

APPROPRIATION NOTE

Agenda Item No.:

COVER NOTE

1. Title	Decent Work and Labour Rights in East Africa, phase 2
2. Partners	KSCWWU, SUK, Kudheihia, AYT and YAK in Kenya Tamico, TYVA, OMT and YOA in Tanzania
3. Amount	DKK 10.5 million
4. Duration	01.06.2017-31.05.2019 (36 months)
5. Previous grants	<p>16-1864-MR-sep: "Decent Work and Labour Rights in East Africa". Project period 15.07.-15.10.2016. Grant: DKK 190.019</p> <p>16-1787-RA-apr: "Review cum pre-appraisal of FIC' programme". Project period March-April 2016. Grant: DKK 150.000</p> <p>13-1391-PR-dec: "Decent Work and Labour Rights in East Africa". Project period 01.01.2014-31.03.2017. Grant: DKK 14.110.176</p> <p>13-1315-KN-sep: "Fair employment and labour rights in East Africa". Project period 29.07.-30-08.2013. Grant: DKK 200.000</p> <p>13-1284-SP-apr: "Way forward for Kenya County Workers". Project period 01.07.2013-30.06.2016. Grant: DKK 4.206.414</p> <p>12-1208-PA-sep: "Networking and empowerment of youth". Project period 01.01.2013 - 31.12.2013. Grant: DKK 443.694</p> <p>12-1209-SP-sep: "Towards a decent life for children, youth and". Project period 01.01.2013 - 31.12.2014. Grant: DKK 1.807.209</p> <p>11-1059-KA-dec: "Kapacitetsanalyse". Grant: DKK 100.000</p> <p>11-1079-PA-dec: "Constitutional devolution in Kenya Local". Project period 01.03.2012-31.12.2012. Grant: DKK 484.815</p> <p>11-1078-SP-dec: "Empowerment of women in Kuria, Kenya". Project period 01.04.2012-31.03.2014. Grant: DKK 1.341.037</p> <p>11-1032-PA-sep: "Building a strong partnership and a sustainable strategy for community development and empowerment of community members in Kilindi district" Project period 01.01.2012-30.11-2012. Grant: DKK 306.825</p> <p>11-1028-SP-sep: "Empowering Young Workers in the Port of Mombassa". Project period 01.01.2012-31.12.2014. Grant: DKK 3.076.201</p> <p>10-872-SP-sep: "Empowering women in Tigania West, Kenya". Project period 15.11.2010-31.12.2013. Grant: DKK 2.994.831</p> <p>J.nr. 104.N387.b.6:"Youth employment initiative of Nairobi". Kenya. Project period 01.08.2010-31.07.2013. Grant: DKK 8.256.364</p> <p>09-735-MP-sep: "Towards a decent life for children, youth and". Project period 01.01.2010-31.12.2012. Grant: DKK 2.083.304</p> <p>J.nr. 104.387.b.5:"Adgang for unge til beskæftigelse og indflydelse". Tanzania. Project period: 01.03.2008 – 28.02.2011. Grant: DKK 6.803.941.</p>
6. Strategies and policy priorities	Policy for Danish Support to Civil Society (The Civil Society Policy)
7. Guidelines	CISUs program guidelines

8. Danish National Budget account code	§06.33.01.12. Puljeordninger og netværk
9. Desk officer	Louise Lund Henneberg
10. Reviewed by Financial Officer	CISU controller
11. Head of Department	Stephan Schönemann
12. Summary	<p>This program supports vulnerable groups of youth and workers from poor communities in Kenya and Tanzania to get access to decent work and be able to improve their living conditions. The program consist of two components; in the first component the capacity of trade unions to secure compliance with labour best practices is improved through strengthening of their organisational capacity as well as their capacity to advocate for workers' rights and welfare. Additionally the program seeks to strengthen the capacity of labour inspectors to secure work place compliance with labour laws. The second program component builds the capacity of youth partner organisations to enable them to strengthen the effort of cooperation and advocacy towards local governments to secure prober support of youth to get access to decent jobs or business start-up support in Mombasa, Kisumu and Dar Es Salaam. The partners in the 2 components will support each other across components and with specific emphasis on advocacy and campaigns for decent work possibilities for youth.</p>

1. Introduction

The present development engagement document details the objectives and management arrangements for the development cooperation concerning “Decent Work and Labour Rights in East Africa (Phase 2)” (DWLR phase 2)/ 01.06.2017-31.05.2019 as agreed between the parties specified below. The development engagement document together with the documentation specified below constitutes the agreement between the parties.

