector Briefing Note. A preliminary list of meetings to be arranged should be approved by USAID. The USAID officer accompanying the LaSSO team will assume the primary role of coordinating with the Mission and other units within the Agency, and will assist the team in following protocols that require Mission facilitation.

The following meetings are essential for the LaSSO team to hold, organized with the help of a Local Logistics Specialist and (as necessary) the Local Labor Sector Expert:

- USAID Democracy & Governance and Economic Growth officers;
- U.S. State Department political and/or labor attaché (this could be scheduled in tandem with the USAID meeting, if convenient);
- Ministry of Labor officials, to include as many as possible of the following: the Minister and the heads of departments of inspection, employment, union oversight, wages, legal affairs, labor courts and/or dispute resolution, and social protection (this could be scheduled as a group meeting, to be more efficient as an introduction, with individual follow-up meetings scheduled as needed);
- Regional or Country Solidarity Center representative, and representatives of other USAID-supported organizations engaged in labor sector programming;
- Labor union leaders, usually at the confederation level and, if appropriate, one or more federation or individual union level; and
- A focus group of union members in at least one strategic industry.

The following meetings are highly recommended:

- Independent local labor sector experts, e.g., local university professor/researcher who specializes in the country's organized labor movement, local labor lawyers, etc.

Step Two of the LaSSO should lead to an understanding of the labor sector constraints or deficits faced by actors in the labor sector, with some sense of priority among them, as well as identification of potential emerging opportunities to enhance performance in each of the component areas.

STEP 3: IDENTIFY BROAD USG DEVELOPMENT AND DIPLOMACY OBJECTIVES IN THE COUNTRY

In Step Three of the LaSSO consultants should identify and review broad USG development and diplomacy objectives in the country, as well as U.S. government-funded labor sector programming that may already exist. If significant, labor sector programs of other donors or organizations can also be included.

Key questions that will inform this section include:

- What are the USG's current strategic objectives in the country? What are the U.S. Embassy's priorities in the country, and what are USAID's current strategic objectives in the country? What U.S. foreign assistance goals do current programs address? Which program areas, elements, and

sub-elements are priorities for the USAID mission? Which are not prioritized? Why? What are the results metrics monitored by the mission in each program area?

- What is the status of USG-funded labor sector programs?
- What is the current status of other donor-funded labor-related programs? It is important to identify key multi- and bilateral donors and international NGOs that operate in the labor sector in country. What activities are funded, at what level, over how many years, with which local partners do they work, and what objectives do they seek to achieve? What “results” do they seek to measure or for which they aim to be accountable?

The existing donor objectives and programs should then be contrasted with the labor sector analysis conducted in Step Two above. This comparison should highlight the following considerations:

- In what ways could addressing observed weaknesses and building on observed strengths in the labor sector help to achieve U.S. development goals?
- What important strategic gaps in the labor sector are being missed by current programming?

Step Three therefore provides a strategic filter through which to view the results of the labor sector analysis undertaken in Step Two. There are no doubt a myriad of ways by which the functioning of labor sectors could be enhanced, but strategic considerations such as mission development objectives and the existing donor labor sector portfolios can help in the articulation of the Results Framework in the next section.

STEP 4: ELABORATE AN ILLUSTRATIVE RESULTS FRAMEWORK

Toward the end of the LaSSO field trip, the team will elaborate an illustrative Results Framework (RF), USAID’s basic planning tool. This normally requires a half-day work session to distill information gleaned to date, articulate emerging recommendations, and frame them in the language of the RF for consideration by mission personnel. The International Labor Sector Expert is responsible for the RF development exercise. The insights of USAID personnel who may be accompanying the LaSSO team will be crucial, since they are likely to be far more familiar with the RF itself. Technical guidance for constructing an RF is presented in Appendix D.

STEP 5: PREPARE THE LASSO REPORT

The outline below is a suggested template, to be finalized after discussions among the LaSSO team, USAID representatives in DC, and the USAID field mission, and agreed upon at the beginning of fieldwork.

A LaSSO report should be approximately 15 pages long, and structured as per the following template. However, it is recognized that some of these sections will be treated in a very summary fashion.

The International Labor Sector Expert is responsible for assuring that all parts of the outline have been considered.

- 1. Introduction: Why the Labor Sector?** (ARD to provide standard introductory section situating the LaSSOs in the broader context of USG labor sector programming).
 - A. USG & Labor Sector Issues
 - B. Report Outline

2. Country: Setting the Context (approximately 2 pages)

An introductory section that sets the “story line” for the evolution of the country’s labor sector with reference to contemporary events and key political, economic, and demographic structures and patterns. This brief background section of the report should identify the principal development challenges facing the country’s labor sector. It should further provide an indication of the impact of a country’s power structures upon the ability of worker organizations to organize and collectively negotiate over labor terms and conditions. The country context section should also consider the extent to which independent and democratically-organized worker organizations have been able to organize and sustain their operations, and have been able to enter into public dialogues and negotiations over broad national social contract issues.

- A. Principal Development Challenges Facing the Country’s Labor Sector
- B. Political Economic Overview & History of the Country’s Labor Movement
 - i. Brief history of the country’s labor movement: This sub-section should include a summary of the origins of the labor movement, the advent of any regional and national federations and political / ideological / economic differentiation within the labor movement, the relationship of the labor movement to different political regimes and party systems and the current political alignments of the labor movement and economic sectors of activity (including the public sector). As well, an analysis of the ‘realization’ of labor rights, especially the right of association and collective bargaining should be included in this section. Challenges to grass-roots and national labor sector organizing should be considered.
 - ii. Labor, the State, and the Social Contract: Describes availability of social protection programs (such as unemployment support, health insurance, disability insurance, support to the elderly, and pensions for retirees) and safety net programs (such as public assistance for food consumption, transportation, heating, and other services; child care support; education; farming inputs) and extent to which these are available to all workers or only to targeted groups of workers. Discusses the extent to which unions are successful in achieving social protection and safety nets for their formally-employed members, as well as the extent to which unions and/or employers seek to broaden the public debate about beneficiaries of social protection and safety nets beyond formally employed workers.
 - iii. Distilling the Political Economy of the Labor Sector and Labor Reform (if applicable)

3. Country’s Labor Sector (approximately 8 pages)

The objective of this section is to describe the four key components of the labor sector, evaluate how well they are performing (strengths/weaknesses), their functions both individually and from a systemic perspective, and identify key issues.

- A. **Legal Framework: Extent to which a legal foundation and framework protects labor rights, regulates contractual relations, and resolves labor disputes**
 - i. Constraints and Opportunities
- B. **Government Institutions: Extent to which there is effective enforcement and adjudication of labor laws and policies**

- i. Constraints and Opportunities
- C. Labor-Related Organizations: *Extent to which there is effective democratic organization, representation, and participation by labor sector actors in negotiation and dialogue.***
 - i. Provide greater detail in the pilot LaSSOs regarding the labor movement and worker organizations than in regards to the other labor sector components. The list of questions to be covered includes those presented above on the indicative topics presented under Labor Unions on pages 8-9, above.
 - ii. Further consider other elements of the labor-related organizations component, including employer organizations, civil society organizations, and political parties.
 - iii. Constraints and Opportunities
- D. Labor Markets: *Extent to which there exists employment opportunities at a level of remuneration that allows for the sustenance and reproduction of a skilled and competitive work force.***
 - i. Constraints and Opportunities

4. The Role of the Labor Sector in Overarching Development Themes (2 pages)

This section examines how labor sector issues can impact development objectives (at present defined by the FAF), considering potential tensions and synergies as relevant.

- A. Governing Justly and Democratically
 - i. Rule of Law and Human Rights
 - ii. Good Governance
 - iii. Political Competition & Consensus-Building
 - iv. Civil Society
- B. Economic Growth
 - i. Macroeconomic Foundations
 - ii. Trade & Investment
 - iii. Agriculture & Rural Development
 - iv. Private Sector Competitiveness
 - v. Economic Opportunity
- C. Other development objectives (if relevant) i.e. Peace & Security or Investing In People
- D. Observed Tensions and Synergies Between/Among Development Themes

5. Strategic Considerations (3 pages)

This concluding section situates the LaSSO findings within the environment of existing and emerging USG strategic goals in the country. Strategic recommendations are fully developed in

an illustrative Results Framework; additional guidance and examples of Results Frameworks may be added at a later date.

