

Dutch Employers Cooperation Programme

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# DECP Annual report 2013



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## Growing up



Last year I concluded my preface to the DECP Annual Report by welcoming the evaluation DECP was about to undergo and expressing confidence in its outcome. Today I am pleased to note that I have not been disappointed. On the contrary, in his conclusions the independent evaluator considers DECP

to be an effective, additional and relevant programme. To me, in this final year as DECP's Chairman this is a truly satisfactory conclusion. DECP has indeed come a long way. Looking back to our humble beginnings in 2005 there is reason to be proud of our achievements. DECP has not just grown, it has grown up. Today we have established relations with scores of counterpart employer organisations in a broad range of developing countries. We have developed a choice of instruments tailor-made for the specific needs of our counterparts. We have helped establish employer organisations where there were none.

We have set up a highly productive partnership with the International Training Centre of the ILO. In a range of fields such as e.g. lobbying, negotiation skills, occupational safety and health we have trained thousands of men and women committed to improving the effectiveness of their organisations while building a better business climate. To further enhance DECP's leverage we have also started to train trainers who go on to share their expertise with a growing number of colleagues.

We have helped devising strategies and setting priori-

ties through the development of Business Agendas. We have counselled our counterparts to stand firm when unduly pressured by governments and watched them benefit from that firm stand. We have supported the sampling of reliable labour market data, thus enabling a social dialogue based on facts. We have also supported the setting up of regional associations in East Africa and South Asia.

And we have done a whole lot more.

Inevitably and in spite of determined efforts, we had our share of disappointments. Not every promising and creative idea has come to fruition. But overall we have seen a number of our counterparts make tangible progress. They too have grown up. So much so that – at least for the foreseeable future – we think that they can very well stand on their own two feet and are no longer in need of our advice and support. Fortunately there is no need to sever all ties at once. We agreed that should they have a specific problem or request they should feel free to contact us. So, it is a goodbye, but not a farewell.

Looking back over the past 8 years and at the achievements summed up above, I cannot feel but gratified. I am confident about DECP's future and wish it every success and I will certainly follow developments albeit at some distance.

So, for me as well, it is a goodbye, but not a farewell.

Bernard Wientjes, chairman

## DECP in 2013

Ronald de Leij, director

#### **Economic Developments**

In the second half of the nineties, the world economy experienced its first internet revolution. It was the time of the dot.com companies, whose many favoured achievement seemed to be to show as many losses as possible. The poorer their immediate financial results, the more venture capital they seemed to be able to attract. Those who raised their eyebrows soon became depicted as obsolete, pessimistic and gloomy, totally not understanding the new economy that had come upon us. This new economy had little or nothing to do with the old economy of 'brick-and-mortar' businesses that actually made things you could live in, or eat or drive or put your hands around. Old stuff. Until the bubble popped. The NASDAQ that went from 600 (1996) to 5048 (March 2000) started to plunge and dropped to 2000 in a few months time and then to 800 in 2002. Trillions of dollars evaporated in the same thin air out of which it came.

Did this leave us sadder but wiser? It seemed at first, but the wisdom did not stick. Experience had shown that if you were able to play your cards right – i.e. to play them at the right time - you could become very rich indeed without any of the usually required hard work in the brick-and-mortar and retail business. So, quickly after the burst of the (first) internet bubble, more and more air was blown in another bubble: real estate and the mathematical hanky panky that made even expert bankers believe that providing mortgages to people who would never be able to repay the debt, would go without risk if these mortgages were properly wrapped together with less risky mortgages as collateral securing a debt obligation.

Again we came to believe that we may still need a roof over our head and bread on the table but that building houses and baking bread is just to support the financial world making money. Lots and lots of money. Until this bubble of lending and spending did burst as well. But this time we lost more than trillions of dollars. We lost faith in our financial system, in our banks and their bankers, in the supervisory authorities and at the expense of trillions and trillions of hard earned tax payers' money we did not get any of it back.

In many countries, developed and developing, small and medium sized companies are having an extremely hard time to find the money they need to invest in businesses producing goods that can be sold at local, national and international markets. Or providing everyday services. Creating jobs and income for everyday people who can thus send their children to school and pay taxes.

It seems the bailed out financial world is no longer interested in such goods and services. They are like surfers, letting the smaller waves pass by, waiting for their big one to arrive.

In mid February 2014, Facebook announced the acquisition of Whatsapp at a price of 19 billion dollars - part in cash, part in Facebook shares. Facebook was founded in early February 2004. Judged by its market value on March 5th, 2014, 10 year old Facebook is ten times the size of Sony. But what in fact does Facebook produce that helps mankind survive nature on this planet?

According to recent literature the world economy is about to witness a second machine age. More and more of the so far typically human input, is about to be taken over by intelligent machines actually capable of learning, communicating and adapting. It is estimated that within decades this second revolution will gobble up a major part of middle class jobs. The single purpose of mentioning all of the above, is to state that we experience developments that may seem to be preceded by similar developments in the past but that the wisdom and experience (if any) we derived from those earlier developments will not really help us.

The world economy is once again in uncharted territo-

ry, this time with a footloose and fancy free financial system that has entirely become a goal in itself and technological developments that may theoretically supply us with goods and services of all kinds but without the jobs we need to earn the money to pay for such goods and services.

The world and every society in it will have to rethink and reset its social and economic systems and this is not going to be a desk or laboratory job. It will have to be done amidst the reality of everyday life. This will require strong institutions able and willing to take responsibility for mastering the unknown. Business and employers' organisations will have to be among them.

#### DECP in 2013

Since the start of DECP in late 2005, we have focussed on building strong and responsible institutions on behalf of entrepreneurs and employers. Such institutions are independent (politically, financially and strictly based on voluntary membership according to ILO Convention nr. 87), representative (in quantity and variety of members and in quality 'they know the interests and needs of their members'), well governed ('on paper' and in practice) and are respected members of society, taking a very active part in social dialogue.

In the 26 countries (see page 18) where DECP became actively engaged since the start of the programme, we have never started up a process of institution building ourselves, but have always made a connection with local initiatives or institutions already 'under construction', some of which already for as long as fifty years or more but still depending on outside funding.

The help we provided has been the transfer of knowhow and the provision of guidance and consultancy. Frequently in close cooperation with our main supply partner, the employers' section of the Turin training centre of the ILO, we have provided training on governance, on lobby and advocacy, on communication, on the provision of services (including training), on membership management, on negotiation skills, on occupational safety and health, and more. We have provided such training to boards and senior staff but also to representatives of member-associations and member-companies. And instead of keeping the provision of training to ourselves, in some countries, we have already moved on to the training of trainers.

We have done this with the focus on building capacity; the capacity of our partners to stand up and speak wisely on behalf of members, the capacity to serve members in their daily affairs, the capacity to attract and retain members, the capacity to keep members informed and to keep the organisation well informed by the members, the capacity to have members actively join in promoting their interest via the organisation in a responsible and constructive manner.

The best capacity, however, is built by practice. The practice of practical exercises as part of training but moreover by practicing what is trained in everyday life of the institution.

Promoting practice in everyday life has benefited a lot from the type of relationship we have tried to establish with our partners in the countries: a relationship that does not move from incident to incident but that is ongoing, providing guidance and consultancy almost on a daily basis, built on mutual trust and understanding.

DECP has sustained the promoted practice of partner organisations technically (what to do and how to do it) and often also financially on the basis of detailed specific budgets, thoroughly discussed to limit costs. When we did, we have provided such financial assistance because the supported practice brought real-life feedback on the training and because it addressed real-life issues often with an opportunity to show the capacity of the organisation to members, potential members and to the public by actively informing the press. Chapter 2 of this report underscores the above by way of exemplary stories. Our website provides a detailed overview – region by region, country by country and year by year – of our activities in 2013 and previous years.

Chapter 3 provides, as usual, the necessary facts and figures.

#### **Evaluation of DECP**

DECP is mainly funded by the Netherlands Ministry of Foreign Affairs as part of the Netherlands ODA. Subsidies are provisionally granted for a limited number of years (usually four years). In the final year of a term, the programme's activities are evaluated by an external and independent evaluator, contracted by and reporting to the Ministry of Foreign Affairs.