FIC’s programme will be financed within the current CISU pool funding arrangement. The programme has been through a comprehensive process according to the CISU procedures for programme assessment. This includes a review of FIC’s programme phase I, and a pre-appraisal for a possible next phase of the programme. The final programme document has been desk appraised by two internal CISU Assessment Consultants. After rejection by the Assessment Committee of the first application for a second phase (17-1864-PR-mar), the submitted revised reapplication (17-1954-PR-mar) is recommended for approval by the Assessment Consultants. This assessment was based on a full programme document with ample supporting documents as well as the review cum pre-appraisal report. It also includes FICs response to questions raised by the Danish Embassy in Nairobi and the MFA.

Parties:

CISU and FIC

Documentation:

- Decent Work and Labour Rights in East Africa (Phase 2) – March 2017, FIC (Reapplication 17-1954-PR-mar). Programme document with annexes.
- Review cum pre-appraisal of FIC’s programme: “Decent Work and Labour Rights in East Africa (DWLR) 2014 - 2017.” Inka Consult, Hans Peter Dejgaard, June 2016.

2. Background

National, thematic or regional context

Developing countries in East Asia, Latin America and South Asia have seen the number of citizens in extreme poverty - that is, living on less than \$1.25 per day - on the decline, except in Sub-Saharan Africa where the poor still makes an average of 48.5 per cent and poverty level continues to rise. It remains the region with the world’s highest poverty levels with population growth exceeding the rate of poverty reduction. According to the latest World Bank report, in 2015 nearly one in every five Kenyan youths of working age has no job compared to Uganda and Tanzania where about one in every 20 young persons is jobless. The large youth unemployment rate is related to a long-term population changes tide to rural-urban migration, which is still high despite the increased formal job creation in the rural areas. On the other hand, the job creation in the formal sector in urban areas is too slow to absorb a significant number of the youth. The excessive supply of labour has had great influence on the employment trends in both countries with casualization gaining more ground. The increase in the number of casual employments pose a big challenge to job and social security and eventually an obstacle to decent work. In many cases casual employees has a very low or no job security, and they often do not have access to pension systems and other benefits.

Another challenge to decent employment is related to the government priorities and weak institutions that fail to work towards improving working conditions. Cases where governments are under pressure to increase investments even at the expense of quality of employment are common. The number of workers being exploited therefore continues to increase with the government abdicating its responsibility of making institutions and legislation work for the workers. Other times lack of employment quality and violation of labour legislation is attributed to corruption. Cases of employers bribing government labour inspectors to avoid penalties for labour violations are common. The situation is exacerbated by inability of labour institutions to effectively engage the government and employers. The ineffectiveness of trade unions is attributed to poor leadership, characterized by frequent wrangles and poor representation of members often leading to membership withdrawal. In Kenya, it is estimated that 1.9 million workers are members of trade unions, which covers a share at 11%, which is relatively higher than other East African countries whose density is between 1 and 3 per cent of the labour force. Almost one out of two members (48%) is female. It is estimated that the trade unions of Tanzania have a total membership of approximately 370,000, which is estimated at 2.2 per cent of the total workforce.