- A. Foreign Assistance Context
 - i. Current or Expected USG Mission Strategy
 - ii. Other Donor Programs
 - iii. Other Relevant Initiatives, such as CSR-related programs, GDA partnerships, etc.
- B. Strategic recommendations

Recommendations for priority labor sector goals for the country - in particular, workers' organizations (see IR 3.a.), and elaboration of how they contribute to Mission SOs.
- C. Results Framework.
 - i. On the basis of the strategic recommendations given in section B above, a development hypothesis is constructed and a related Results Framework presented, including strategic objectives and intermediate and sub-intermediate results, as well as indicators for all.

Appendices:

- List of meetings held (organization, name, title)
- Bibliography

5.0 FUTURE STEPS

This guide to undertaking country labor sector assessments and labor sector strategic outlines is a practical complement to the Technical Paper's conceptual framework for thinking about the role of labor sectors in promoting U.S. foreign assistance goals in developing countries. Approaches to programming, monitoring, and evaluation are offered in a companion Labor Sector Programming Handbook.

The Strategic Assessment Guide has been vetted by USAID, the State Department, and external stakeholders at a Labor Forum held in Washington, DC June 29-30, 2009. USAID regularly invites its implementing partners – organizations that work with organized labor and employers in USG partner countries, labor and human rights organizations, foundations and think tanks, and consulting firms that provide technical assistance to the USG and its partners on labor sector issues – to come together to review progress in the global labor sector analytical initiative.

These groups have included the following (members of both groups are subject to modification or substitution as needed):

- An **internal USG Advisory Committee** consists of experts from USAID regional and functional bureaus, along with representatives from the Department of State, the Department of Labor (DOL), the Office of the United States Trade Representative (USTR), and the Federal Mediation and Conciliation Service (FMCS).
- A larger, **External Advisory Group** has also been constituted, including representatives from organizations such as Solidarity Center, the Carnegie Endowment for International Peace (CEIP), Center for International Private Enterprise (CIPE), Cornell University's School of Industrial and Labor Relations, Fair Labor Association, Freedom House, Georgetown University, International Finance Corporation (IFC), International Labor Organization (ILO), International Labor Rights Fund (ILRF), International Trade Union Confederation (ITUC), National Endowment for Democracy (NED), Peterson Institute for International Economics, and the Worker Rights Consortium.

To date, five Labor Fora have been held with these groups, in June 2007 (kick off), October 2007 (presentation of the Technical Paper), February 2008 (presentation of the Cambodia assessment), January 2009 (presentation of the Honduras labor sector assessment), and June 2009 (presentation of the Strategic Assessment Guide, Programming Handbook, and the Bangladesh labor sector assessment).

Readers' comments and feedback on this body of work are welcomed by USAID's Senior Technical Advisor Dr. Kimberly Ludwig (kludwig@usaid.gov), USAID's Cognizant Technical Representative (COTR) Ms Asta Zinbo (azinbo@usaid.gov), and ARD's Senior Technical Advisor Dr. Rhys Payne (rpayne@ardinc.com).

APPENDIX A: COUNTRY BRIEFING MATERIALS

Suggested literature to be consulted in advance of a CoLSA or LaSSO trip includes:

- **Technical documents prepared by the Global Labor Sector Analytic Initiative**, including
 - Lynn Salinger and Jeffrey Wheeler, “The Role of the Labor Sector in Promoting U.S. Foreign Assistance Goals: Technical Paper,” prepared for USAID, Bureau of Democracy, Conflict, and Humanitarian Affairs, USAID Bureau of Economic Growth, Agriculture, and Trade, and U.S. Department of State, Bureau of Democracy, Human Rights, and Labor. (Burlington, VT: ARD, Inc., originally written 2007, updated, December 2009)
 - Lynn Salinger and Jeffrey Saussier, “Labor Sector Programming Handbook,” prepared for USAID, Bureau of Democracy, Conflict, and Humanitarian Affairs. (Burlington, VT: ARD, Inc., December 2009)
- One or more of the **Country Labor Sector Assessments** or **Labor Sector Strategic Outlines** prepared to date may also serve as reference:
 - Katrina Burgess, “Global Labor Sector Analytic Initiative: Mexico Labor Sector Strategy Outline,” Circulation Draft (Burlington, VT: ARD, Inc., April 2010).
 - Med Chottepanda, Paul Lubeck, Chantal Thomas, and Louise D. Williams, “The Role of the Labor Sector in Promoting U.S. Foreign Assistance Goals: Nigeria Labor Sector Assessment” (Burlington, VT: ARD, Inc., June 2009).
 - Angela B. Cornell, Linn Ann Hambergren, Jorge Ponce Turcios, and Lynn Salinger, “The Role of the Labor Sector in Promoting U.S. Foreign Assistance Goals: Honduras Labor Sector Assessment” (Burlington, VT: ARD, Inc., May 2009).
 - Barbara J. Fick, Olga Kupets, Denise Lamaute, Lincoln A. Mitchell, Lynn Salinger, and Asta Zinbo, “The Role of the Labor Sector in Promoting U.S. Foreign Assistance Goals: Ukraine Labor Sector Assessment” (Burlington, VT: ARD, Inc., May 2009).
 - Barbara J. Fick, Denise Lamaute, Asta M. Zinbo, and Tsiuri Antadze, “Georgia Labor Sector Strategic Outline” (Burlington, VT, ARD, Inc., October 2009).
 - Evance Kalula and Ashwini Sukthankar. “The Labor Sector and U.S. Foreign Assistance Goals: South Africa Labor Sector Assessment.” Draft. (Burlington, VT: ARD, Inc.)
 - Kevin Kolben and Borany Penh, “The Role of the Labor Sector in Promoting U.S. Foreign Assistance Goals: Bangladesh Labor Sector Assessment” (Burlington, VT: ARD, Inc., June 2009).
 - Michael Lerner, Lynn Salinger, and Jeffrey Wheeler, “The Role of Labor-Related Issues in Promoting U.S. Foreign Assistance Goals: Cambodia Labor Sector Assessment” (Burlington, VT: ARD, Inc., January 2008).

- **U.S. government** sources, such as
 - **USAID** mission’s and regional office’s latest country strategy document and Congressional Budget Justification, gathering information on funding levels by assistance objective (AO) area, as well as any specific labor sector project information, where applicable, accessible from www.usaid.gov or mission-specific websites; USAID’s extensive documentation system can also be accessed through <http://www.dec.org>, and searched by country, author, keyword, type of document, etc. In particular, one should search for prior assessments related to anti-trafficking, democracy and governance, economic performance, gender, law and justice, and workforce development.
 - **U.S. State Department**’s latest country reports on human rights (<http://www.state.gov/g/drl/rls/hrrpt/>) and trafficking (<http://www.state.gov/g/tip/rls/tiprpt/>).
 - **U.S. Trade Representative’s Office** and **U.S. Department of Labor** materials on relevant trade agreements and labor dimensions thereof.¹⁵
 - **U.S. Department of Labor**’s International Labor Affairs Bureau materials on trade agreement & labor issues, child labor, bonded labor, where applicable (<http://www.dol.gov/ilab/>). See the section below on Integrated Tools for Monitoring International Labor Standards.
 - For countries that are eligible for program assistance from the **Millennium Challenge Corporation**, labor sector indicators have been compiled in the areas of “ruling justly,” “investing in people,” and “economic freedom” (<http://www.mcc.gov/countries/index.php>).
- **External sources** on the country’s political, economic, and legal situation:
 - Reporting by the **Solidarity Center** on the country, either published on their website (www.solidaritycenter.org), or semi-annual program reports submitted to USAID’s Democracy and Governance office.
 - International organizations whose websites may include country-specific reports include the **International Trade Union Confederation** (www.ituc-csi.org; under “Reports” see their annual survey of violations of trade union rights), **Human Rights Watch** (www.hrw.org), and the **International Labor Rights Forum** (www.laborrights.org). Organizations such as **Freedom House** (www.freedomhouse.org) and **Transparency International** (www.transparency.org) also produce annual reports with a comparative assessment of political rights and civil liberties in many countries.
 - Insights from local and international experts are also important. The team members with regional/country experience should be tasked with identifying these experts for contact during the field assessment and/or distributing their writings to the rest of the team.
 - Where possible, local media outlets can be read online prior to arrival.
 - The team should also familiarize itself with documentation available from local government agencies’ (especially the local Ministry of Labor), as well as local labor union and civil society organizations’ websites.

¹⁵ See <http://www.ustr.gov/trade-topics/trade-development/preference-programs/generalized-system-preference-gsp/gsp-federal-reg> for Federal Register notices regarding GSP beneficiary status, country practice petitions, product reviews, etc. U.S. Department of Labor reports on labor and trade agreements can be found at <http://www.dol.gov/ILAB/programs/otla/index.htm>.