A first evaluation of DECP was conducted in 2009 and was called a 'mid term evaluation' because the programme was just a few years on its way and was considered to be in what can be called a 'learning phase'. The second evaluation was conducted in 2013 and has been called an 'End-of-Term' evaluation, because – after eight years - the programme was expected to have something to show for in terms of outcomes and impact. And it did.



Final Report End of Term Evaluation DECP DDE, Ministry of Foreign Affairs



The 'End-of-Term' evaluation was conducted between March and early July 2013 by Triodos Facet, a Dutch consultancy firm whose mission is 'to contribute to sustainable entreprise development'.

The evaluators collected information on the whole portfolio of DECP activities and took a stratified sample of country pro-

grammes / partner organisations for more in depth research (case studies). The selected countries / partners were Albania / BiznesAlbania, Indonesia /APIN-DO, Nicaragua / CADIN, Uganda / Federation of Uganda Employers and Vietnam/VWEC-VCCI. The case studies comprised visits to the partner organisation with repeated discussions with management and staff, meetings with relevant stakeholders and focus group discussions with member companies.

The evaluators looked at relevance (visible effects on the business environment achieved by the partner organisation subsequent to DECP support), attribution (can outcomes and impacts be reasonably attributed to DECP interventions), additionality (is what DECP provides uniquely provided by DECP?), sustainability (will outcomes last beyond the project horizon), effectiveness (outcomes at EO<sup>1</sup> level vis-à-vis the stated objectives in DECP business plans) and finally, efficiency (benchmarking overhead and the efficiency of the programme as such).

On the basis of their research, with regard to relevance, the evaluators concluded that '.. in most cases the strengthened EOs are delivering positive effects on the business environment which can be attributed to the role DECP has played to bring about the observed changes. Therefore we rate DECP as largely relevant.' With regard to additionality, attribution and sustainability the evaluators state that '.. DECP projects are additional (..) and where other donors are active too, DECP coordinates well to avoid duplication and overlap. Four out of five cases show high in terms of attribution (...) We rate the sustainability of DECP's outcomes and impacts achieved as high.' With regard to effectiveness the evaluators conclude ' .. that - on average - DECP is an effective programme. The interventions generally lead to results on EO level.' Efficiency holds a plus and a minus. The plus refers to DECP as an organisation. Assessment of DECP as an organisation did not reveal any inefficiencies (concerning overhead, or personnel costs). The minus owed DECP to the fact that too often goals are not specific (enough) and plans do not change over the years even though reality (including the reality of DECP's activities) is changing. Furthermore, partner organisations rarely kept track of how people who participated in trainings or workshops practiced the acquired skills in their daily working life, which makes it hard to establish whether a training is efficient or not.

<sup>1</sup> EO = employers organisation

Overall, the evaluation of DECP was definitely positive on five out of six accounts and on part of the efficiency account as well. The minus on efficiency has been taken to heart when drafting the DECP business plan for DECP's next term, 2014-2017.

Towards a DECP Business Plan 2014-2017 Though the Final Report of the End-of-Term evaluation was not available before the end of September, DECP started drafting a new Business Plan in August 2013.



This was done in quite a different way than in 2009.

DECP country managers visited as many partner organisations as possible to perform - first of all - an upto-date assessment of the organisation using the DECP Spiderweb analysis. This is a 57 questions – questionnaire, zooming in on eight characteristics of an effective employers organisation: representativeness, strategy, lobbying,

services, communication and media presence, social dialogue, revenues and the organisational structure.

Together with the partner organisations between two and four characteristics have been selected requiring specific and detailed attention in the course of DECP's next term. This way we were able to draft a plan that was highly focussed, very specific, with measurable outcomes and with detailed activities leading towards the desired outcomes. But above all, the new country specific plans are not just plans of DECP, they are plans of our partner organisations as well: this time the ownership of our country specific plans is shared.

What we took from our previous business plan is drafting cross cutting and regional plans alongside and often in support of our country specific plans. Bringing management and staff of partners in a region together for a training or a workshop that is helpful to each of their organisations, to exchange knowledge and experience and share views on issues that are often cross border shared by their members is effective, efficient and adds to the sustainability because these partners will stay in the region and will stay in touch, unlike DECP whose presence will be temporary – no matter what.

The DECP Business Plan 2014 -2017 as it has been presented by the end of October 2013 for subsequent funding to the Netherlands Ministry of Foreign Affairs contains detailed country specific plans for 15 countries, first ideas on bringing in 4 new countries and limited budgets to support partner organisations we like to call 'graduated' as we expect 4 other partner organisations (out of the 15 first mentioned) will do in the course of DECP's next term.

Alongside these plans we have planned cross cutting and regional activities with regard to the East African region, the South Asian region, with regard to the promotion of Occupational Safety and Health, of IT based customer relationship management and the promotion of social dialogue based on objective data. Specific attention will be given to women entrepreneurship and the attractiveness of our partner organisations to women entrepreneurs and the kind of service they are able and willing to provide. And we have committed our programme to persuade as many partner organisations as we possibly can to adopt a clear and outspoken position on equal opportunity for men and women in education, vocational training, in starting a business, access to capital and all that is required to make that business grow on behalf of the entrepreneur, the employees and society at large. Far too many countries are still trying to make their way to modernity at half strength, the strength of men only. And also too often, companies are expected to provide what the societies of which they are part do not provide themselves: equal opportunity. That will not work. Not for men, not for women, not for society.

 <sup>&</sup>lt;sup>2</sup> Afghanistan, Albania, Bolivia, Burundi, Ghana, Indonesia, Kenya, Macedonia, Moldova, Mongolia, Pakistan, Tanzania, Uganda, Vietnam, Zambia.
<sup>3</sup> Peru, Cambodia, Thailand, Philippines.

<sup>&</sup>lt;sup>4</sup> Nicaragua, Suriname.

## DECP at work

This chapter provides an insight in a selected number of activities and developments, undertaken in 2013. For the first time we have invited some of our counterparts to make a contribution to our annual report. We are very pleased that Mr. K.M. Nauman, president of the Employers' Federation of Pakistan (EFP) and Mr. Douglas Opio, policy and research officer of the Federation of Uganda Employers (FUE) were kind enough to respond favourably to our request. You will find their contributions below.

### 2.1 Zambia: a strong backbone leads to a stronger position

By Jannes van der Velde, country manager



Not giving in to strong governmental pressure can prove beneficial for an employers' organisation. Given the right strategy the organisation may emerge stronger from a clash about employer unfriendly legislation. Opposing a large overnight increase in minimum wages, the Zambia

Federation of Employers' (ZFE) were rewarded by a 20 per cent increase in membership and a stronger position than ever. In 2013 ZFE capitalised on the effects of the 'minimum wage case'.

The political environment in which ZFE operates had drastically changed over the last few years. In 2011 a new, left wing government was elected with Michael Chilufya Sata as the new president and cabinet leader. When campaigning Sata promised higher employment rates and higher minimum wages, thus creating huge expectations amongst the people. Implementing one of those promises in July 2012, the new government raised minimum wages by up to 70 per cent overnight.

A rise in minimum wages means a rise in labour costs for employers and - as history shows - can easily result in a dramatic drop in employment. ZFE reacted to the new legislation by arguing that the competitive position of Zambian business would suffer because of the rise in costs and that for employers no other way was left open than to lay off staff. The government itself would thus be causing unemployment. Furthermore ZFE argued that Zambian business (i.e. ZFE) was not consulted on the issue despite the law on tripartite consultation stating that consultation should have taken place. ZFE advised its members not to implement the new law till further notice.

The government in turn reacted angrily to ZFE's position and even demanded the arrest of ZFE CEO



Demonstrating in the streets of Lusaka



ZFE's headquarters

Harrington Chibanda for 'obstruction'. Chibanda was heard by the police but later sent home. He maintained his and ZFE's position.

The affair created a lot of unrest in Zambia, and had a negative impact on both the business climate and the political climate. Although the government did not revoke the law it soon decided to try and get on speaking terms again with the leaders of Zambian business. ZFE received invitations for bilateral discussions with government representatives and the tripartite consultations resumed. In order to demonstrate governmental good will, the minister of Social Affairs was more than keen to be a guest of honour at the 'East, Central and Southern Africa Employers' Organisations Conference', organised by ZFE in February 2013.