The trends and dynamics of employment in Tanzania and Kenya shows that the majority of jobs are created in the informal sector and most are precarious in nature, characterized by job insecurity, poor wages and terms and conditions of employment, lack of social protection, weak safety and health standards and low job tenure. A large majority of the micro,

small and medium enterprises (MSME) do not survive their third birthday. Less than 30 percent of MSMEs operate beyond 5 years. The top three reasons for closure are shortage of operating funds (29.6%); personal reasons (22.9%) and too few customers (15.3%). Kenya and Tanzania, supported by development partners and civil society organizations have taken several initiatives to address unemployment among the youth. In Kenya, various sector policies developed under the umbrella of the Vision 2030 national development framework have contributed from different angles to the emergence of initiatives and approaches that influence employment chances of youth. In Tanzania the latest strategy is The National Strategy for Growth and Reduction of Poverty (2011-2015), which lays focus on creation of productive and decent employment for more vulnerable segments of the population. There have also been initiatives of youth development at education level to address the foundational skills gap with bodies such as Education and Training Authority (VETA) and the National Council for Technical Education (NACTE). Civil society organizations have also been engaged in various initiatives that address youth unemployment, e.g. economic development through the provision of microfinance services, and promotion of rural youth employment through a public-private partnership model. Several NGOs, both local and international including FIC and its local partners continue to make significant contribution to the initiatives. Despite all the initiatives, however, there exists a challenge to determine the successfulness of the various programs, mainly hampered by a lack of systematic knowledge about results and impact.

Geographically the program will focus on Kenya and Tanzania. The geographical focus of the program will be in and around bigger cities, which is the scope of work where both FIC and its partners are most experienced in creating better working possibilities and decent working conditions. Component 1 of the program, implemented by the trade union partners, will mainly focus on Mombasa, Nairobi and Dar Es Salaam while component 2 of the program, implemented in cooperation with the youth organizations, will focus on Mombasa, Kisumu and Dar Es Salaam. In Kenya the program will include the counties of Kisumu and Mombasa and Nairobi and in Tanzania Dar Es Salaam will be included.

In both Kenya and Tanzania the legislation concerning employment and labour relations displays a strong emphasis on labour rights. Nonetheless, both countries are faced with a very high unemployment rate as well as underemployment and poor employment conditions, leading to poor living conditions in both countries. Especially the youth are affected, and as a consequence many youth are involved in activities at the informal labour market. In relation to the right to decent employment, the Employment and Labour Relations Act in Tanzania (2004) and the Employment Act (2007) as well as the Labour Relations Bill (2007) in Kenya focus on the freedom of association and stipulate guidelines for strikes and lock-outs, ensuring the rights of the workers in this regard. Both countries also have an Occupational Health and Safety Act (Tanzania 2003, Kenya 2007), which focuses on the importance of proper health and safety regulations at the work places. In accordance with the Constitutions Bill of Rights (Kenya 2010) the trade unions agree on a collective bargaining agreement (CBA) with the employers, which include agreements regarding specific working conditions, working hours and wages, among other things.

Both countries face problems in relation to upholding the legislation, and consequently the labour market is faced with poor working conditions, including poor salary and poor living conditions. In this context the workers are often unaware of their rights, including their right to be organised in a trade union, and many workers do not understand the benefits of being organised. In this regard, many trade unions are weak and lack basic capacity in order to cater for the rights of their members, both in relation to informing them about their rights as well as to advocate for these in relation to both private and state owned companies.

Health and safety issues at most workplaces are many and of big concern. In many cases the health and safety standards and regulations are not followed. The assessment conduct in the beginning of first phase of the program established that very few private companies provide the requisite facilities and protection against the safety and occupational hazards as provided for in the Occupational Health and Safety Act. Further, there exist a dearth of knowledge on Organisational Safety and Health (OSH). On their part, union officials at the branch level lack the knowledge to monitor compliance to the OSH Act. It was also found that workers in many cases might expose themselves to risks and hazards due to lack of knowledge.

In both Tanzania and Kenya unemployment as well as underemployment, and especially among youth, are major issues. Beyond the high unemployment rates it is estimated that more than 70% of the population in both countries suffer from underemployment, which means that they are employed under poor conditions and in employment which is below their capacity as workers. The youth face great challenges in accessing both the formal and informal labour market. A key challenge for youth in relation to the formal labour market is a lack of appropriate skills, experience and confidence, as well as little knowledge on where to find jobs and how to approach potential employers. In relation to the informal labour market, a major challenge is that the youth need awareness, confidence and skills to set up their own businesses. Many youth do not know where to start, as they have no basic entrepreneurship skills and information on where to find start-up capital etc. In both Kenya and Tanzania, the service industry and vocational-skills driven sectors have been absorbing most of the youth who have the least opportunities especially those with low level of education, since these jobs do not require high academic qualifications and are mostly manual.