- The **World Bank**'s Social Protection & Labor Sector (part of the Bank's Human Development Network) also produces research on a variety of labor sector topics, including child labor, labor markets, pensions, and safety nets (www.worldbank.org/sp).
- Information on child labor can be found at the ILO Statistical Information and Monitoring Programme on Child Labor (SIMPOC) (<http://www.ilo.org/ipec/ChildlabourstatisticsSIMPOC>). USDOL annually publishes its global country-level Findings on the Worst Forms of Child Labor as well as a host of other publications (<http://www.dol.gov/ilab/media/reports/iclp/main.htm>).
- The World Bank's *Doing Business* country reports provide a snapshot of the business enabling environment (www.doingbusiness.org).¹⁶
- Google's Scholar search interface (<http://scholar.google.com>) may be useful for identifying country-specific, labor sector articles in the academic literature.
- Primarily for the Labor Economist:
 - **International Monetary Fund**'s most recent Article IV consultation report and/or Poverty Reduction Strategy Paper Progress Report provides an up-to-date macroeconomic overview.
 - The **ILO's Key Indicators of the Labor Market** provides basic structural characteristics (<http://www.ilo.org/public/english/employment/strat/kilm/>). The ILO also has an umbrella database on Labor Statistics (LABORSTA), which presents data on economic activity for more than 200 countries, with aggregated country-level data on the size of the economically active population, employment, unemployment, hours of work, wages, labor costs, consumer prices, and occupational injuries and industrial disputes (<http://laborsta.ilo.org/>).
 - The most recent Country Assistance Strategy and Poverty Assessment from the **World Bank** and/or relevant regional bank websites will analyze economic challenges facing the country.
 - The country's latest *Trade Policy Review*, undertaken by the **World Trade Organization** (WTO) (http://www.wto.org/english/tratop_e/tpr_e/tpr_e.htm), is an up-to-date review of trade issues. Since labor sector assessments may be undertaken as part of a trade agreement negotiation with the U.S., this can provide useful background.
 - For least developed countries, a *Diagnostic Trade Integration Study* (assessment to coordinate trade-related technical assistance for least developed countries under the **Integrated Framework**, that includes the IMF, the International Trade Center, the U.N. Conference on Trade and Development (UNCTAD), the U.N. Development Program (UNDP), World Bank and the World Trade Organization) may have been undertaken, again with useful economic overview (<http://www.integratedframework.org/doccountry.htm>).
 - The **Institute for the Study of Labor**, based in Bonn Germany, conducts research on many aspects of labor markets (www.iza.org). Research papers may be posted of interest to the assessment country.

¹⁶ Until 2009, this included an Employing Workers Indicator that purported to measure the flexibility with which enterprises could hire and fire workers. This particular indicator was vigorously challenged by labor unions (see ITUC 2007, 2008) for lauding countries that have not ratified core ILO conventions. The World Bank's own Independent Evaluation Group (2008) found that the EWI has limited explanatory power. In 2009, the Bank announced it would adjust scoring in the *DB 2010* report in order to reflect provisions for worker protections and remove the EWI as a guidepost in its Country Policy and Institutional Assessments (World Bank 2009; see also <http://www.doingbusiness.org/MethodologySurveys/EmployingWorkers.aspx>).

- Primarily for the Labor Lawyer:
 - Country-specific national labor, social security, and related human rights legislation is available from the **International Labor Organization**'s *NATLEX* website; the ILO's *ILOLEX* database provides a research tool to locate various reports and findings by the ILO's supervisory bodies on compliance of countries with ILO standards.
 - GSP petitions can be used to highlight specific claims of labor rights abuses by U.S. petitioners seeking withdrawal of GSP benefits, or if relevant, AGOA, CBI, or ATPA preference regimes.¹⁷ These can be located by contacting specific petitioners, such as the AFL-CIO and the International Labor Rights Forum and visiting their websites, the USTR website, or by searching the Federal Register. Likewise, lawyers should enquire whether Section 301 petitions have been filed on labor rights bases. Finally, some U.S. companies have been sued under the Alien Tort Claims Act for violations of labor rights in foreign countries in which they have done business. A review of documents and judicial decisions related to these lawsuits, if they relate to conduct in the country where an assessment is taking place, can be fruitful sources of labor sector information.
 - For Freedom of Association, see the ILO's Country Baseline Under the ILO Declaration Annual Review – Freedom of Association and the Right to Collective Bargaining (2010) (http://www.ilo.org/declaration/follow-up/annualreview/countrybaselines/lang--en/docName--WCMS_125427/index.htm).

In addition to the sources above, researchers may wish to familiarize themselves with the Integrated Tools for Monitoring International Labor Standards. The Department of Labor has developed, and is continuing to expand, two Internet-based tools to assist in the monitoring of international labor standards around the world. WebMILS (Monitoring International Labor Standards on the Web) , is open to public access (<http://webapps.dol.gov/webmils/default.aspx>), while iMILS (Monitoring International Labor Standards on Intelink) is located on a secured Federal intranet and accessible only to Federal employees and contractors.

- **WebMILS** is an electronic database containing information relating to national compliance with [international labor standards](#). WebMILS provides information on the [international labor standards](#) included in the 1998 ILO Declaration of Fundamental Principles and Rights at Work, with the addition of trade “acceptable conditions of work.” Through WebMILS, users may find general information on [international labor standards](#), [guidance on assessing national-level compliance](#), and [links to country specific information across standards and sources](#).

WebMILS has database links to sources of data and information on the Internet that help users assess four sets of indicators on the core labor standards and acceptable conditions of work. These indicators are organized by legal framework, government performance, and overall outcomes. WebMILS also includes associated factors that might either provide contextual information or serve as useful signals that there may be problems with compliance. WebMILS's indicators were developed in part on the detailed analysis conducted by the National Research Council of the National Academies (National Research Council 2004).

¹⁷ The Africa Growth and Opportunity Act (AGOA), Caribbean Basin Initiative (CBI), and Andean Trade Preference Act (ATPA) are region-specific trade preference programs between the U.S. and developing country regions that may, in specific circumstances, offer preferential access to the U.S. market that is broader than GSP benefits.

- **iMILS** has two components, i.e. country profile pages and an international labor information eLibrary.

The Country Profile pages include narratives describing the state of internationally recognized core labor standards in each country. The Profile provides basic information on the each country and its progress as reflected in legal, government performance, and overall outcome indicators. The Country Profile pages are stored in Intellipedia, a secure version of Wikipedia managed by the Office of the Director of National Intelligence for the intelligence community. Intellipedia is located on Intelink-U, a secured Intranet that only USG agencies and USG contractors with intelligence or diplomatic responsibilities are permitted to access. In order to promote collaboration and easy compilation of information across Federal agencies in real time, the Country Profile pages may be updated by anyone with access to Intellipedia.

The International Labor Information eLibrary is a collection of documents covering a variety of international labor subjects that are stored electronically on a secure Intranet. The goal is to provide a common repository of documents and source materials that can be used by USDOL, State/DRL, labor reporting officers, USAID, USTR, and others in their research, analysis, and report-writing.

The International Labor Information eLibrary is stored on Inteldocs, a secure document storage and organization service managed by ODNI and located in Intelink-U. Inteldocs acts as an Internet-based shared drive for a limited group of authorized users.

APPENDIX B: INFORMATION CHECKLIST

LABOR LAWS AND RIGHTS

- Which of the ILO Conventions relating to core and other international labor standards have been ratified by the country?
- Are labor rights, particularly ILO core labor standards, protected in the country's Constitution, laws, regulations, and procedures?
- Is the country signatory to any international, regional, or bilateral agreements that require or encourage protection of workers' rights?
- Which labor rights concerns are priorities for
 - Organized labor and for non-represented workers in the country?
 - International organizations working in the country?
 - The informally employed in the country?
- Do laws exist that ensure equal employment opportunities for, and prohibiting discrimination against, women, ethnic and racial minorities, individuals with disabilities, and other vulnerable populations?
- Does collective bargaining take place, and if so, how prevalent is it and how well does it work?

ORGANIZATIONS

Trade Unions

- What is the historical origin of the labor movement in this country, where does it "fit" in the country's political economy, and what factors have shaped it more recently?
- Does the law prohibit discrimination against workers based on union membership and union activities? Can unions be created easily, and are union leaders and members protected in the workplace? What rules regulate the registration of trade unions? Does the registration of trade unions and employee organizations face excessive delays?
- What is the extent of union coverage of the local labor force (across sectors of the economy, regions, total workforce)? What percentage of labor unions is "free and democratic"? How are unions consolidated on a local and national level, i.e. general federations, sectors, etc.?