Zambian business definitely appreciated the way ZFE stood up for their cause. In the course of 2012 and 2013 numerous companies registered as new members. The increase in membership by approx. 20 per cent means that virtually all major Zambian businesses are now members of ZFE. ZFE's revenues have increased accordingly and its power base has improved. The way ZFE turned a bad situation into a blessing in disguise was not a matter of just a strong backbone or sheer luck, but rather of following the right strategy. First of all ZFE chose the right kind of issue. In the case of the minimum wage rise the interests of the members were huge and the arguments presented were strong. Secondly, the ZFE management made sure that every move they made was backed by the board and thus by the members. Thirdly the ZFE organisation put a lot of effort in informing the members by all available means. ZFE was also very much present in the national media. Lastly ZFE looked for allies, in this case the ILO and the DECP, should international pressure be needed.

During 2013 ZFE has capitalised on its strengthened position. The organisation found the means to improve their member services and have claimed a much stronger position in Zambia's tripartite model. In 2013 ZFE were involved in all major discussions where the interests of the business community were at stake. The organisation has also broadened its scope from mainly social affairs to all business related affairs, including economic issues such as the national budget.

#### 2.2 Bolivia: learning from each other By Peter Boorsma, country manager



Finding more members and have them pay their membership fees. That is a challenge for all regional employers' federations in Bolivia. Sufficient members and funds are essential to a successful lobby and to maintain a bureau to support lobby activities. But what is the best way to achieve this?

Since 2008 several DECP experts have worked with their Bolivian counterparts to transfer expertise to regional employers federations. But in 2013 the question came up: can the federations also learn from each other, considering that they have to cope with very similar problems?

To find out, the Federación de empresas y entidades privadas de Cochabamba (FEPC) and DECP invited the general managers of the other regional employers federations of Bolivia for a workshop to be held in Cochabamba in April 2013.

#### Cámaras

The way Bolivian employers are organised, differs from most other countries because of the double structure. The national organisation, the Confederación de Empresarios Privados de Bolivia, is the umbrella organisation of the sector organisations - cámaras - but also of the regional federations of eight of the nine departments. The sector organisations are also organised regionally. Special is that these regional cámaras are members of the regional federations. Regional federations are quite autonomous in comparison with those of other (Latin American) countries. All seven general managers attended the workshop (two of the nine federations in Bolivia are very small and don't have any staff) and were pleased with the initiative. According to them, up until four years ago presidents and managers of the regional federations met regularly. But they always discussed political themes, maybe because the presidents always were present. They never discussed how to run their organisation. Three themes were discussed very intensely. First:

should a federation provide services to its members (cámaras) or to individual companies? If so, what kind of services? The participants agreed that it is very important to prevent new services from competing with the services the cámaras offer.

The second theme that was discussed was: can individual companies be a member or is it better to organise only cámaras? Most federations only organise sector organisations in order to prevent problems with their members. In only one federation individual companies can be a member directly.

There was extensive discussion about the question whether all members should have one vote or should voting be weighted? Most federations have weighted voting. Sometimes problems arise about how to determine the 'weighting'. The easiest solution is to relate votes to the amount of membership fee that is paid. At the end of the workshop participants suggested spontaneously to get together again in October.



Bolivian managers learning from each other

#### Common problems

With support of the DECP the Federación de Empresas Privadas de Chuquisaca organised a second edition of the workshop in November in Sucre, the capital of Chuquisaca. The emphasis of this workshop was on how to increase revenues. One of the conclusions was that exploitation of industrial areas and trade fairs can give a stable financial basis to a federation, but the participants would like to explore these possibilities further and therefore will meet again in Santa Cruz in April 2014.

The fact that all managers are struggling with the same problems, share the same cultural background and operate in a similar environment has turned these workshops into a platform where they learn a lot from each other.

### 2.3 Moldova: lobbying for a better business climate

By Jean-Marie Standaert, country manager



Lobbying for a better business climate is a top priority for any employers' organisation. That is why on 12 November 2013, with DECP support, the National Confederation of Employers of the Republic of Moldova (CNPM) held a Forum of Businessmen with over 800 participants, including a promi-

nent delegation from the government.

The Forum was opened by Mr. Leonid Cerescu, president of CNPM, who on behalf of the members and the board, welcomed the Prime Minister, Mr. Iurie Leanca, the Vice-Prime Minister, Mr. Valeriu Lazar, and the Minister of Finance, Mr. Anatol Arapu, as well as several Members of Parliament.

The main event of the Forum was the presentation of the conclusions of the survey among the members of CNPM about "Enabling Environment for Sustainable Enterprises (EESE)" commissioned by the ILO. Based on those conclusions, CNPM defined "Proposals to remove 7 obstacles for Business", as their agenda for improving the business climate in the Republic of Moldova. The 7 obstacles are: the volatile political climate, the sterile social dialogue, too many regulations, insufficient competition, a deficient infrastructure, the lowskilled labour force and too rigid labour legislation.

For each obstacle, CNPM worked out a list of "Key Policy Priorities", with concrete specific suggestions, such as:

- 1. Ensure an effective functioning of state institutions and eradication of corruption in state institutions,
- 2. Promotion of tripartite dialogue and consolidate the trust of the private sector by guaranteeing a more active participation of the business' associations in the decision making process,
- 3. Ensure a transparent, predictable and equitable regulatory framework,
- 4. Encourage competition in all sectors of the economy and reduce the informal economy,
- 5. Modernize the infrastructure, roads as well as rail-ways,
- 6. Improve the education system and vocational training,
- 7. Adapt the labour market to the needs of the market economy.

Significantly, in his intervention the Prime Minister, Mr. Iurie Leanca made clear his commitment and determination to improve the business environment. He announced that his government will launch a road-



A dialogue between government and private sector in Moldova

map for the elimination of the constraints in the business environment. He also committed his government to the fight against corruption and the need to reform education policies in order to increase the skills of the workers so as to meet the needs of the labour market.

The presentation of the conclusions of the EESE-survey and the agenda of CNPM on the 7 obstacles which hamper doing business in Moldova, was followed by interventions from the leaders of main sector and regional organisations which are member of CNPM: each representative listed concrete obstacles for his sector or region. This session was concluded by extensive replies by the vice-PM and minister of economy as well as his colleague of finance.

DECP was represented at the Forum of Businessmen by its country manager, J.M. Standaert: in his address to the Forum he pleaded for a stronger CNPM as Moldova will now face the challenges of the Association Agreement with the EU and the conclusion of the Decent and Comprehensive Free Trade Agreement. His message was that the success of the implementation of those agreements will depend on the ability of Moldovan business to exploit the opportunities of those new agreements.

The Forum was broadcast live on National TV of Moldova and a video recording is available on CNPM's website http://www.cnpm.md

CNPM also issued a nice brochure about the "7 obstacles for business" with the key policy priorities and its proposed remedies.

The Forum was undoubtedly a major and successful step for the CNPM. The very impressive attendance on the one hand and the presence of the political leadership and their message on the other, have clearly contributed to raising CNPM's profile in Moldova and confirmed and strengthened its position as chief lobbyist vis-à-vis the government.

### 2.4 Pakistan: defining a national business agenda

By K.M.Nauman, President, Employers' Federation of Pakistan (EFP)



The pivotal responsibility of any Employer's Organisation (EO) is to play its role in ensuring that, in the immediate timeframe, legitimate requirements for an environment conducive to business are highlighted and met, and in the longer timeframe, businesses and the country achieve consistent

economic growth. This, in turn, would require the EO to be competent in advocacy and lobbying. EFP's partnership with DECP began in 2010 with DECP pitching in to help in capacity building of EFP. The first such program was held in Khatmandu, Nepal, in 2010 when DECP along with ITC-ILO held a workshop on Advocacy and Lobbying. Similar programs were held in 2011 and 2012 at ITC-ILO in Turin, Italy.

The state of the business environment in Pakistan has not been progressive since the last few years due to various factors. At the time when planning for the 2013 workshop was in progress, general elections to the legislative assembly of Pakistan had been announced. EFP already primed by the DECP-ILO initiatives on advocacy and lobbying, realized that this would be the ideal time to define the factors that were causing business environment distress, suggest remedies and position EFP with the incoming government as a preferred voice on business matters.