3. Presentation of programme

Lessons learned and results from previous interventions:

Lessons learned include:

The second phase of the program builds on experiences and results from the first phase. It is expected that the results of strong capacity building of partners combined with the cooperation in advocacy efforts towards the end of phase 1 has created a good platform for workers and youth to benefit from 1) Better conditions of work within program supported sectors and 2) Improvement of access to decent jobs and business startup possibilities for youth. The second phase of the program has a high priority in securing that both trade union partners and youth organizations are increasing their organizational and financial capacity to work with minimized funding from CISU and support from FIC after the end of the second program phase. For the trade unions partners the capacity building strategy are aiming at building of the capacity of the unions to be able to recruit members and secure their rights and improve their conditions of work, which will improve their financial base and enable them to sustain themselves gradually. The capacity building of DWU conducted by FIC is a good example of how the capacity of the union to recruit members and improve their conditions of work has doubled the membership of the organization within a few years and made them able to sustain themselves financially. The trade union partners will all need more capacity building and support especially during the first half of the second phase to be able to increase their resource base enough to fully sustain themselves and be able to secure improved working conditions for members and potential members among poor and vulnerable workers. In relation to the youth organizations, capacity building of the organizations to diversify their funding base has been started during the first phase of the program. The youth organizations have started to implement the strategies which aims at improving their membership base and developing their capacity to apply for other financial support to implement their activities which aims at improving the rights of youth to have access to decent work possibilities. The FIC office in Kenya will be closed down and the full responsibility for implementation of activities will gradually be handed over to the partners. An exit strategy For FIC Kenya continues the capacity building strategy lessons learned from phase 1, and aims at ensuring that partners are able to fully implement, report, monitor and administrate all program activities and continue their individual organizational development activities with support only from FIC Denmark before the end of September 2018.

Results from the first phase highlighted by the Mid-term review include:

Component 1: Trade unions in Kenya and Tanzania

- Enhanced membership and improved capacity of unions to negotiate and sign eight collective bargaining agreements (CBAs) around the port of Mombasa led to a salary increase of 15-17 % to members of the Dock Workers Union (DWU) and an 8-10% increase in the salaries laid down in CBAs negotiated by Kenya Shipping of Clearing and Warehouses Workers Union (KSCWWU).
- The capacity building activities, particularly in 2015, have improved the internal governance and performance of the trade union partners. Capacity building mainly took the form of training of national executive committees (NEC) of all unions and revision of their constitutions and strategic plans, including implementation plans and supporting budgets. Furthermore, FIC has supported all the unions in improving their financial and administrative structures and systems.
- The Dock Workers' Union (DWU) showcases, in the view of the Review Team, an increase in capacity through its ten-year partnership with FIC, having become one of the strongest trade unions in Kenya. FIC now concentrates on the Seafarers' Union (SUK) and KSCWWU, which have less capacity, as well as on organising poor workers at warehouses, whose working conditions are way below statutory standards.
- FIC has supported the development of a Training Curriculum for Trade Union Education and Labour Studies at the Tom Mboya Labour College in Kisumu, Kenya. The curriculum has now been piloted, starting with the training of shop stewards. The quality is promising.
- In 2015, FIC embarked on a new partnership with the national office of Tanzania Mines, Energy, Construction & Allied Workers Union (Tamico), which has resulted in revising the partner's strategic plan, and in improving its financial management.

Component 2: Youth component in Kenya and Tanzania

- The progress in the youth component so far indicates that target milestones will be achieved in terms of number of young people trained and being employed. This includes training in business skills and entrepreneurship development (BSED), mentorship and linkages to financial service providers for business start-ups and expansions; and employability training, including internships and career guidance.

- 3992 youth have been trained and reports indicate that 976 of those trained are landing jobs or starting own businesses.

