



Market Development at the ILO

Day 4 Session 1

DCED Seminar on Trends and Results in PSD, Bangkok - January 2012

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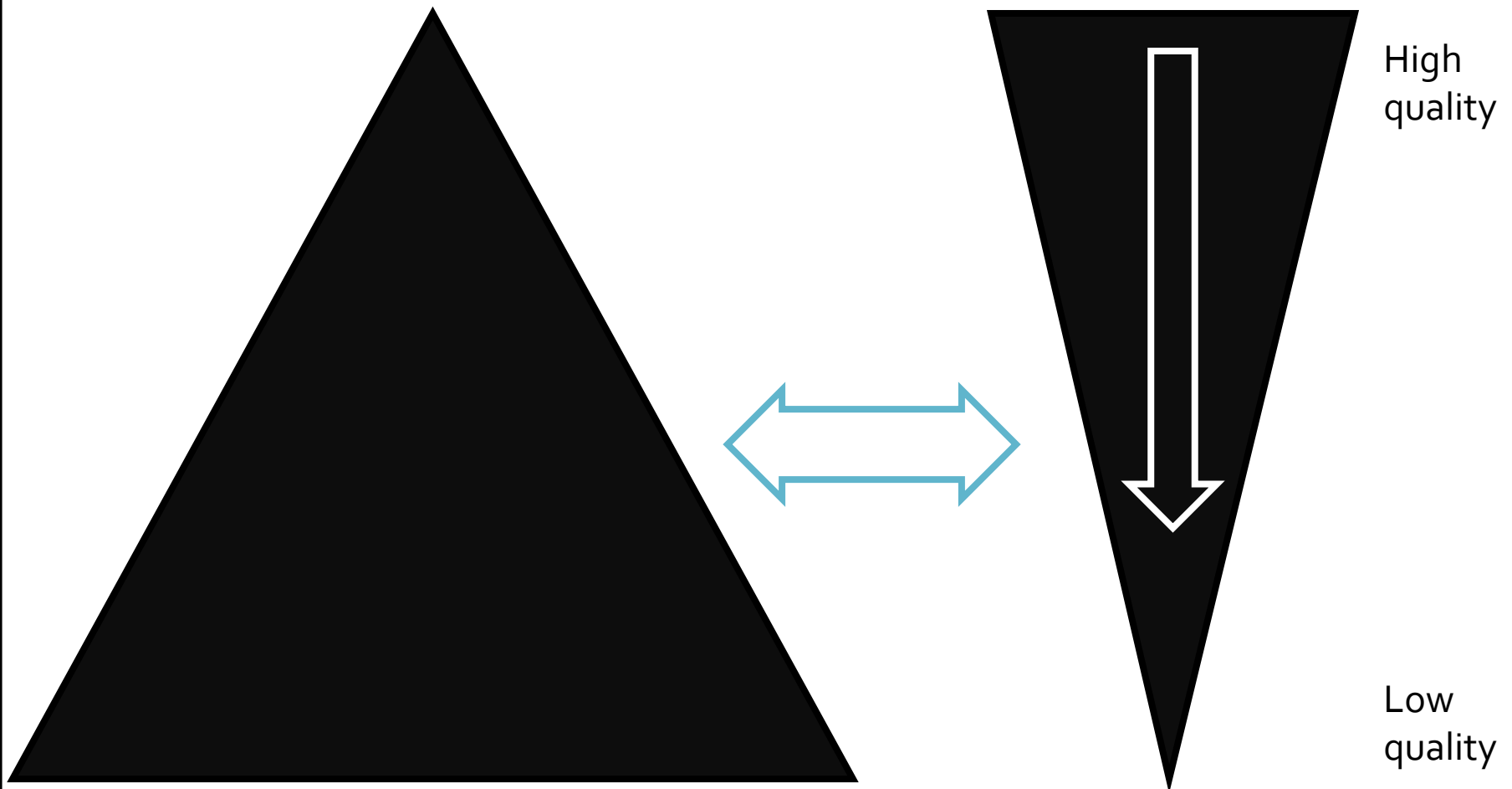
Contents