This theme was discussed between DECP, ITC-ILO and EFP and a 4 day workshop on developing a national business agenda for Pakistan was planned and organized by DECP at ILO-ITC, Turin, Italy in April 2013. As pre-workshop preparation, EFP engaged its members, important chambers and trade / industrial associations. Meetings were held in focus groups and their inputs were taken to list down issues hampering businesses and economic growth and defining possible remedies. With this basic ground work, the EFP delegation attended the workshop. The program was



The workshop in Turin

intense with heated debates and brainstorming sessions. The trainers leading the workshop guided the animated delegation to complete a draft of the agenda document.

Armed with this Business Agenda, EFP sought appointments with the newly elected Prime Minister. Unfortunately, the state of affairs of the Country required him to be extremely busy addressing the most urgent affairs including the issues of terrorism, energy crises and industrial / business growth. EFP delegates

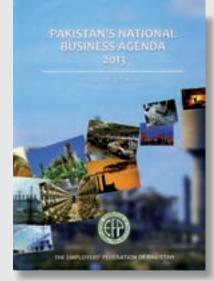
Employers' business agenda

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met relevant Ministers and government functionaries who were appreciative of EFP's efforts in developing the Business Agenda document. In September 2013, EFP held a press conference and declared the business agenda proposals for public consumption. The event was widely covered

in the print and electronic media with 30 newspapers and 3 leading television channels covering the event. Copies of the Agenda were sent to the President, Prime Minister, the provincial governors and chief ministers and other relevant ministers and government functionaries, EFP's member organisations, ILO, DECP, IOE, CAPE, and a few foreign missions. Since September 2013, EFP's strategy is to bring this agenda into discussions at each and every opportunity that its Managing Committee / Board members get when interacting with government functionaries. In a recent development, the Ministry of Industries has asked for a meeting with the EFP on its National Business Agenda. Additionally, in a Skills Development & Job Placement workshop held by EFP in collaboration with the Federation of Pakistan Chambers of Commerce & Industry and Government of Sindh, EFP brought the National Business Agenda under discussion. The two Ministers and other senior government functionaries present appreciated EFP's role in the development of the document and assured their support in addressing the highlighted issues.

Given the apparent efforts of the government to correct the business environment as evidenced by its many initiatives in common with EFP's National Business Agenda suggestions, we hope that deeper work will now begin towards the required corrections. In the meantime, it has been heartening to note that the government, led by business savvy politicians, has



already begun work on controlling law and order including terrorism, improving the energy shortage, and skills development, which are some of the priorities highlighted in EFP's Business Agenda.

### 2.5 Uganda: Employers set the agenda for skills development

By Douglas Opio, Policy and Research Officer of the Federation of Uganda Employers



It was not until 2011 that the Federation of Uganda Employers (FUE) adopted proactive lobbying and advocacy following the launch of FUE Business Agenda 2011-2014 by Hon. Edward Sekandi, the Vice President of the Republic of Uganda. Within this lobbying and advocacy agenda, one of the

key areas of focus is skills development. The employers have argued that no country can be better than the quality of its people. This explains why employers called for an urgent intervention to address the skills gap and mismatch that is prevalent in the country compounded by negative attitudes towards Technical, Vocational Education and Training (TVET) and limited funding.

Well aware that skills development was not receiving adequate attention from the government, employers had to lobby and advocate for prioritization of skills development as a pillar for national development. In this regard, employers organised a number of discussions and consultations with government officials, private companies, NGOs and development partners. The end result of this intensive approach was the uplifting of skills development from a peripheral position to the second most important issue for private sector development and this was matched by government allocation of funding during the budget process of 2013/2014 financial year. FUE also conducted a series of in-depth research of literature review complemented by primary data.

This evidence based approach to lobbying and advocacy has also helped the employers' body to be recognised as an expert on matters of skills development in particular and employment in general. The strategic engagement of FUE led to the election of its representative as the Chair of Skilling Uganda Reform Taskforce which is meant to spearhead the skills development reforms in Uganda through providing oversight for the implementation of the Business, Technical and Vocational Education and Training (BTVET) Strategic Plan 2012/13 to 2021/22.

With the renewed interest in skills development, FUE is well aware that financing would soon become a major issue. Therefore, in order to continue setting the agenda, FUE with DECP support both financial and technical organised a consultative meeting in May 2013 to discuss the training levy which is provided for in the BTVET Act 2008, but has never been implemented. The preparations for this meeting included contracting a consultant to prepare a background paper, interns to undertake complementary research and a case study of Kenya. The outcome of the consultative meeting was a draft position paper on the training levy. In the paper, the employers point out that the training levy though acceptable should not be rushed. Employers must have a major say in what the training levy should be including how it will be managed. If a training levy is not acceptable to the employers, the government will find it extremely difficult to enforce compliance. Issues such as harmonisation of



A lively debate on skills development

training levies should be taken into account, as some sectors, like banking and insurance, are already paying some form of levies.

Although the position of FUE on the training levy is still a draft to be approved by FUE Executive Council, the Minister of Finance Planning and Economic Development has already requested to be provided with a copy of the said draft.

Owing to FUE's involvement in the skills development agenda in Uganda, the National Parliament as a law making body has interfaced with FUE on a number of issues, for example, the Higher Education Student Financing Bill, 2013 and as result FUE has received a request to submit the name of its representative to be appointed on the Higher Education Student Financing Board.

Overall, FUE's involvement in lobbying and advocacy has greatly improved due to the evidence based approach that is being applied through reactive and proactive strategies. This has facilitated FUE to be rightfully recognised as an important partner in labour and employment matters.

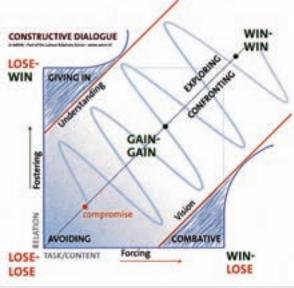


2.6 Vietnam: sharing negotiation skills By Dirk Joosse, country manager



After completion of the Training of Trainer projects in Hanoi (2011) and in Ho Chi Minh City (HCMC) in 2012 our Vietnamese trainers have started to put their newly learned negotiation skills into practice. We were pleased to note that they are successfully getting our message of win-win negoti-

ations across to an ever growing audience. In 2013 they organized a total of close to 20 trainings specifically on negotiation skills, using DECP/AWVN<sup>5</sup> training programs for Vietnamese employers in Hanoi and HCMC. These trainings were all highly appreciated by the participating employers, according to their evaluation reports. Next year we will evaluate how these employers put the insights and skills of their training into practice.



Working hard to achieve a win-win result

Apart from the specific negotiation trainings the Vietnamese trainers also used various individual modules of the DECP training method in over 60 trainings. In a wide range of trainings, like for instance

<sup>5</sup> Algemene Werkgeversvereniging Nederland



ney used ele-80% of the Vietnamese trainers present. This year's experience has shown that or

marketing or client relations trainings, they used elements of our training techniques. Most popular in this respect is the dialogue model used as a basic principle in our negotiations skill training. This model is very helpful in explaining why dialogue is essential if you want to unite people to achieve a common goal, based on mutual interests.

We have achieved our objective of training trainers so as to enable them to conduct the DECP/AWVN type of negotiations skills training. It is gratifying to see that they are also quite capable to coach their less experienced colleagues in developing their skills in the right direction and to train new trainers on this subject using DECP training methods.

Apart from these training experiences in both the north and the south of Vietnam our Vietnamese partner VCCI/ VWEC organized two network meetings with the trainers in each region, with Dutch trainers present. Issues in all these meetings were exchanging experiences with trainings, further learning, deepening insight and skills, marketing of activities, organizing the network of trainers and meetings and developing a website for the network. Attendance at the network meetings was quite high with about 70 to This year's experience has shown that our training methods are easy to understand for participants and also that clients will benefit by adopting these skills. Role plays and using video's in our training is new in Vietnam and it is quite successful. This aspect in particular is highly appreciated according to the evaluation reports, since it allows for an instant confrontation between theory and practice.