Since the Midterm review was FIC has continuously worked with implementation of the program activities. The updated programme results matrix (February 2017) shows that most of the activities have been implemented and the outputs and outcomes will be achieved. (All the program results achieved up to date are presented in detail and compared to each outcome and output indicator in the results matrix, annex W).

Follow-up on Capacity Assessment and assessment of Management Response:

The review cum appraisal in April-May 2016 included a Midterm Review of the first phase of the program as well as a pre-appraisal for a possible next phase of the program. The review team was positive towards the program and wrote the following “Overall, Review Team concludes that FIC (in collaboration with partners in Tanzania and Kenya) has satisfactory ability to meet CISU and Danida’s requirements for a coming programme phase (from April 2017). A major challenge for FIC would be the streamlining of operations and accompanying rationalization of costs in the next phase of the programme in order to accommodate the 42% cut in budget.” The review had 10 main recommendations including issues such as “reflect on what is realistic regarding synergy between the two program components”, “the program partners in Kenya and Tanzania should generally give higher priority to gaining influence, alliances building and networking towards the defined advocacy goals”. Furthermore, each partner’s advocacy efforts should be based on tailor-made plans for undertaking advocacy, FIC and partners should update the organizational capacity assessments, and strengthen the use of change management tools in capacity development of partner’s internal (downward) accountability, transparency towards constituency, membership and volunteers. The remaining recommendations are mainly related to how FIC could address the 42% reduction in funding from CISU in the second phase of the program, and at the same time enhance sustainability and cost-effectiveness. A management response was developed by FIC in June 2016, updated December 2016, and further expanded in the reapplication March 2017. The main recommendations have been accepted by FIC, with the exception of only a partly agreement by FIC on the recommendations to reduce the number of partners. A Joint Programme Preparation (JPP) was conducted in August 2016, and the discussions of the contents with the partners has informed the development of the 2 phase of the programme. Since rejection of the first application, FIC and partners have developed the phase 2 programme strategy in order to address the CISU Assessment Committee reasons for rejection and recommendations. The reapplication and new exit and partner sustainability strategies have been assessed as addressing these issues in a satisfactory manner.

Partners in the programme:

FIC was founded in 1995 and has a strong popular foundation, mainly in the Danish trade union movement. The overall vision is to promote global equality and solidarity, as well as increase people's social, economic and democratic rights and opportunities for a better life, regardless of their background or location on the earth. Following a capacity analysis in 2012 FIC has sharpened its focus on creating improved employment conditions together with better employment opportunities for youth, through cooperation with trade unions and youth organizations in Kenya and Tanzania. The first phase of FIC’s programme was carried out between January 2013 and May 2017. The programme initiatives have focused on creating improved opportunities for employment of youth and better conditions at the labour market, contributing to strengthen the position and voice of civil society in Kenya and Tanzania and to the overall goal of poverty reduction. During the first phase of the programme FIC has been working with 11 partners. The partners have different potential and roles in the programme. While some of the stronger partners have a strategically important role in leading the advocacy activities, other partners are included because they are weak but have a big potential of improving the livelihood of their target groups. In order to ensure that the program has the right strategic partners to achieve the expected advocacy results in the second phase of the program, FIC has decided to work with the 9 partners mentioned below.

Trade Unions

The trade unions will work towards improving the employment conditions at the labour market in Kenya and Tanzania. The trade unions in Kenya and Tanzania in general cover a very broad range of employment levels. Accordingly, the work places covered in the program include selected areas of employment covered by the involved partners. These are: building construction and maintenance in Dar Es Salaam (Tamico), Hotels sector in Mombasa (Kudheihia), Warehouses in Mombasa and Nairobi (KSCWWU) and Sea farers in Mombasa (SUK). **Seafarers Union Kenya (SUK)** is operating at the port of Mombasa in Kenya. The union covers seamen and sea workers. **Kenya Shipping, Clearing & Warehouses Workers Union (KSCWWU)** has branches in Nairobi, Mombasa and Busia/Malaba in Kenya. KSCWWU’s branches in 3 counties serves less than 10 percent of the potential members. **Kenya Union of Domestic, Hotels, Educational Institutions and Hospital Workers (KUDHEIHA)** represents workers in the hotel industry, hospitals, educational institutions and domestic workers. Mombasa accounts for the largest number of members (4500). **Tanzania Mining and Construction Workers Union (TAMICO)**. Its mandate cuts across mining, construction and energy sectors but FIC has been collaborating with her mostly on the construction sector. In the Decent Work and Labour Rights Programme in East Africa,

TAMICO is the sole trade union partner based in Tanzania. Though TAMICO's membership in the construction sector is nearly 10,000, the trade union still serves less than 10 percent of the workers in this sector, who are mostly youth.