- To what extent do labor unions represent the voice of workers? What are the channels of communication between union leaders and the rank and file? How responsive are trade unions to the issues/concerns raised by workers? Where is the center of power in the trade union structure – with an elite national leadership or rooted within local organizations and rank and file? How democratic are the decision-making processes within the trade union structure, e.g., how are leaders chosen and what input do workers have in determining the agenda for collective bargaining? To what extent do women participate actively in union rank-and-file and leadership?
- What is the internal capacity of existing unions to organize and represent their members in both workplace issues with their employers, as well as political issues vis a vis the government?
- How effective are trade unions at negotiating collective agreements addressing the needs of the workers?
- How involved are trade unions in ensuring enforcement of both existing labor laws as well as ensuring employer's comply with collectively bargained agreements using domestic mechanisms, e.g. filing complaints with government agencies, using labor courts, mediation, arbitration?
- How involved are trade unions in ensuring enforcement of legal rights using international mechanisms, e.g., ILO complaints or petitions based on labor rights protection clauses in trade agreements or other international instruments?
- How effective are trade unions in mobilizing worker support? What are the barriers affecting the ability to mobilize (e.g., worker passivity, fear of reprisal, feelings of futility, unfavorable labor market conditions, unwillingness of union leadership, lack of trust by workers in union leadership)?
- What is the extent of strike activity in the country, both activity sanctioned by trade unions as well as wildcat strikes? What types of issues tend to form the basis for the majority of strike activity?
- How active are trade unions in performing their stewardship function, e.g. providing leadership or job training and resources for workers, educating workers about their rights, representing workers in disputes with their employers?
- How involved are trade unions in communicative functions, i.e. getting their message out to the broader society through news interviews or union newspapers; letter writing and petition campaigns to support labor issues; expressions of support for specific issues relating to worker rights?
- How involved are trade unions in political activity, i.e. lobbying for legislative changes; political demonstrations; lobbying the executive branch for more effective enforcement of labor laws?
- Which trade union(s) participate in social dialogue with employers and the government? How effective is the social dialogue mechanism in providing trade union input into governmental decision-making?
- Are trade unions involved in collaborative activities with domestic or international NGOS, with sister trade unions affiliated to different national federations, or with international labor organizations such as the ITUC or Global Union Federations?
- How do trade unions finance their activities? What are their sources of income?

- To what extent do they represent the work-related interests of non-union members (the unorganized)? In what areas are there strengths and weaknesses?
- To what extent do they represent the voice of broader civil society on non-workplace related issues? To what extent does the labor union agenda extend beyond the workplace (for example, social protections e.g., health insurance, old age insurance, disability insurance)?
- To what extent does the government interfere in the selection of union leaders or later work out understandings with them that may co-opt their independence?
- Do other worker or professional associations exist, how are they organized, and how effective are they at representing members' interests?
- Can public sector workers form unions? What restrictions exist on their activities? Do their members enjoy special privileges or do they bear extra political responsibilities? How does this compare with members of private sector unions?¹⁸

Employer Associations

- How many employer associations exist? Which are the most representative and/or the most influential? Which private sector or foreign investor associations, if any, play a role in labor relations? Which associations participate in tripartite discussions with government and labor?
- Do legal impediments exist to establishing employer associations?
- What is the relative role of the business sector with respect to labor dialogue? What labor issues are seen as problematic by employers or employer associations?
- Are employers relatively comfortable dealing with trade unions or does a discernable level of animosity exist between employers and union-represented workers?
- Does legislation exist establishing a social dialogue mechanism between the government, employers and trade unions regarding labor issues? What private sector or foreign investor associations, if any, play a role in labor relations? Which association participates in tripartite discussions with government and workers? Which particular labor issues are priorities for the tripartite discussions? How well does the tripartite relationship work as a whole?
- Does collective bargaining take place, and if so, how prevalent is it and how well does it work?

Civil Society Organizations

- What is the civil society organization profile, and what relative role do labor unions and other labor-related non-governmental organizations play therein? Do other worker or professional associations exist, how are they organized, and how effective are they at representing members' interests?

¹⁸ The very different role of public sector labor organizations is a real issue in Latin America and possibly in other regions as well. Public sector unions, while often prohibited from striking, often honor that prohibition in the breach, are politically very well connected, their members may be required to donate part of their salary to the party that appointed them and may be required to participate in political activities.

- What labor sector issues are on the advocacy agenda of local or international non-governmental organizations? How effective are these organizations at building partnerships with labor sector organizations? How effective are they in improving labor rights, working conditions, etc.?
- How responsive is the government to issues raised by CSOs? Do CSOs face interference from the government?
- What forms of non-state labor sector governance exist, and what are the organizations that implement them? Are codes of conduct and monitoring regimes present, and if so, who operates these regimes, and how do these regimes interact with government institutions?

GOVERNMENT INSTITUTIONS

Public Agencies

- What government agencies play a specific role with respect to labor sector issues, e.g. labor/employment policy, wages, workplace inspections, occupational health and safety, arbitration and conciliation, social protection, workforce development and professional training, child labor, women and employment, in/out migration and labor statistics gathering?
- How well are these agencies funded and staffed? Do they have sufficient resources and training to effectively perform their functions?
- How well do these agencies disseminate to workers, enterprises, and the general public information regarding labor laws, regulations, and commitments to core labor standards? How well do workers, enterprises, and the general public understand their rights and responsibilities with regard thereto?
- What procedures are required to register a new union? Are these procedures expedient or protracted? Are unions and workers satisfied that freedom of association is duly respected?
- Are labor inspections unified (i.e., covering all areas of inspection) or specialized (e.g., occupational safety and health inspections may require specially trained inspectors and equipment)? How many inspectors are employed, what training have they had, where are they based? How many workplace inspections are conducted per month, by region and industry? What information management system is available for tracking inspections, findings, and results?
- What sanctions are imposed by the labor administration and/or courts for infractions of the labor codes? How effective are these at incentivizing behavior modification?
- To what extent are external actors (e.g., donors, international organizations, international buyers) involved in the oversight of workplace conditions, either as independent monitors or as recipients of monitoring or inspection information?
- What mechanisms are available for workers, trade unions, and employers to communicate with the appropriate agencies concerning workplace issues? What mechanisms are available for international buyers and other external actors to communicate with the appropriate actors concerning workplace issues?
- How efficient and effective are government agencies in responding to complaints?

- Does the government provide employment services to firms seeking to hire labor and individuals seeking work? How are employment offices organized, staffed, and otherwise resourced to link labor market supply and demand? Are coaching programs available to guide job seekers? Are vocational training programs available to skill/re-skill job seekers?
- What safety net programs are available to the unemployed, i.e. those actively seeking work, and what is their duration?
- What mechanisms exist for collecting statistics on the labor sector and how well do the relevant institutions perform this function?
- Do trade unions and employer organizations have an effective voice through social dialogue in influencing government policy regarding labor issues? How responsive are the legislative and executive branches to lobbying by trade unions and employer organizations regarding labor issues?
- What other government agencies have a specific role with respect to labor sector issues (for example, a legislative committee on labor) and how well do they function?
- Does the government provide an office that oversees human/labor rights of women, the disabled, minorities, migrants, and other vulnerable populations, and if so, how effective is it at protecting these rights on behalf of the particularly unempowered?

Dispute Resolution

- What are the strengths and weaknesses of the general and/or labor courts system, as assessed by both staff and clients? What measures are being undertaken or under consideration to improve performance?
- Does the judicial system have credibility with workers, trade unions, and employers?
- How effective and efficient is the judicial system in handling workplace disputes? What is the median length of time between the filing of a lawsuit and a court decision? What percentage of cases is won by workers vs. employers?
- Is implementation of judicial decisions problematic, and if so, what recourses are available?
- Are alternative dispute avoidance and resolution mechanisms (e.g., negotiation, conciliation, mediation, arbitration) available to resolve individual and/or collective labor disputes?
- How are these mechanisms administered (e.g., government-sponsored or private providers), and how effective are they? How are these mechanisms funded?
- How many cases do the various mechanisms handle annually?
- Do these mechanisms have credibility with trade unions and employers?
- Who can access these mechanisms (i.e. can individual workers file cases or are these mechanisms only accessible to trade unions and employers)?
- How effective are the different dispute resolution mechanisms in terms of claimants' willingness to use them, time required for processing, percentage of potential claims actually presented for

resolution, the fairness of outcomes, and impact on larger problem (do they deter further abuses?)? Do they succeed in reducing the occurrence of work stoppages and strikes?