Through this training the trainers also realised the importance of being familiar with labour relations in Vietnam as this is the context of the negotiations within which their skills will be put into practice. The relatively weak position of the trade unions in Vietnam is an important issue to pay attention to as well. The main question is how to deal with this aspect of labour relations, using the skills and knowledge acquired in our trainings.

An inventory of the experiences and concerns of the trainers made by the end of 2013 shows that the trainers hope to do more trainings (TOE) exclusively dedicated to negotiations skills in labour relations, as well as integrating modules of the negotiation skills training in other types of trainings.

## Facts and Figures

#### Mission and strategy

DECP's mission is to support and strengthen business and employers' organisations in a limited group of developing countries. Our strategy is to partner in such countries with the most relevant employers' organisation and share knowledge and experience, exchange good practices and provide consultancy where needed, as much as possible linked to or even within the daily routines of the organisation.

#### Countries

The DECP, mainly funded by the Dutch government as part of Dutch development assistance, is not at liberty to partner with employers' organisations in all developing countries. Nor are the other Dutch 'Private Sector Development'-programmes (PSD-programmes) that are mainly or substantially funded by the Dutch government.

When spending public money all these programmes are restricted to specified lists of countries. The DECP list of countries included 40 countries till the end of 2011. The revised list, valid since January 2012, allows DECP to operate in 47 countries including Cambodia, Malawi, Morocco, Niger, Peru, the Philippines and Thailand. And since August 2012 the list also includes Myanmar.

By the end of 2013 the DECP was operational in 26 countries (see Table 1). This implies or may seem to imply that the DECP is rather selective in its country approach. And in fact, in a way it is. On the country list there are a number of countries where the state of affairs is highly unstable and occasionally even hostile towards foreign visitors. Our programme cannot make a sensible contribution under such circumstances. Secondly, we cannot and do not want to impose ourselves or our ideas upon any partner in any country. So, we are demand-driven. In – again - a number of countries we have come across potential partners who showed little or no interest in our contribution. And some of them for very good reasons, because they are already well on their way. With these we try to maintain a relationship as friends. Their experience, skills and expertise can be of great value to boost regional cooperation between and beyond DECP-partners.

Thirdly and finally, our capacity is limited - in terms of finance as well as people with the required mix of skills (including linguistic), experience, personality and seniority to do our job our way. So, some countries are still on our list for the near future.

#### Partners

Though almost every country counts multiple business organisations, we strongly believe that in view of our programme's objective it is unity that builds strength, not division. Secondly, improving the business climate – an essential element in our vision - is also a means to an end, the end being structural alleviation of poverty by way of formal (and proper) employment. It makes the employers' part of the business climate extremely important.

It is for these two reasons that in most countries we team up with the apex employers' organisation. Local circumstances are however decisive. So, as Table 1 shows, in some countries we do have more than one partner. In most cases this is because partners are closely linked, in one case (Bolivia) it is because the provincial level is of greater relevance vis-à-vis our objective.

Country	Partner(s)	P.A.
Afghanistan	Afghanistan Chamber of Commerce and Industry (ACCI)	•
Albania	BiznesAlbania	in 2014
Armenia	Republican Union of Employers of Armenia (RUEA)	•
Bangladesh	Bangladesh Employers Federation (BEF)	
Benin	Conseil National du Patronat de Bénin	
Bolivia	Federación de Entidades Empresariales Privadas de Cochabamba (FEPC)	•
	Federación de Empresarios Privados de Chuquisaca (FEPCh)	•
	Federación de Empresarios Privados de Potosí (FEPP)	
	Federación de Empresarios Privados de La Paz (FEPLP)	
	Federación de Empresarios Privados de Tarija (FEPT)	
Bosnia / Herzegovina	Association of Employers of Bosnia-Herzegovina (APBiH) and	
	the Union of Employers of the Federation of Bosnia-Herzegovina (UPFBiH	I)
Burkina Faso	Conseil National du Patronat Burkinabé (CNPB)	,
Burundi	Association des Employeurs de Burundi (AEB)	
Ethiopia	Ethiopia Employers' Federation (EEF)	
Ghana	Ghana Employers Association (GEA)	•
Indonesia	The Indonesian Employers' Association (APINDO) and	
	the Indonesian Chamber of Commerce (KADIN)	•
Kenya	Federation of Kenya Employers (FKE)	•
Macedonia FYR	Business Confederation of Macedonia (BCM)	•
Mali	Conseil National du Patronat du Mali (CNPM)	
Moldova	Confederatia Nationala a Patronatului din Republika Moldova (CNPM)	
	and the Federatia Nationala a Patronatului din Agricultura si Industria	
	Alimentara (FNPAIA)	•
Mongolia	Mongolian Employers Federation (MONEF)	•
Nicaragua	Consejo Superior de la Empresa Privada (COSEP)	•
	Cámara de Industrias de Nicaragua (CADIN)	•
Pakistan	Employers' Federation of Pakistan (EFP)	
Rwanda	Private Sector Federation of Rwanda (PSF)	•
Surinam	Vereniging Surinaams Bedrijfsleven (VSB)	•
Tanzania	Association of Tanzania Employers (ATE)	•
	Zanzibar Employers Association (ZANEMA)	
Тодо	Conseil National du Patronat du Togo (CNPT)	
Uganda	Federation of Uganda Employers (FUE)	•
Vietnam	Vietnam Chamber of Commerce and Industry (VCCI) and	
	the Vietnam Women Entrepreneurs Council (VWEC)	•
Zambia	Zambia Federation of Employers (ZFE)	•

\* P.A. = partnership agreement. A partnership agreement is usually signed once cooperation between DECP and the partner(s) is on its way, that is when there is detailed understanding of 'demand' and 'supply' and trust shared by all parties that a multi-annual agreement will also by itself contribute to fruitful cooperation.

#### Activities

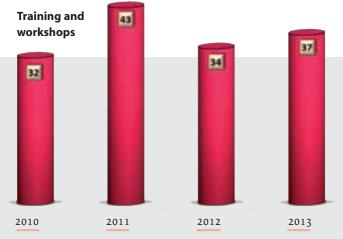
#### - Advisory missions

DECP's most important instrument is the advisory mission. Such missions are the mainstay of DECP's work. They are generally carried out by a 'country manager' who is much more than a linking pin between DECP and a respective employers' organisation. DECP's country managers are experts in the field of organising employers towards lobby and advocacy. Their expertise comes from years of practical experience. Years that also provide them with the kind of seniority that is required to really make the connection. It gives them a leading edge in becoming a trusted partner in whom the executive director of an employers' organisation can confide. And such confidence is much needed to make consultancy, training, workshops and conferences worthwhile.



DECP's country managers visit 'their' employers' organisations up to two to three times a year, to actually 'sit' together with the Executive Director, members of the board and senior staff to put things to work. Things like a strategic plan or a business agenda for example. It is as hands-on as possible; we don't like producing paper to occupy shelf or drawer space. In between their visits, country managers are in regular contact with 'their' partners using modern day devices like email, Skype, etc.

In 2013 DECP's country managers carried out 62 advisory missions, many of which were alongside other activities such as a conference or a workshop. These missions were carried out in a total of 20 countries.

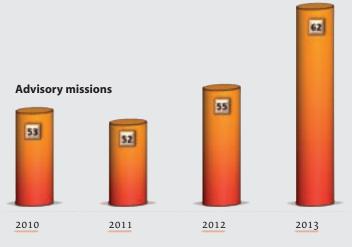


#### - Training and workshops

Major trainings are frequently organised in close cooperation with the ILO Training Centre in Turin, either in Turin or on location in the country or region. These trainings can be as 'basic' as the 'Effective Employers' Organisation'-training that deals with all aspects of organising employers, but just to grasp the basics. They can, however, also be as specific as an in-depth training on how to set up a specific new service to members. Such trainings usually take up to 4 or 5 days.

They are mostly carried out by bringing together participants from employers' organisations in a particular region, which also helps to build regional relationships.

Workshops are more limited in time and scope, dealing with a specific topic like 'How to setup a newsletter' or 'Lobby, Core Business of EO's'. They are focused on practical exercise and can be concluded with specific assignments like actually producing a newsletter or writing a press communiqué and organising a real live press conference within a defined period of time.