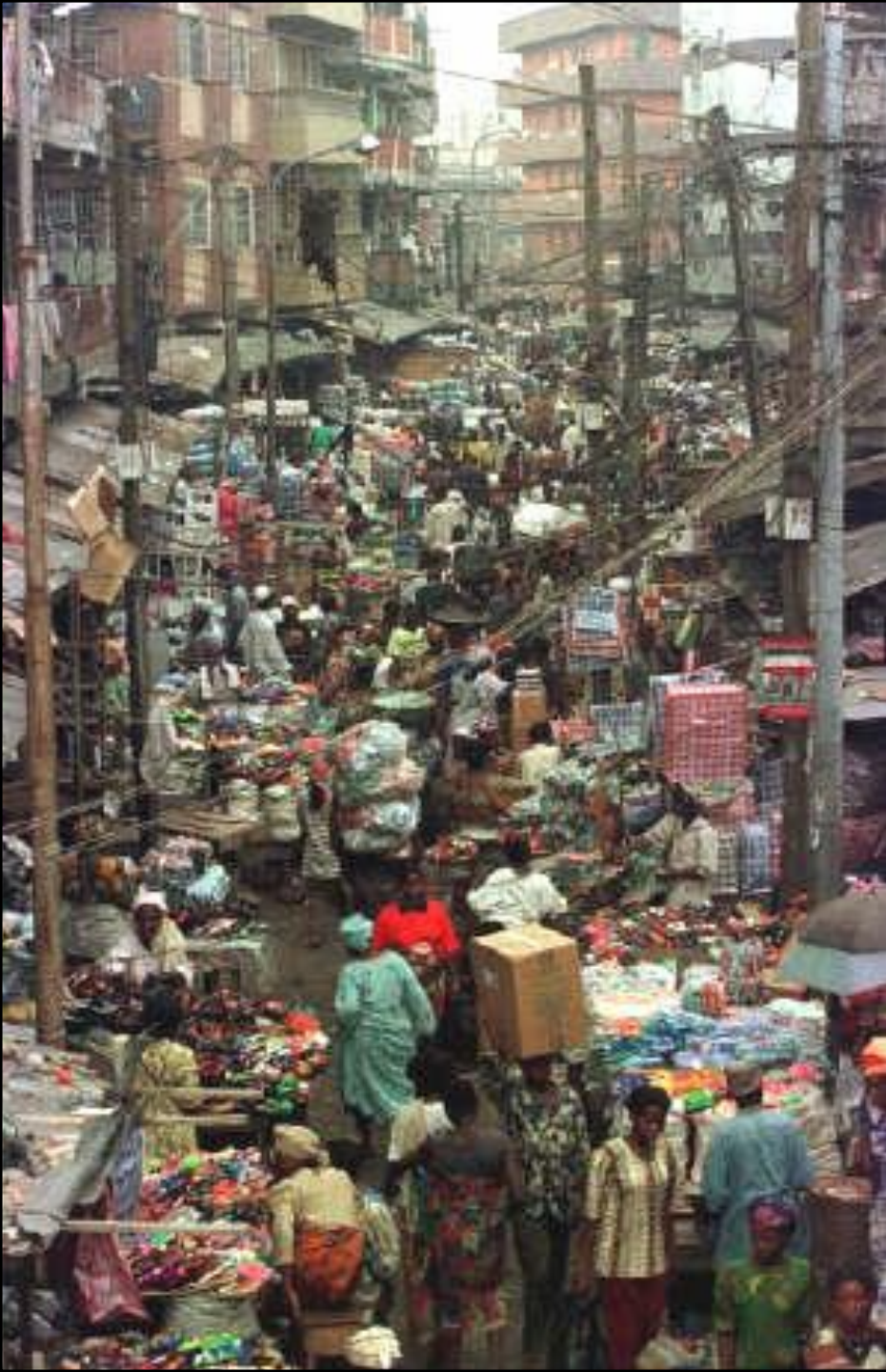
1. The ILO in PSD/VCD
2. ILO's current VCD Portfolio
3. The employment dilemma: VCD in Jabalpur, India
4. Challenges of ILO's VCD work
5. The way forward