- Do workers have appropriate access to legal representation should they need to access the courts on a grievance or dispute? Are there legal aid offices which can represent workers at low cost or no cost? Do trade unions have standing to represent workers in court?
- What is the quality of legal representation and the judiciary? Is legal counsel generally available to workers? Do local universities train labor lawyers, how available are they to work on labor issues, and how effective are they? What kind of compensation arrangements are most common (contingency fees, payment by time or action,...)? Does the state provide counsel for workers who cannot afford it?

Political Parties

- Does organized labor play an important role in the country's political arena and party system? How has this changed over the past decade or two?
- What is the relationship of labor unions (and the labor movement in general) to parties or factions and collaborations or conflicts among them?
- Are trade unions directly affiliated with a particular political party? If so, what is the extent of party control over the trade union and what is the level of influence of the trade union over the political party?
- Do trade union leaders hold elective or appointive leadership positions within the legislative or executive branches?
- Do trade unions mobilize worker support for particular political parties or candidates?

UNDERSTANDING OF THE LOCAL POLITICAL ECONOMY

- What is the historical origin of the labor movement in this country, and what factors have shaped it more recently?
- What is the nature of relationships between workers and employers, workers and the state, workers and political parties, various business groups and the state? How well does the tripartite relationship work as a whole?
- What is the nature of this country's position in the international political economy?
- What cultural factors shape the country's labor sector? What adaptations has the country introduced or had to contend with that may alter those cultural factors?

LABOR MARKETS

Formal and Informal Market Mechanisms

- *General macroeconomic overview:* What is the country's level of per capita income, what are the GDP and GDP per capita trends over time, what is the inflation rate, how stable/overvalued/undervalued is the domestic currency?

- *General economic structure:* What is the overall structure of the economy, i.e. what percentage of GDP is generated by the agriculture, industry, and service sectors? What share of the labor force works in each of these sectors? What is the overall trade balance, and what are the country's primary exports and imports?
- What is the general structure of the labor market, i.e. are there many buyers and sellers competing in the market? If not, what signs of labor surpluses or shortages do you observe? How long do employers contend with unfilled positions or job candidates seek employment (by occupation, region, age, education/skill level, gender)?
- What are the rates of formal and informal labor force participation by sector, gender, age, and region? To what extent is formal employment growing, and in what sectors? To what extent is informal employment in micro, small, and medium enterprises growing? To what extent is such employment connected to future employment in the formal sector?
- What has been the effect of trade liberalization on the agricultural, textile, and other sectors of the economy as part of its accession to the WTO or in response to its participation in free trade agreements or preferential trade arrangements? To what extent is economic reform (including trade liberalization) affecting levels of employment, skills needs, and wages in the labor market? Do effects differ by gender, skill/education level, age, etc?
- Are the skills needs and competitiveness requirements of various sectors communicated between employers and workers? Do education and training opportunities to improve labor productivity and employment in new sectors exist?
- What economic policies affect wages and employment? Is there a minimum wage policy, and if so, does the minimum wage vary by sector or region? What is the unofficial "minimum" wage at which casual day laborers (in construction, child care, urban transport,...) are willing to work? What is the starting wage for a high school graduate? What is the starting wage for a university graduate (by occupation, region, age, education/skill level, gender)? What laws govern the hiring and firing of workers, and how "flexible" is the local labor market?
- Do free trade or export processing zones exist, and if so, do different employment laws and regulations apply there compared with the rest of the country? If so, what are the key differences?
- To what extent is unemployment an issue, in general and by region, gender, and age group? How well do public and private employment services advertise available job opportunities and connect job seekers to them? What workforce development programs exist to train job seekers and match them with employment opportunities? How equitably distributed is access to these programs? Do employers connect with education and training agencies?
- What is the current status of labor migration within the country and beyond its borders? How do trends in destination countries' economies (in general) and labor markets (in particular) affect migration from the country? How important are overseas workers' remittances to this economy?
- What is the current rate of incidence of forced labor, child labor, and labor trafficking, by region, age, gender, and other breakdowns (as available)?

Social Protection Programs

- What is the structure of domestic social protection programs (such as unemployment support, health insurance, disability insurance, support to the elderly, and pensions for retirees) and safety

net programs (such as public assistance for food consumption, transportation, heating, and other services; child care support; education; farming inputs) and to what extent are these generally available to all citizens or only to targeted groups of workers?

- To what extent do unions and/or employers seek to broaden the public debate about beneficiaries of social protection and safety nets beyond formally employed workers?

International Trade Agreement And Preference Programs

- *General trade policy:* Is the country a member of the World Trade Organization (WTO)? With which countries does this country have bilateral, regional or preferential trade agreements, with what effects on trade flows over the last five years?
- What has been the effect of liberalization in the agricultural, textile, and other sectors of the economy as part of its accession to the WTO?
- What is the nature of this country's position in the international political economy?

ROLE OF THE LABOR SECTOR IN OVERARCHING DEVELOPMENT THEMES AND STRATEGIC CONSIDERATIONS

- With regard to the Foreign Assistance Framework, how is the current development program organized? Which functional objectives, program areas, elements, and sub-elements are priorities for this mission? Which are not prioritized? Why? What results metrics are monitored by the mission in each program area?
- What is the status of USG-funded labor sector programs? What programs exist and what is the level of funding of each? What is included in their work programs and in their monitoring and evaluation plans?
- What is the current status of other donor-funded labor sector programs? It is important to identify key multi- and bilateral donors and international NGOs that operate in the labor sector in country. What activities are funded, at what level, over how many years, with which local partners do they work, and what objectives do they seek to achieve? What "results" do they seek to measure or for which they aim to be accountable?

SYNTHESIS

Of greatest interest to the USG mission, it is important to bear in mind from the outset the analysis/synthesis questions that drive the overall assessment, so as not to leave them for consideration at the end of the report-writing process:

- What strengths and weaknesses are identified by those who work for and those who depend on the four components of the labor sector? What strengths and weaknesses of each are apparent to the expert team?
- How might particular strategic interventions in the labor sector help the USG mission to accomplish specific development and diplomacy goals in the country?

APPENDIX C: LASSO TEAM ROLES AND RESPONSIBILITIES

	International Labor Sector Expert and Team Leader	Local Labor Sector Expert(s)	Local Logistics Specialist
Roles	The International Labor Sector Expert leads the team in preparing for, organizing, and producing the LaSSO document. The International Labor Sector Expert and Team Leader will oversee the team's work in the preparation phase and in the field research, and is responsible for synthesizing written contributions of other team members into one document.	The Local Labor Sector Expert provides analysis for the LaSSO in the four component areas of the labor sector, as well as contextual insights related to the political economy of the country. The scope of the consultant's responsibilities include preparatory written contributions, preparatory organizational and scheduling contributions, participation in all team activities in the field on a full-time basis, written contributions to the LaSSO draft, and select assistance during the review and revision period.	The objective of this consultancy is to provide logistical support and coordination to the team, both prior to arrival in country and during the team's stay.
Expected Levels of Effort	<ul style="list-style-type: none"> • 5 days prep • 1 days travel • 8 days in field • 1 day travel • 5 days writing and revision 20 days total	<ul style="list-style-type: none"> • 10 days prep and writing • 8 days in country • 3 days additional research and writing 21 days total	<ul style="list-style-type: none"> • 5 days prep • 8 days in country • 1 day preparation of documentation 14 days total
LaSSO Preparation Tasks	<ul style="list-style-type: none"> • Review the Technical Paper, Assessment Guide, and Programming Handbook to ensure familiarity with the conceptual framework that underpins an integrated labor sector and its application to the LaSSO methodology described in this document. • Review publically available country background materials and reports. • Review the LaSSO pilot methodology (this document) • Confer with ARD Inc.'s technical representative and with USAID/DCHA to ensure understanding of the LaSSO assignment. • Review the <i>Labor Sector Background Briefing Draft</i> prepared by the Local Labor Sector Expert(s). • Review other background papers and project implementation reports as provided by ARD and USAID. 	<ul style="list-style-type: none"> • Review the Technical Paper, Assessment Guide, and Programming Handbook to ensure familiarity with the conceptual framework that underpins an integrated labor sector and its application to the LaSSO methodology described in this document. • Review the LaSSO pilot methodology (this document) • Review other background papers and project implementation reports as provided by ARD and USAID. • Prepare <i>Labor Sector Background Briefing Draft</i>, covering the four components of the labor sector (with specific areas of focus to be specified when the team is selected based on professional expertise. This preparatory material should identify the principal labor sector issues, address the question of political will for reform, and identify areas of focus to cover during the field portion of the assignment. See page 4 for beginning of checklist of information to be considered in the writing of this approximately 20-page 	<ul style="list-style-type: none"> • Review the LaSSO pilot methodology (this document) • Confer with the Team Leader and USAID regarding the protocols and objectives of the assignment. • Confer with the Team Leader and local labor specialist(s) regarding the selection and coordination of an interview program for the assessments. • Finalize the list of interviews and schedule, and send to the Team Leader three days prior to their arrival in country. • Review of the draft schedule with the Team Leader, make and confirm the appointments, and have copies of the final list of interviews and the final schedule ready for the Team upon arrival. • Arrange for the hotel needs of the team, and ensure they are in keeping with USG security protocols for the country.