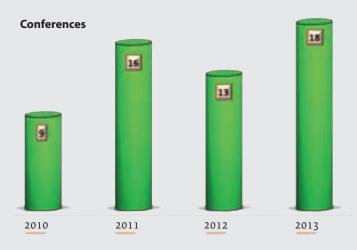


In 2013, DECP carried out 37 trainings and workshops with a total of 813 participants. Of these trainings and workshops 13 were at a regional level (i.e. including participants from more than one country).

Trainings and workshops address a range of topics: governance, attracting members, lobby and advocacy, providing services, etc. The next graph shows the nominal distribution of trainings and workshops over topics per year since 2010. Trainings and workshops on services figure most prominently. A large part of these trainings consists in the training of trainers (in e.g. Collective bargaining) so the EO's themselves can provide these trainings to their members. These members, in turn, will apply their knowledge in their dealings with the trade unions (social dialogue).

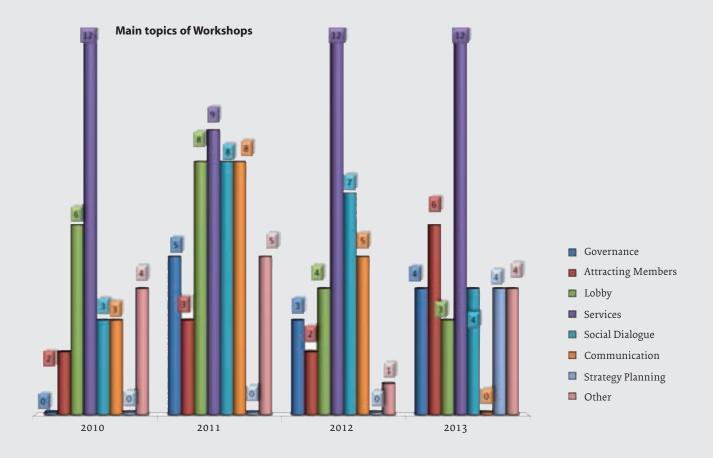
#### - Conferences

One of the instruments for an employers' organisation to keep in touch with its members is a conference (see



e.g. section (2.3) on the national Forum of Businessmen in Moldova).

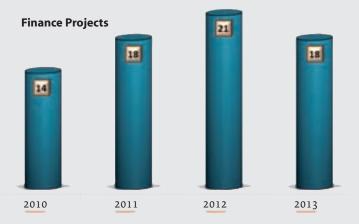
Such conferences are mostly organized by the employers' organisation and they are fully responsible for its contents. They generally address an important issue and are often part of a lobbying effort vis-à-vis the national government. DECP occasionally supports such activity with a small financial contribution and with the presence of the DECP country manager.



### A total of 2308 people attended these conferences in 2013, of which 1683 men and 625 women.

#### - Finance projects

As a matter of policy DECP is not in favour of budgetfunding. It is too easy to become addicted to donor funding and extremely difficult to survive once the donor stops his contribution and members have to pay for what they have over the years become used to getting (almost) for free.



Yet, without some financial support an organisation may find itself trapped in a vicious circle, sometimes even unable to stand up as an organisation. If (potential) members do not know what the organisation is (or could be) doing, why should they become a member and pay their subscription, let alone pay on time and to the proper amount? So, too often they simply do not become a member or do become a member but simply don't pay.

But money is needed to produce newsletters, to set up a website (and keep it up-to-date!), to start a service, etc. Advertising paid for by members may finance a newsletter or a magazine, but in the beginning what do you have to show for?

On such occasions DECP may provide some 'seed money', but always limited in time and amount, clearly specified and conditional.

In 2013 DECP provided financial assistance in 18 cases, most frequently to co-finance a study, a survey, e.g. a census of private companies in Cochabamba (Bolivia), to start up a newsletter or developing a website (e.g. in



Wage Indicator: promoting social dialogue based on facts

Moldova), but also to help establishing an arbitration centre in Bolivia to speed up the resolution of commercial disputes and a private health insurance fund in Burundi specifically for employers and employees in the private sector, as well as supporting the organisation of an Employer of the Year Award in Suriname.

The biggest financial contribution is, however made in cooperation with FNV Mondiaal - DECP's counterpart focusing on trade union development in developing countries - to a project by The WageIndicator Foundation (www.wageindicator.org).

Cooperation between DECP and WageIndicator started in 2011 and focused on improving the social dialogue in Kenya, Tanzania and Ghana by providing - via the internet - detailed and continuously updated information on wages, wage formation and also labour law in the country, readily accessible to all parties concerned: employers, trade-unions, workers, politicians, scholars, etcetera. The programme has been expanded to take Uganda and Rwanda on board as well and will run at least till 2015.

WageIndicator started in 2001 in the Netherlands out of an initiative taken by the Amsterdam Institute for Advanced Labour Studies (directly affiliated to the University of Amsterdam) and FNV, the Dutch Trade Union Federation. Today WageIndicator comprises around 80 countries around the world.

In the view of DECP there can be no discussion about the value of real information - information that is accurate, factual, objective and up-to-date – to build and foster dialogue. It is the only information parties should bring or be allowed to bring to their dialogue and negotiations.

#### Achievements

For better or for worse, advisory missions, training and workshops, conferences and finance projects such as described above are mostly called 'output'. It is the type of result for which DECP can be held accountable.

Still, rendering advice, organising trainings, doing workshops or providing for the purchase of printing material or a computer, always remains a means to an end. The objective is independent, representative, well governed, self-sustaining employers' organisations effectively advocating the interests of private business vis-à-vis governments and the public at large, thus contributing to a better business climate and more formal and proper employment.

So, can DECP's performance be measured in terms of an improved business climate of the target countries? An increase in jobs? Less unemployment? It will be impossible to ever answer any such question with an honest and wholehearted 'Yes!' though it is clearly the focus of what DECP is about.

We urge our partners to single-mindedly work towards the necessary improvements and time and again we point to research data provided by the World Bank and the International Finance Corporation.

<sup>6</sup> The items in the DB 2014 listing are: (1) Starting a business; (2) Dealing with construction permits; (3) Getting electricity; (4) Registering property; (5) Getting credit; (6) Protecting Investors; (7) Paying taxes; (8) Trading across borders; (9) Enforcing contracts; (10) Resolving insolvency

#### **Doing Business**



DECP actively encourages its counterparts to use the very extensive information that is being collected annually by the World Bank and the International Finance Corporation and is presented in yearly 'Doing Business'reports.

It is a work in progress, which makes year by year comparisons somewhat difficult. The major significance however, is not so much the overall ranking of partner countries. It is rather the detailed information it provides on a well-selected set of items that are of great importance to anyone who contemplates starting up a business or who actually runs a small or mid-sized business in any of the economies surveyed (which in fact are almost all the economies around the world).

If the doing business climate in your country ranks high in worldwide comparison, but shows poor performance in providing you with e.g. electricity (many procedures, many days to get connected, high costs), would that be acceptable since registering property in your country is as easy as can be? The answer, of course is a clear and absolute 'No'. And so it should be a top priority on the agenda of the apex business- and employers organisation.

The detailed information that is available for each country on the website is very helpful in assessing and understanding the precise needs of the business community in focussed discussions with members. That is why we consistently draw our partners' attention to these reports and in particular to the Country Report that is available for every single country at www.doingbusiness.org.

#### **Measuring Characteristics**

Measuring achievements is as important as it is a methodological challenge.

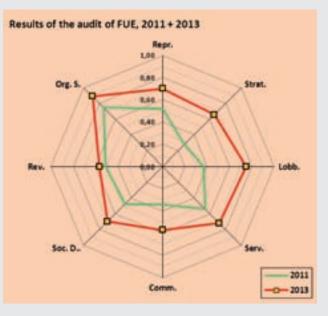
We have developed a method that focuses on eight important characteristics of an employers' organisation. We address these characteristics in a questionnaire totaling 57 questions overall. Each question requires assessment of a specific issue, situation or aspect referring to one of the eight characteristics on a scale that ranges from 0.0 to 1.0

The various assessments result in an average per characteristic. These averages are graphically presented in a radar graph (also called a 'spider web' graph), immediately showing the difference in comparison to an ideal situation (that is when all characteristics would meet a full 1.0; such an organisation would be beyond any possible improvement and can therefore only exist in our imagination) as well as to previous assessments.