1. The ILO and PSD

Employment contribution by
enterprise size:

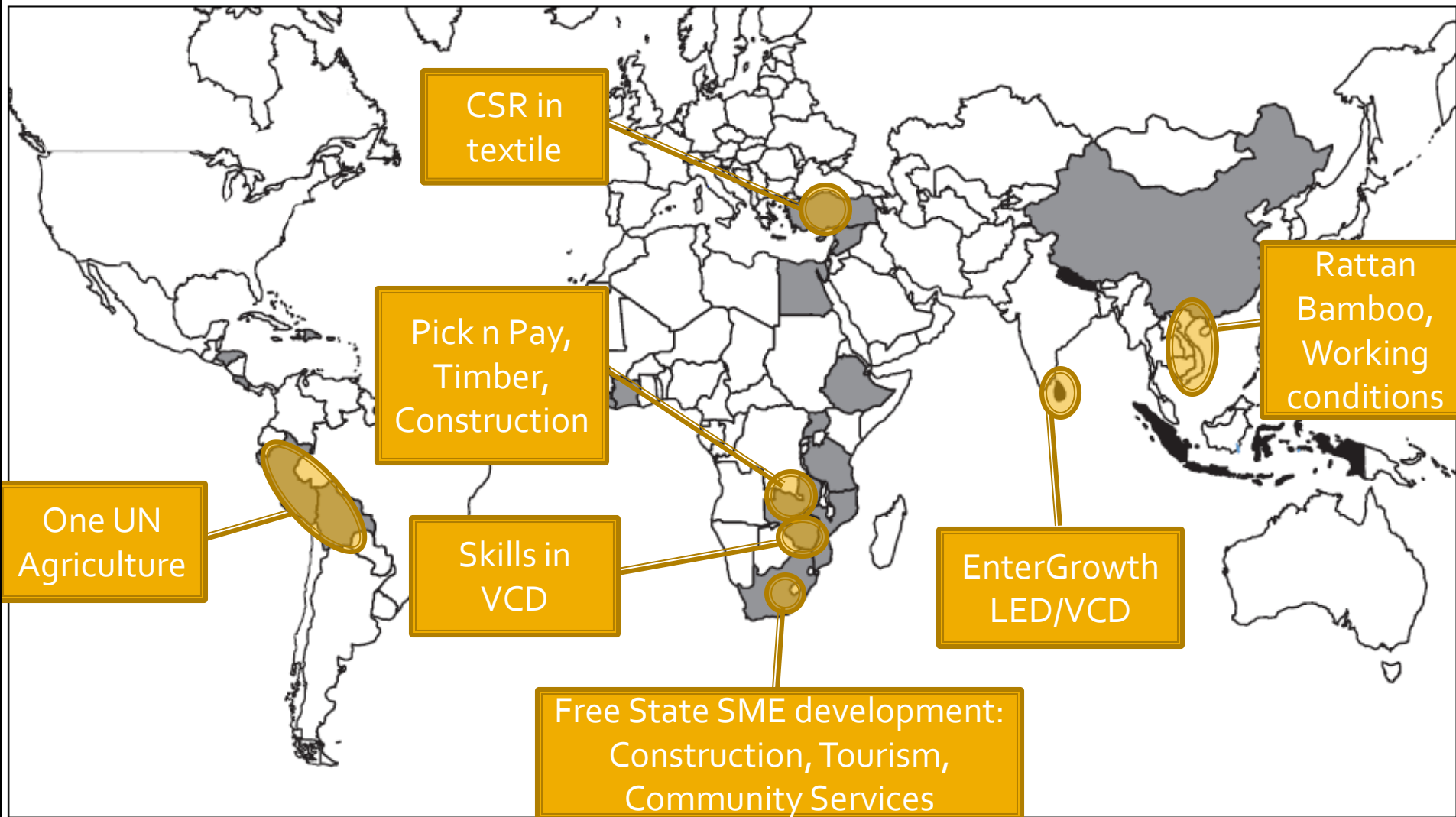
Employment conditions by enterprise size:





2. ILO VCD project portfolio

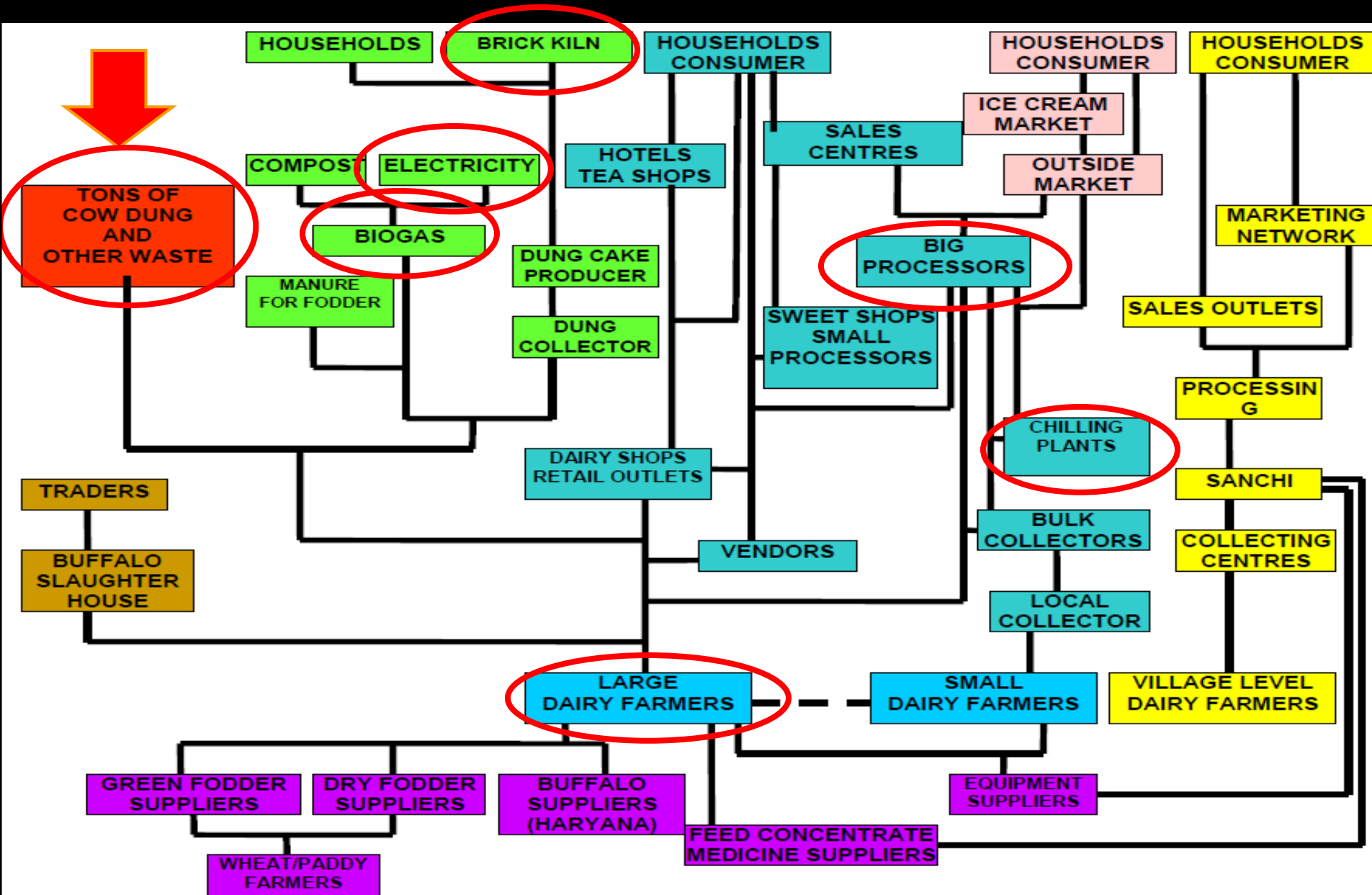
Figure 4: Geographical coverage of ILO VCD projects