	International Labor Sector Expert and Team Leader	Local Labor Sector Expert(s)	Local Logistics Specialist
	<ul style="list-style-type: none"> Carry out further initial desk research on the labor sector to fill gaps in the Background Briefing Draft as available from international sources. Finalize a <i>Labor Sector Briefing Note</i>, which will inform the team's research focus while in country. Develop a draft work plan in consultation with local team member and local logistics specialist. Ensure that appointments are made and coordinate with Local Labor Sector Expert and Local Logistics Specialist on appropriate protocols required to schedule meetings with key host country counterparts. With USAID and ARD assistance, determination of whether and which cities and/or geographic regions outside of the capital will be visited in the time period available. Confer with ARD's Results Framework Specialists regarding how to develop this concluding section of the LaSSO. 	<p>document.</p> <ul style="list-style-type: none"> Provide input to the Team Leader to elaborate a draft work plan for the in-country fieldwork. Provide guidance on protocols for making interview appointments. Work in conjunction with Local Logistics Specialist and other Local Labor Sector Expert(s) to schedule appointments as per the finalized work plan. 	<ul style="list-style-type: none"> Arrange for the transport needs of the team. Arrange for the procurement of cell phones or cell phone SIM cards, as requested.
In-Country Research Tasks	<ul style="list-style-type: none"> Should a USAID officer join the LaSSO assignment, the Team Leader should develop with her/him protocols regarding roles and responsibilities of the USAID officer at the outset of the field work and communicate this role to all team members. Consult with the USAID Mission (including but not necessarily limited to the DG Officers) about its overall program and strategy and obtain initial input regarding the Mission's foreign assistance objectives and the potential role of the labor sector in attaining specific development objectives. This would normally be conducted with the participation of USAID/Washington personnel and carried out through desk research, pre-trip correspondence with the Mission, and initial in-brief meeting at USAID upon arrival in country. Conduct field research on the key issues identified for the labor sector through semi-structured interviews and focus groups as appropriate. Fill any knowledge gaps identified during the desk study phase. Probe more deeply the nuances of issues, relationships among actors, and other factors that enter into the labor sector profile through a series of structured interviews and focus group discussions. Oversee the work of the Local Logistics Specialist. Ensure that any additional appointments are finalized and coordinate with Local Labor Sector Expert and Local Logistics Specialist. This should include oversight of logistical arrangements regarding local transport and in limited cases payments to local experts or service 	<ul style="list-style-type: none"> Participate in all team activities during the field research on a full-time basis, as directed by the Team Leader. Provide additional assistance in the evolving scheduling of meetings, as needed. Conduct field research on the key issues identified for the labor sector through semi structured interviews and focus groups as appropriate. Fill any knowledge gaps identified during the desk study phase. Probe more deeply the nuances of issues, relationships among actors, and other factors that enter into the labor sector profile through a series of structured interviews and focus group discussions. Work with the team to develop an outbriefing for the USAID Mission on the preliminary LaSSO findings. 	<ul style="list-style-type: none"> Participate in team meetings in which team scheduling and logistics are to be discussed. Continue to schedule/reschedule meetings, as necessary during team's stay in country. Arrange for in-country travel logistics, as needed. Accompany team members to field sites outside of the capital, as requested. Provide interpretation between local language to English on an as-needed basis. Other appropriate tasks as assigned by team leader.

	International Labor Sector Expert and Team Leader	Local Labor Sector Expert(s)	Local Logistics Specialist
	<p>providers.</p> <ul style="list-style-type: none"> Consult with the team, i.e. international labor expert(s), local labor expert(s) and any USAID representatives participating in the assessment, to arrive at preliminary findings and prepare out-briefing written summary and presentation. Confer with the USAID Mission (and possibly US Embassy) on the preliminary LaSSO findings and carry out an out-briefing just prior to departure from country. This should include a written summary of the findings and recommendations, submitted either in the form of a PowerPoint presentation or else a short written document (approximately 5 pages in length), preference of the mission to be determined upon arrival in country. 		
Writing Tasks	<ul style="list-style-type: none"> Draft a document as per the outline specifications provided below. The draft will be submitted to the contractor (ARD Inc), to be submitted to the USAID Cognizant Technical Officer (CTO). USAID/Washington will share the approved version with the USAID Mission for comments. Revisions will be made by the Team Leader, incorporating one set of comments from USAID/Washington and the field Mission, to finalize the document. 	<ul style="list-style-type: none"> Provide written input into the draft LaSSO as directed by the Team Leader. This might, for example, consist of a summary of constraints and opportunities in the two components of the labor sector and material for the political economy context. Provide additional input into the review and revision stage as requested by the Team Leader or ARD. 	<ul style="list-style-type: none"> None
Deliverables	<ul style="list-style-type: none"> Labor Sector Briefing Note, to be used as a guide for development of the work plan for the in-country fieldwork. Due two weeks prior to departure (or as agreed with ARD and USAID). Draft work plan of meetings due two weeks prior to departure to the field, including proposed cities to be visited if site visits outside of the capital will be feasible. A finalized interview schedule three days prior to departure with detailed notations of meetings requested but not yet confirmed. The schedule should include for each appointment: date, time, address and directions, contact name, contact phone number, e-mail address, background notes. It is expected that this schedule will be revised regularly during the course of the field research. Printed copies should be provided upon arrival in country. It is understood that this will be prepared in coordination with the local logistics specialist to be hired by ARD. A written summary of the preliminary findings and recommendations A first draft of the LaSSO. Due two weeks after return from the 	<ul style="list-style-type: none"> Labor Sector Background Briefing Draft. The Briefing Draft will cover two components of the conceptual framework, as specified in his/her contract. The paper should be approximately 10-15 pages long, structured as per the outline of investigation questions detailed in Appendix B. Due three weeks prior to fielding of team (or as agreed with ARD and USAID). Input into draft work plan of meetings, i.e. names of organizations, identification of appropriate individuals, and collection of contact information to be supplied to Local Logistics Expert. Meet, as necessary, with USAID DG officer ahead of field visit in order to agree upon list of key informants. Contributions to a finalized interview schedule three days prior to arrival of International Labor Sector Expert. Written input into the summary of preliminary findings and recommendations to be provided to the USAID CTO and the local USG mission prior to departure of International Expert. Draft material for the first draft of the LaSSO. Contributions to the revision process of the draft LaSSO as 	<ul style="list-style-type: none"> Draft schedule of meetings, prepared with input from Local Labor Sector Expert. Due two weeks prior to arrival in the field (or as agreed with ARD and USAID). A finalized interview schedule three days prior to departure with detailed notations of meetings requested but not yet confirmed. The schedule should include for each appointment: date, time, address and directions, contact name, contact phone number, e-mail address, background notes. It will include detailed notations of meetings requested but not yet confirmed. It is expected that this schedule will be revised regularly during the course of the field research. Printed copies should be provided upon arrival in country. It is understood that this will be prepared in coordination with the International Labor Sector Expert and Local Labor Sector Expert. Participation in team meetings about schedule and logistics coordination. A final list of persons interviewed by the team, including all the information in the first bullet of this list, above, will be submitted after conclusion of the field visit.

	International Labor Sector Expert and Team Leader	Local Labor Sector Expert(s)	Local Logistics Specialist
	field. <ul style="list-style-type: none"> • A finalized draft of the LaSSO. Timetable will depend upon receipt of comments from USAID. 	needed.	

APPENDIX D: TECHNICAL GUIDANCE FOR CONSTRUCTING A RESULTS FRAMEWORK

A Results Framework (RF), USAID’s basic planning tool, links causes and effects between higher level objectives, stated as results to be achieved, and lower levels. Details are also provided in the Labor Sector Programming Handbook (Salinger and Saussier 2009) and in USAID’s Automated Directives System, 201.3.8.3, available online at www.usaid.gov/policy/ads.