The characteristics the DECP method assesses are the following:

- 1. Representativeness
- 2. Strategic orientation
- 3. Lobbying
- 4. Services to members
- 5. Communication
- 6. Involvement in Social Dialogue
- 7. Revenues of the organisation
- 8. Organisational structure, including Governance

By way of an example the spider web graph below shows the results for the Federation of Uganda Employers (FUE) of assessments carried out in 2011 and 2013



The graph shows that from 2011 to 2013 substantial improvements were achieved in particular regarding strategic orientation and lobbying. On the other hand there was very little improvement on revenues.

#### Evaluation

There is one type of result that, although it still is not outcome, is more than output. It is how our output is evaluated by the recipients.

A first evaluation of the entire programme was done during a Midterm Review conducted by outside consultants in the beginning of 2009. Their survey showed clear appreciation among our partners. Another overall evaluation of the programme has taken place in 2013. The outcome was positive and has been discussed in Chapter 1.

Trainings and workshops are generally evaluated using an evaluation form in which participants are grading the quality of the organisation of the workshop, the applicability of its content, the quality of the expert contribution and the benefits to the partner organisation.

#### Gender

Starting a business is hard enough by itself. Doing so in a developing country is often harder and for women entrepreneurs it is yet harder still. However, despite numerous obstacles in many countries the number of female-owned businesses continues to increase. Still, we at DECP are convinced that things are not moving fast enough and that much more can and should be done. We are therefore pleased that in a number of partner countries we have found a second partner in the women business organisations alongside the apex employers' organisation. A recent example is the Association of Business Women of Macedonia which has recently joined the apex organisation BusinessMacedonia.

Do women participate in our trainings and workshops? The next graph shows that over the years, they clearly do! The number of women participants in a total of 37 trainings and workshops in 2013 was 330 vs. 483 men.



In this context our cooperation with ITC-ILO has broadened and now includes a very specific type of workshop.

In 2011, ITC-ILO, supported by DECP, conducted a three-day workshop in Turin with 20 participants (1 male participant) from 19 countries on 'Employers' organisations and women entrepreneurs: How to reach out?' This workshop was so highly valued by participants that ITC-ILO and DECP decided to hold two more of this type of workshop in 2012. The first one was held in Johannesburg and it was attended by 14 women and two men, staff and board members of business organisations from 12 African countries. It was followed by one in Bangkok which was attended by 15 women and one man: board or staff members from business organisations from 12 Asian countries.

In 2013 this programme, specifically aimed at women entrepreneurs, was continued with regional workshops in Ouagadougou (attended by 12 women and 2 men) and Kingston (attended by 16 women, 2 of which from the VSB Suriname).

This type of workshop underlines the importance of women entrepreneurship in boosting the economies of developing countries. As was noted above, for

women to start a business is often even more difficult than it is for men. There are formal obstructions like e.g. propertyrights, but also important informal impediments to women entrepreneurship. Both require special attention from the dominant business and employers'



organisations – including women business federations – since they are in a position to improve the country's business climate – for men as well as for women.

Women business federations are nonetheless a very important and indispensable 'portal' to voice the specific interests of women entrepreneurs within and - in close cooperation with the apex business and employers' organisations - outside the business community as well.

We are therefore pleased to be able to work with the Business Women Association of Macedonia in planning a Round table conference on removing obstacles for women entrepreneurs in Macedonia in 2014.



Working with national partners on Occupational Safety and Health

#### **DECP** in cooperation

#### National partners

Private sector development has been made a priority of the Netherlands' development policy and DECP is one of the programmes created to implement such policy by supporting employers' organisations. Other agencies, like PUM and CBI (Centre for the Promotion of Imports from developing countries), support individual companies, while FNV Mondiaal and CNV International support trade unions, DECP is focused on promoting and fostering a stimulating business climate by enhancing the capacity of employers' organisations to speak on behalf of the business and employers' community. The various other programmes deal with complementary but not identical aspects of private sector development and often at different stages of development.

Each programme is in its own way demand-driven which makes them hesitant towards the theoretical benefits of manifest joint supply. Such hesitation does however not withstand cooperation when cooperation is beneficial to all – our partners first.

DECP and its Dutch partners in private sector development (PSD) regularly meet in a PSD-platform and though every participant in this platform is more or less unique, they very much fit together like the pieces of a jigsaw puzzle. Each piece is clearly focused, together they make almost the whole picture.

In every country in which DECP is actively supporting the main employers' organisation, we are in close contact with the Netherlands Embassy. Without their marked support and detailed and up-to-date knowledge of the local situation, DECP would not be able to do its job. We are very grateful for their continuous support.

On the national level DECP in 2013 worked mostly with the Algemene Werkgeversvereniging Nederland (AWVN) whose experts followed up their workshops on job evaluation in Zambia by remote coaching of the workshop participants.

In Vietnam trainers from AWVN continued their substantial investment in the training of trainers on negotiations' skills and coaching them when they give their own trainings.

DECP also concluded an agreement with PUM Senior Managers and ECABO Services B.V. to help provide experts to witness and check on VCA (Safety, Health, Environment Checklist for Contractors) examination procedures in Suriname.

#### International partners

Soon after starting up DECP discovered a very valuable and knowledgeable partner in the international training centre of the ILO in Turin (ITC-ILO). Over the years ITC-ILO and DECP have in cooperation conducted many multi-day trainings on The Effective Employers' Organisation, on Lobby and Advocacy, on Resource Mobilization and on Membership Services locally, in the region as well as in Turin. ITC-ILO has furthermore proven to be a valuable partner to DECP in organising multi-country trainings and meetings.

#### Innovative approaches with ITC-ILO

DECP is keen not to re-invent the wheel and we have noted that ITC-ILO is able to provide high-quality training in a range of fields which are of specific importance to employers' organisations in developing countries. In 2013 DECP therefore decided to support three innovative types of trainings.

The first one is the Master Training on the Effective Business Member Organisation, a type of advanced training – not provided by any university - for senior professional staff of employers' organisations allowing them to substantially enhance their expertise, their skills and their ability to interact with their governments, the trade unions as well as to better service their members. The training consists of a 10weeks' distance learning part and a 4 day training in Turin. DECP sponsored the participation of 12 professionals from 7 of our counterpart organisations and they highly appreciated the training, like one of them commented:

"The training provided me with very practical tools to solve some issues such as membership development where my organisation BiznesAlbania had been stuck in a stalemate. BiznesAlbania is a relatively new organisation and the Master Training gave me the opportunity to become aware and implement the acquired expertise to our organisation and put things on the right track from the very beginning. We have improved the delivery of quality services, we have increased the role of an effective communication, we have made a better and more qualitative lobbying and advocacy and we are well on our way to become the main representative of business in Albania." (Koli Sinjari, Director of International Relations of BiznesAlbania)

The second type of innovative approach is the ITbased Customer Relationship Management (CRM). One of the most persistent problems undermining employers' organisations is their weak financial position which is often due to non- or irregular payment of subscription fees by their members. DECP and ITC-ILO have found that an important reason for



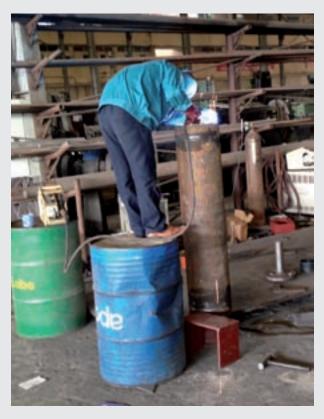
this is the fact that they lack an efficient system to store information on their contacts with members. ITC-ILO, with support by DECP, therefore ordered the development of a CRM-database for employers' organisations based on open source, thus reducing the operational cost. This CRM-database has now been developed and over the year 2013 it has gradually been made available to a growing number of employers' organisations. Their leaders and senior staff have been trained both in Turin and through a series of regional training sessions. Some 50 colleagues from 6 of our counterpart organisations have participated in these sessions and their comments are very positive :

"The CRM-database has changed the way we have been capturing and storing information. With the CRM system, information is fed into the system real time and at a glance we can get to know the services and activities undertaken by the federation for its members. The feature of traffic lights in relation to membership status also provides the officers serving a member to know at a glance the membership status before offering a service to a member hence ensuring that only members whose payment status are good are being served."