3. The employment dilemma: Green VCD in Jabalpur, India



The "Green lense": Jabalpur diary, India



Green VCA: Jabalpur, India



**TONS OF
COW DUNG
AND
OTHER WASTE**

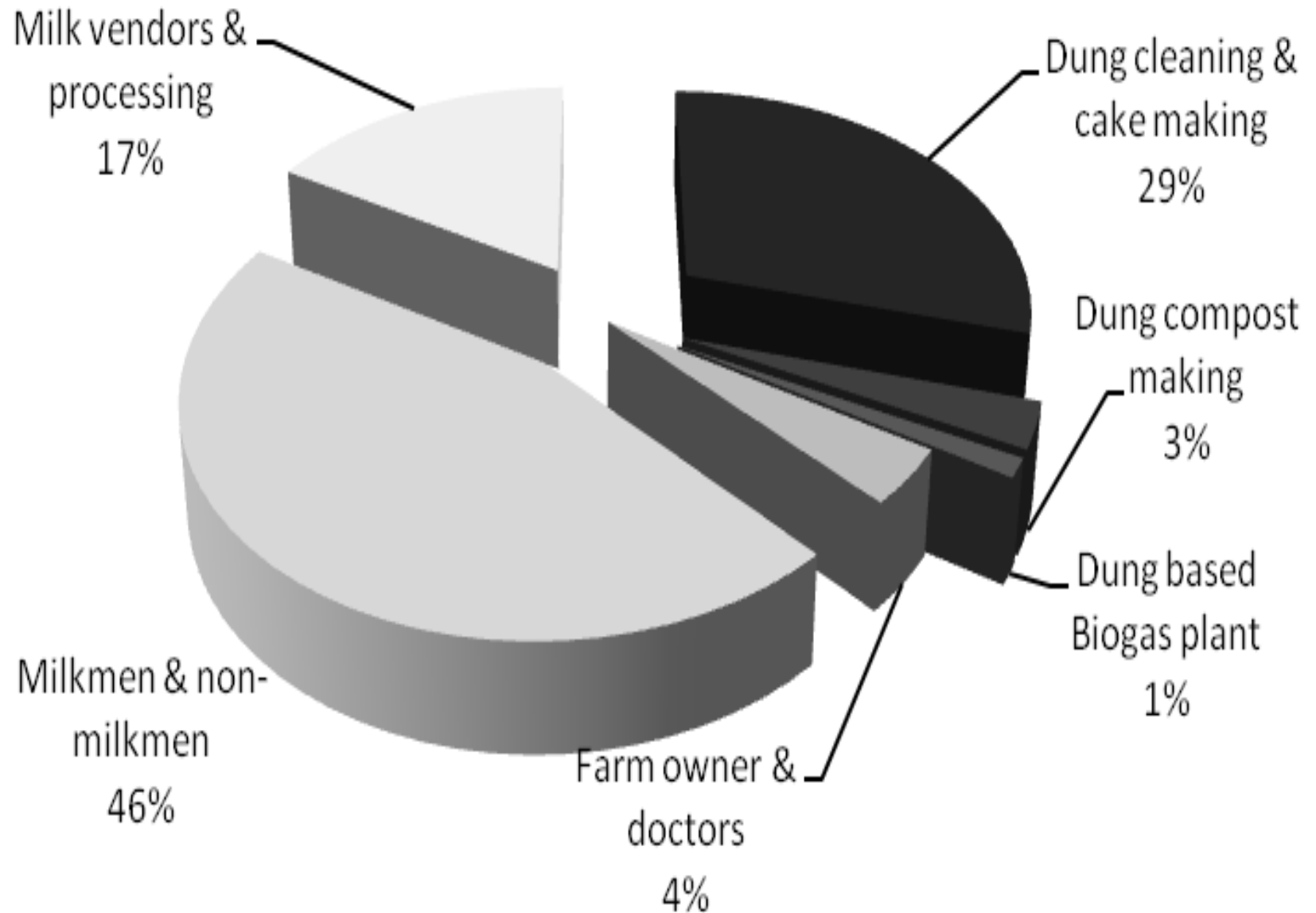


Dung management and disposal:

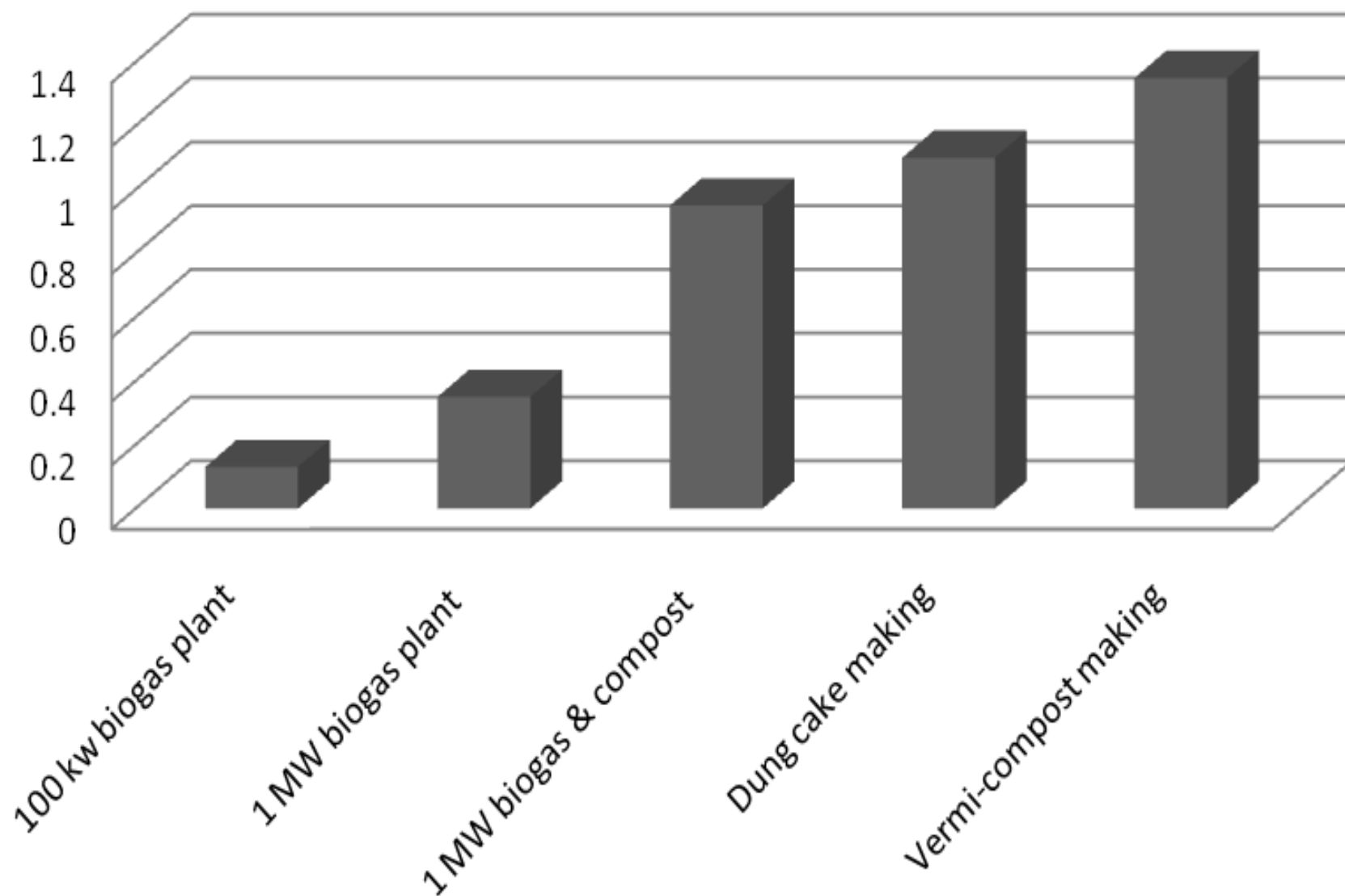
- Extremely inefficient dung management and disposal
- Primary cause of greenhouse gas emissions, methane in particular.
- “The 25 km stretch of the Parihat river looks like a river of dung, due to disposal in river, which poses a grave threat to the ecosystem”
- Just two farms operate small biogas plants