As explained above, at least two possible labor-related assistance objectives may be of interest to USAID. On the one hand, USAID may seek a “holistic” objective that considers the labor sector overall. Instead – or perhaps in addition to the holistic objective – USAID may seek a “special” labor sector objective that focuses more narrowly on one component of the labor sector, such as worker rights and organizations.

The following instructions are provided to assist with some of the concepts and terms used in developing these planning tools. Worksheets are also provided to assist with the structuring and collection of relevant data.

ASSISTANCE OBJECTIVE

An Assistance Objective (AO) represents the highest level strategic goal for the labor sector that is attainable and measurable over a 3-5 year time period. The overarching AO for the labor sector is presented in the box below.

Assistance Objective: A well-functioning and balanced labor sector is in place (that has sufficient legal frameworks, institutions, and organizations to enforce and engage in a well-regulated and market-driven labor sector that promotes economic growth, and increased incomes and employment opportunities).

For a specific country, this AO and the Results Framework that ensues represent a “holistic” picture of the multiple, mid-level results necessary to achieve the overall objective of a “well-functioning and balanced” labor sector. Achieving this high-level goal would in most cases require multiple and cross-disciplinary efforts at the country level. These efforts are likely to be both domestic and international donor-driven, each working on one or more parts of the overall Framework. Hence, this Results Framework would not likely apply to any one development program or implementing partner, but rather might serve as a map that links and coordinates multiple domestic and international efforts toward the overall goal.

Progress in accomplishment of AOs is usually measured by an independently developed indicator, drawn from a secondary source, such as the World Bank, Freedom House, etc. For a labor sector Results

Framework the 14-point CIRI Human Rights Data Project’s Empowerment Index (see www.humanrightsdata.org), which measures *inter alia* worker rights, freedom of domestic and foreign movement, and freedom of assembly and association, may be an appropriate measurement indicator.

SPECIAL OBJECTIVE

This is a strategic objective that can be put in place by USAID to contribute to part or parts of the holistic labor sector assistance objective. For the purposes of a LaSSO, a Special Objective (SpO) is (1) a local interpretation of the Labor Sector Assistance Objective that is (2) consistent with USAID’s democracy and governance goals of rule of law and promoting democratic civil society, and (3) less comprehensive than an AO.

Moving from the Assistance Objective to this Special Objective level makes it easier to develop a practical and operational Results Framework, for several reasons. First, it is more manageable in both “people” and resource terms. Second, it allows an RF to be built on the premise that the “holistic” picture may be, especially initially, too complex for any one approach or intervention to address, so partial frameworks are necessary to fully develop the separate efforts necessary to achieving the overall objective. Third, separate and particular RFs are more easily “matched” to USAID’s primary funding and reporting goals, e.g. Democracy and Governance, Economic Growth, Investing in People, etc.

The box below suggests a country-level SpO developed using the labor sector insights developed in the Ukraine CoLSA (Fick et al. 2009).

FIGURE 3: EXAMPLE OF A COUNTRY-LEVEL SPECIAL OBJECTIVE (UKRAINE)

SPECIAL OBJECTIVE: Workers’ Rights Protected and International Core Labor Standards Promoted through: (1) support for vibrant, independent and democratic labor unions and NGOs that promote labor rights, labor justice, and the representation of workers’ interests and their participation in local and national arenas,(2) promotion of the rule of law in the labor sector and access to justice for workers, especially women and other vulnerable populations, and, (3) better capacity to represent labor issues in the policy debate towards improved balance in the market.

For the purpose of developing LaSSO’s, RFs are to be developed with the Special Objective that focuses specifically on worker rights and organizations. This framework should: 1) be manageable in “people” and resource terms, (2) fully develop the results in the area of workers’ rights and organizations that are necessary to achieving the overall objective, and (3) be consistent with existing USAID democracy and governance goals of building democratic civil society and the rule of law.

INTERMEDIATE RESULT

An Intermediate Result (IR) is a high-level result that directly contributes to the achievement of the Assistance or Special Objective. IRs are usually outcomes, that is, sustained changes in systems’ or institutions’ practices and behaviors. Outcomes are usually reflected in measurable changes in effectiveness (quality), efficiency (cost or time), coverage (ability to provide a service to more people, or expansion of services to meet needs), and customer satisfaction (considered by stakeholders to have a higher value).

The LaSSO RF’s Intermediate Results are based on the four components of the labor sector model. The “if...then” method can be applied, as in Figure 4, to show generally how the Results Framework works.

FIGURE 4: RESULTS FRAMEWORK ELEMENTS

IF (THESE RESULTS ARE ACHIEVED/CONDITIONS MET)...

<p>LEGAL FOUNDATION IR1: Equitable Legal Framework and Core Labor Standards Adopted (and are known, respected, and regulated/enforced)</p>	<p>INSTITUTIONS IR 2: Legal Institutions with Capacity to Enforce CLS and Adjudicate Disputes Strengthened (and are respected as the legitimate vehicle for resolution)</p>	<p>ORGANIZATIONS IR 3: Effective Organizations that Represent Labor and Employers Strengthened (to be able to engage each other and government institutions)</p>	<p>MARKETS IR 4: Labor Markets are more transparent, open, and provide equitable opportunities to both labor and employers</p>
---	--	---	---

THEN THEY WILL CONTRIBUTE TO THE ACHIEVEMENT OF THE OBJECTIVE...

ASSISTANCE OBJECTIVE: A functioning and balanced labor sector that protects workers’ rights, promotes participation, transparency, and accountability, as well as broad-based economic growth, and increased incomes and opportunities, is in place and sustainable over time.

This “equation” is the basic Results Framework for the labor sector as a whole and represents both a holistic and global view.