(Arbogasti Odero, ICT Manager of the Federation of Kenya Employers)

The third type of innovative approach concerns the field of Occupational Safety and Health (OSH). In its cooperation with employers' organisations DECP devotes substantial time and funds to this important issue that requires permanent awareness by both employer and workers. Now ITC-ILO has developed a computer based training package for both workers and supervisors, consisting of some 25 learning modules covering all the Essential aspects of Occupational Safety and Health (the EOSH package). In 2013 ITC-ILO has started, again with DECP support, to make this package available for its counterparts in order to enable them to provide high-quality OSH training courses to their members. So far, 2 training of trainers' sessions have been held, one in Turin and one in Bangkok with a total of 28 participants, of which 18 represented our counterpart employers' organisations. The EOSH package was well received by the participants, as one of them commented:

"... the calls for trainings using the EOSH Tool are very encouraging. The tool is very user friendly, very engaging and provides information which participants keep on remembering due to the visual illustrative part. This feedback I got from one of the participants from a team I introduced the product to them last year who can clearly remember what I presented during the meeting. We have organized both in house and open house trainings to reach all groups of participants at their convenience and we hope to generate a lot of revenue through the EOSH." Isaac Kiema, Projects Coordinator, Federation of Kenya Employers.



DECP also works with the ILO's bureau for employers' activities ACTEMP as well as with the International Organisation of Employers (IOE) in Geneva. We encourage membership of the IOE for those of our partners which are not yet a member. In 2012 a DECP delegation visited the IOE's headquarters in order to "synchronise watches" and to exchange views on a number of topical issues. Selecting the right employers' organisation in a particular country is e.g. not always self-evident. After comparing notes on a number of countries both sides agreed to inform each other about their intended activities.



NHO and DECP attended EEF's 60th anniversary

DECP and IOE/ACTEMP/ITC are not the only ones who are in support of employers' organisations. Since 2009 DECP has contacted EO-support organisations from Denmark, Norway, Sweden and Germany. In 2012 a DECP delegation visited the NHO in Oslo to exchange views and compare notes on a number of countries where both DECP and NHO have deployed activities such as i.a. Ethiopia, Vietnam and Indonesia. In 2013 this type of mutually beneficial consultations were continued by email and phone. In January both NHO and DECP attended the 60th anniversary of the Ethiopian Employers Federation (EEF).

## Looking ahead

Following DECP's evaluation in 2013 (see Chapter 1) we will implement a number of changes and innovations on the one hand, while keeping a number of tried and trusted approaches on the other. Some of the typical DECP instruments such as regular visits and counselling sessions will of course remain. Trainings and workshops have proven their worth and will continue to be used when transferring knowhow. But new instruments will also come into their own. When looking ahead there are a couple of developments that will substantially influence our work. Below you will find a selection of the most significant ones for 2014-2017.

#### Fewer countries

To begin with, the number of countries in which DECP will develop activities will be gradually decreasing. We have introduced the concept of 'graduation', meaning that we think that more and more of our partner organisations have improved their performance to a level where they should be able to move on without our more or less 'daily' advice and 'permanent' support. They have acquired the capacity to achieve financial self sufficiency, to get their lobbying and advocacy act together and up to standard and also to provide the services that their increasing membership is demanding. Furthermore, they have proven the ability to use that capacity that way. Are they home free, then? No, they are not and they probably never will be - just like their members and just like fellow employer' organisations in the developed countries. But they know what their job is and they know how to do their job well. And they know that they have to do that job themselves and by their own means.

Our partner organisations in Nicaragua and Surinam are two cases in point. And in the years ahead we hope and expect to see several other partner organisation also grow and graduate to that level. Another reason why DECP will be working in fewer countries is the fact that we have come to the conclusion that some EO's are 'beyond help'. And we have also noticed that after a promising beginning some EO's simply stopped communicating. DECP's repeated attempts to contact them failed (sometimes new promises were made but rarely kept by the intended partner) and we can only guess as to the reasons why. They may have found other donors who, unlike DECP, do provide budget funding. Or the leadership may simply be content with the (low) level performance.

#### Enhanced planning and monitoring

Following the evaluator's recommendations we have substantially solidified our planning and are committed to more stringent monitoring. The consistent use of the sufficiently developed spider web analysis will enable us to determine - in close consultations with our counterparts - relative priorities among the 8 characteristics. In a transparent and flexible effort we will then work on improving their performance by setting and achieving specific and measurable objectives. Results can thus be easily ascertained.

#### Increasing diversity

The diversity among our partner organisations is bound to increase. Some are growing faster than others and some are developing into entirely new directions. This requires a flexible and innovative response by DECP. E.g. in Vietnam the Training of Trainers in negotiations skills is growing exponentially and requires new concepts and procedures which we are currently working out in consultation with our partner. In Bolivia's highly specific situation we intend to continue working with regional associations, both collectively and separately. Afghanistan and Pakistan are yet other examples of the evolving and truly tailor made approach that we had to develop and will continue to elaborate.



Corporate social responsibility and gender DECP will – more systematically than in the past bring the issues of CSR and Gender to the attention of the leadership of the counterpart employers' organisations, in particular if there are serious risks regarding these issues in the respective country.

Both issues will be addressed by DECP from the perspective of an employers' organisation, which is the perspective of a business case.

#### Innovation

Our very useful cooperation with the ITC-ILO will not just be continued along familiar lines, it will acquire several interesting and innovative features. As described in the previous chapter a potentially promising innovation is the introduction of IT-based customer relations management for our counterpart EO's. This should provide an up-to-date data base and thus allow a reliable picture of their membership, whether they have paid their membership fees and of all contacts with their members. This should also make a significant contribution to alleviating the perennial financial problems that most of our counterpart EO's are experiencing. Like ITC-ILO, DECP is committed to the promotion of Occupational Safety and Health (OSH) as an important training service for EO's. ITC-ILO and DECP have now teamed up to market and promote an innovative initiative called the 'Essentials of Occupational Safety and Health '(EOSH)' package.

This EOSH package is a set of modular computer based training courses developed by ITC-ILO for workers and for supervisors. DECP considers this EOSH package to be very practical and cost-effective and has therefore decided to promote its use among DECP's partner organisations.

Finally, we have given considerable thought to the kind of relationship we will want and need to entertain with our 'graduated' partners. While they are no longer in need of our regular advice and visits, we still want to be available should they have a specific question or problem. Also, we would like to include them in some of our cross-cutting activities, since their experience may help their colleagues of other employers' organisations. As far as DECP is concerned they will remain our partners in the future.

## The DECP organisation

#### In 2013 the DECP board consisted of:



Bernard Wientjes, (VNO-NCW) Chairman



Hans Biesheuvel, (Royal MKB-Nederland) Vice-chairman



Mees Hartvelt, (AWVN) Treasurer



Albert Jan Maat, (LTO Nederland) Member



Elco Brinkman, (Bouwend Nederland) Member



Ineke Dezentjé Hamming-Bluemink (FME-CWM) Member



Niek Jan van Kesteren, (VNO-NCW) Member



DECP Senior and Office Management

## On DECP

The foundation Dutch Employers' Cooperation Programme (DECP) is a public-private partnership established by Dutch employers and the Ministry of Foreign Affairs in 2005 with the aim of strengthening the position of employer organisations in developing countries.

Via DECP, Dutch employer organisations offer professional expertise to employer organisations in developing countries.

Dutch employer organisations and the Ministry of Foreign Affairs took the initiative to set up DECP because they believe that well-functioning business organisations can make a contribution to sustainable economic development in the partner countries.

DECP wants to strengthen the capacity of business organisations in developing countries by transferring

knowledge and experience, by cooperating with national and international organisations and through financial contributions to programme activities.

In implementing its programme DECP works closely with several international organisations including the ILO (in Geneva), the International Training Centre of the ILO (in Turin) and the International Organisation of Employers (IOE) in Geneva. As one of the Dutch agencies active in the field of private sector development DECP cooperates with fellow agencies in the Netherlands, such as the PUM Netherlands Senior Experts programme and the Centre for the Promotion of Imports from developing countries (CBI).

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enin Mongolia Senegal Zambia Bolivia Ethiopia Cape

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Afghanistan Bosnia-Herzegov