Employment in the dairy sector



Employment per ton of fresh dung
in different dung activities



4. Core Challenges

- ILOs and UNs VCD portfolio is highly heterogeneous
- Extensive sector specific knowledge (food security, agriculture, industry, labour conditions, trade, environment etc.)
- Good social capital provides entry points: Host governments “own” the UN, UN is neutral

3 core problem-areas

1. Evidence: Short project cycles make it hard to plan, design, implement, evaluate and learn out of the experience
 - Project managers need to be convinced to take DCED standard on

Challenges

2. Project design and management

- log-frame overly complicated, overpromising
- indicators do not match outcomes
- baseline not well established etc.

Challenges

3. The complexities of Market Facilitation:

- Superficial sector selection (or based on political priorities), VCs /sectors with little development potential
- Superficial analysis does not identify root causes of market failure
- Interventions are heavy handed and overly subsidized, creating little local ownership
- Complexity/Challenges of local situation is underestimated
- VCD in itself is complex, getting from analysis to underlying constraints and to finding market-based solutions requires an analytical and entrepreneurial mindset

The way forward

- More in-house training
- Convince key in-house partners
- Better collaboration in and outside the UN
- Use existing knowledge management services in a more effective way
- Create internal incentive structures for good project management
- Use and promote DCED Measurement Standard

Thank You!

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ILOs VCD website: www.ilo.org/valuechains

ITC ILOs VCD training: www.itcilo.org/marketdev

Linking Finance and BDS: www.itcilo.org/synergies

The SIYB family of management training products:
www.ilo.org/siyb

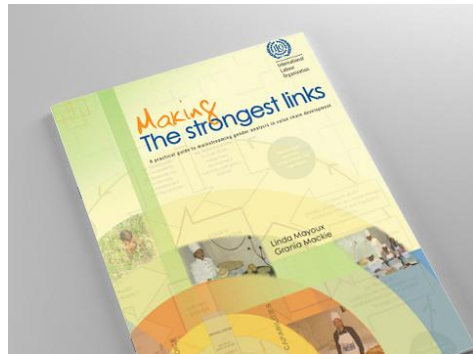
ILOs programmes and tools



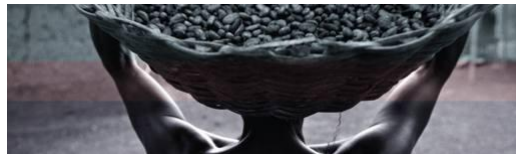
Learning at ILOs International Training Centre in Turin:
"Enterprise development through Value Chains and Business Service markets"



Value Chain Development for Decent Work



Making the strongest links:
Integrating Gender in Value Chain
Analysis



Institute for Labour studies. Capturing the Gains: a research network that investigates GVCs dynamics of trade, production and employment in developing countries and identifies opportunities for upgrading



BETTER WORK

Better Work is a partnership between the ILO and the IFC. Its objectives are to increase compliance to labour standards and improve competitiveness in global supply chains

Quang Nam Rattan



- Vietnam Rattan export up from 100 mio US\$ in 2004 to 228 mio US\$ in 2008
- High growth potential in SEA but raw material under threat
- Most of the output of the province is exported through agents in Nha Trang to IKEA.

- 3,000 full time laborers in Quang Nam, 5,000 workers on a temporary basis, plus more than 7,850 ethnic farmers /collectors
- Vietnam has lower raw material and labour cost than main competitor

Rattan Value Chain in Quang Nam