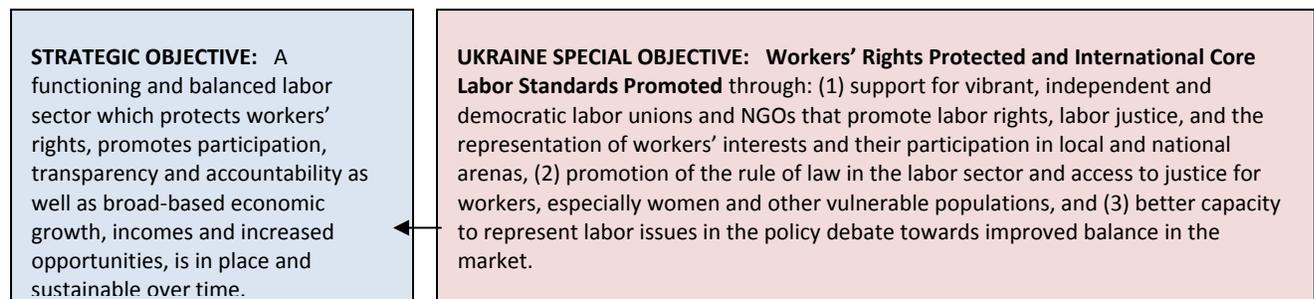
SUB-INTERMEDIATE RESULTS

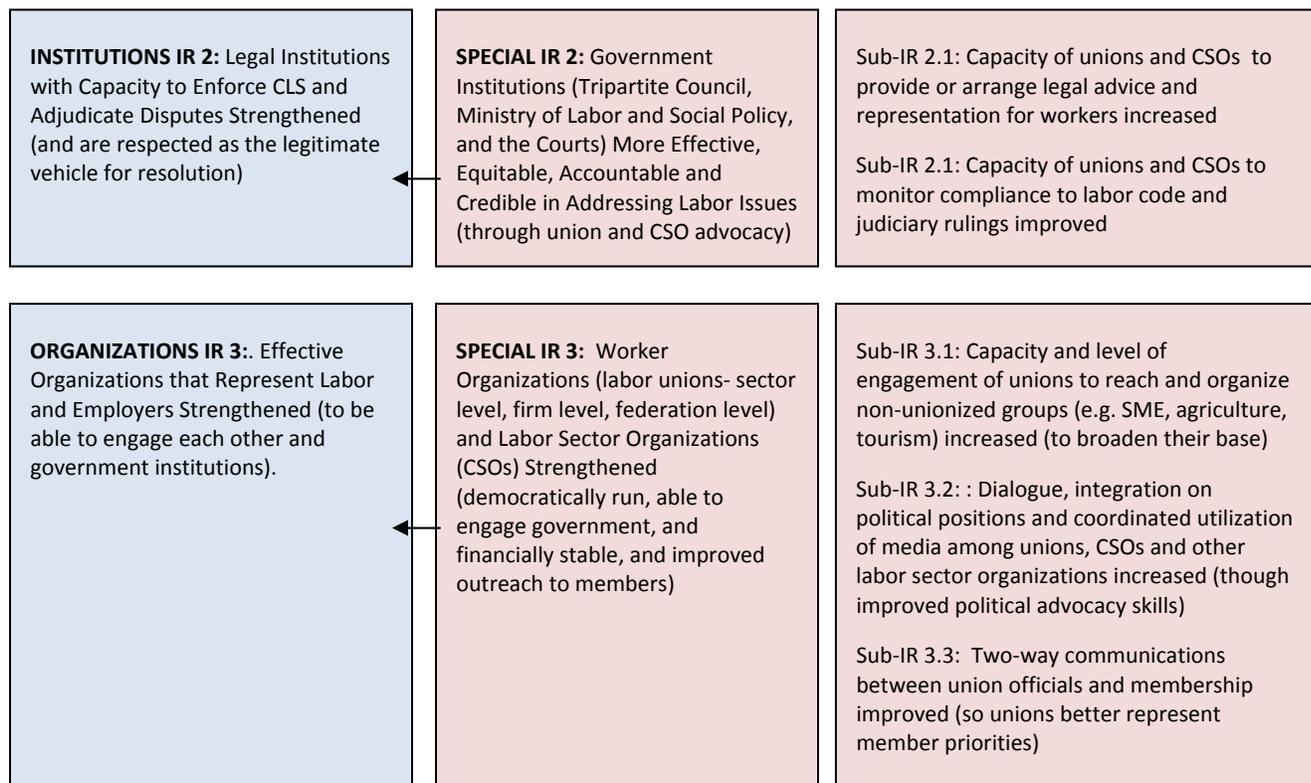
Sub-IRs are lower-level results, usually expressed in the form of outputs (e.g., production as a result of utilization of resources, people trained, structures built, systems introduced but not yet making any difference, because when they do, that is considered to be an outcome). Sub-IRs are sensitive to and reflect local situations; they are seldom generic.

Sub-IRs, when implemented in combination with each other, contribute to the achievement of the Intermediate Result. Another way to understand a sub-IR is that each is the objective of a particular project, that in turn contributes to the objective of the program (IR).

For the purposes of a LaSSO, *two types* of sub-Intermediate Results are to be considered. The first type is a set of lower-level results that represents what must be achieved in order to achieve the *holistic labor sector objective*. The second type focuses more specifically on the results that are relevant from a worker organization’s (including both democratic labor unions and worker rights NGOs) point of view, given its position in the operating environment and the power relationships that surround that position. These sub-IRs reflect what could reasonably be expected from a USAID-sponsored intervention (grant or contract) commissioned to achieve the *Special Objective*.

Using the Ukraine SpO example again, the following locally relevant Special IRs and sub-IRs were identified (in pink below). Each in turn contributes to overall IRs that contribute in turn to achievement of the Strategic Objective (in blue), as laid out below.





Note that elaboration of an RF is a process of increasing specificity, from the global and general labor sector down to the country level, and especially down to the worker organization level.

It is not expected that the LaSSO Team will be able to develop a full-fledged Results Framework for both an Assistance Objective and Special Objective program in the country in which a LaSSO is being prepared. RF elaboration is a process. However, even an RF outline allows USAID personnel to assess for themselves the short- and medium-term program possibilities and where the labor sector might “fit” within their portfolios.

Thus, while perhaps not completed in detail, it is expected is that the LaSSo Team will prepare an illustrative RF, considering what it might look like, that is, what might be the local higher objective to be achieved, what higher level results need to be achieved to achieve a well-functioning labor sector in all four components, and what lower level results (sub-IRs or outputs) might be most appropriate to achieve those results.

First, starting at the level of the holistic Assistance Objective (a “well-balanced labor sector”), the LaSSO team should think about what the local interpretation of that might be for a Special Objective, especially if the focus might be on labor sector organizations. Note that in the Ukraine SpO example this was captured as “worker rights protected and international core labor standards promoted.”

Second, at the level of the global Intermediate Results (based on the four components), the LaSSO team should think about the local context and what results (within each of the four labor sector components) should be expected in order to achieve the Special Objective.

This can be done using several techniques. The first, which is a top-down mechanism, places the focus on *constraints* and their *removal*. What are the issues that hold back establishment of a well-functioning labor sector in the country? What *constraints* exist and how can USAID, through its programming with the host government, civil society, and other donors, remove these constraints? What results are sought?

In the example above, the global IR for Organizations reflects the constraint that labor sector organizations, be they unions or human rights NGOs, require institutional strengthening in order to be effective and contribute to the Strategic Objective. The local Special IR becomes more specific, recognizing that the biggest constraints in terms of labor sector organizations are their lack of capacity to engage government and the insufficiency of their resources to carry out their mission.

The second method, bottom-up, uses a set of cause-and-effect, “if...then” statements. If sub-intermediate objectives 1, 2, and 3 are achieved, does this achieve the intermediate results? If the intermediate results are achieved, will this substantially contribute to achievement of the Special Objective?

Both methods can be employed, one to cross-check and reinforce the logic of the other.

See below for two worksheets designed for use by the LaSSO team. The first (Figure 5) provides the opportunity to look at (1) what constraints need to be removed, and (2) what new systems, institutional capabilities, behaviors, or practices need to be in place (outcome-level) in order to achieve either the global Labor Sector Strategic Objective or a more country-specific Special Objective. One can either pre-define the SpO or use the worksheet to help clarify what it might be. The LaSSO team should try to focus on the two or three most important constraints or outcomes within each component.

The second worksheet (Figure 6) is a Results Framework template that can be used for organizing thoughts, testing the hypotheses, and presentation.

FIGURE 5: Worksheet For Use In Elaborating A Results Framework

To Achieve Strengthened Worker Organizations (Unions)	
Within the Sphere of Labor Unions and NGOs	
What constraints must be removed?	What must be improved? What must be in place?
What can be accomplished by labor unions and NGOs, and what requires the actions of other actors?	
Within the Sphere of Other Labor-Related Organizations	
What constraints must be removed?	What must be improved? What must be in place?
What can be accomplished by labor unions and NGOs, and what requires the actions of other actors?	
Within the Sphere of Legal Framework	
What constraints must be removed?	What must be improved? What must be in place?
What can be accomplished by labor unions and NGOs, and what requires the actions of other actors?	
Within the Sphere of Institutions	
What constraints must be removed?	What must be improved? What must be in place?
What can be accomplished by labor unions and NGOs, and what requires the actions of other actors?	
Within the Sphere of Labor Markets	
What constraints must be removed?	What must be improved? What must be in place?
What can be accomplished by labor unions and NGOs, and what requires the actions of other actors?	

Note that Results Framework IRs and sub-IRs use words like “increased,” “improved,” “enforced,” etc. When looking at the constraints or outcomes, think in terms of incremental and measurable change.

FIGURE 6: Worksheet For Developing Special Objectives, Intermediate And Sub-Intermediate Results

ASSISTANCE OBJECTIVE: A functioning and balanced labor sector which protects workers' rights, promotes participation, transparency and accountability as well as broad-based economic growth, incomes and increased opportunities, is in place and sustainable over time.

In the local context (as found through the LaSSO), what is the higher level objective that can be attained, either for a full-fledged labor sector program or a more limited Special Objective?

LEGAL FRAMEWORK IR1: Equitable Legal Framework and Core Labor Standards Adopted (and are known, respected and regulated) How can this generic results statement be made specific to the country context?

In the local context, what is the appropriate results statement for improving the legal framework? What is the results statement which would be relevant to the efforts of labor unions and NGOs?

INSTITUTIONS IR 2: Legal Institutions with Capacity to Enforce CLS and Adjudicate Disputes Strengthened (and are respected as the legitimate vehicle for resolution) How can this generic results statement be made specific to the country context?

In the local context, what is the appropriate results statement for improving institutions? What needs to be different to help achieve both the SO and SpO?

ORGANIZATIONS IR 3: Effective Organizations that Represent Labor and Employers Strengthened (to be able to engage each other and government institutions) How can this generic results statement be made specific to the country context?

In the local context, what is the appropriate results statement for improving labor sector organizations (either unions, CSOs, employer associations, or all of them, individually or collectively)? What is the results statement for improving labor unions and NGOs, in order to achieve the SpO?

MARKETS IR 4: Labor Markets are more transparent, open and provide equitable opportunities to both labor and employers How can this generic results statement be made specific to the country context?

In the local context, what is the appropriate results statement for improving labor markets? What changes in the market or interactions with the market must take place to improve the situation of workers and unions?

U.S. Agency for International Development

1300 Pennsylvania Avenue, NW

Washington, DC 20523

Tel: (202) 712-0000

Fax: (202) 216-3524

www.usaid.gov