Youth Organizations

Through the program, the youth organizations will work towards improving the employment opportunities for youth in Kenya (Mombasa and Kisumu) and Tanzania (Dar es Salaam).

The youth partners in Kenya: **Africa Youth Trust (AYT)** has built strong networks with the county government in Mombasa and has also been steadily reinforcing her networks with local CBOs in Mombasa. The program will incorporate **Youth Alive! Kenya (YAK) as a new partner**. YAK will be responsible for implementation of the activities within the youth component in Kisumu. YAK works in partnership with youth organizations, private sectors and governments to advocate for women and youth responsive policies, legislation and program in Kenya. YAK is currently working in 11 out of 47 Counties in Kenya.

The youth partners in Tanzania: **Tanzania Youth Vision Association (TYVA)** is one of the few youth organizations in the region that is purely a membership organization, where the members are fully involved in decision making at all levels of the organization. TYVA has a membership base of more than 400 youth with 300 based in Dar and 100 in other cities in Tanzania. **Youth for Africa (YOA)** has a membership base of 24 clubs (average of 500 young people) in schools with only a few out of school youth. **Open Mind Tanzania (OMT)** was responsible for Business Skills & Enterprise Development skills training in the first phase of the DWLRP. OMT has a membership base of 50 young entrepreneurs. The three organizations were involved in the first phase of the Decent Work & Labour rights in East Africa programme.

Overall strategy (Intervention logic, Theory of Change or Rationale):

The Decent Work and Labour Rights Programme aims to add value to the lives of vulnerable youth and workers by supporting their rights to have access to decent work with proper working conditions. The program will focus on youth and workers living in Slum areas within Dar es Salaam, Nairobi, Kisumu and Mombasa and at the same time build linkages between the informal labour market and the civil society.

The Long-term goal for the changes related to the focus area of the Decent Work and Labor Rights program is: Youth and workers in Kenya and Tanzania enjoy sustainable welfare characterized by access to decent work. Marginalized and poorly educated youth from poor communities in Kenya and Tanzania are struggling to get access to the labor market. The majority of this group of youth are forced to try either to make a living from small business activities within the informal sector or to work as casual labourers in sectors employing low skilled workers with a short educational background, as for instance warehouses, the hotel industry and the construction sector.

The programme consists of two components. The trade unions will be working within component 1 to secure decent working conditions within specific sectors in line with their core mandate, while the youth organisations will work with youth access to decent work in component 2. Additionally the partners will support each other across components both in relation to building the strength of the partners within the other component and in terms of strengthen the advocacy activities for the rights of both youth and vulnerable workers to have access to decent employment with proper working conditions. While the trade unions will focus on their members and potential members within the target sectors, the youth organizations will work with vulnerable youth from slum areas in general with support from trade unions to ensure that youth are supported to have access to decent conditions of work. The areas for synergy between the two components are; 1) Youth access to decent work and awareness of their rights, 2) Advocacy for youth access to decent working conditions.

Component 1: Improved capacity of trade unions in securing better conditions and terms of employment.

The main focus in component 1 is to build the capacity of partner trade unions to secure better conditions and terms of employment. At the beginning of phase 1 most of the trade union included was relatively weak. During phase one capacity building of the organizations has enabled them to start improving the conditions of work for their members. The model for capacity building of the trade unions in phase 2 will comprise:

- Strengthening the capacity of the trade unions to secure compliance with labour best practices need to secure that both members and potential members of the trade unions have decent conditions of work. It includes all levels of the trade union organisation, from union members to work place committees, to branch and national leaders.
- Strengthening the capacity of the trade unions to ensure that their structures secure efficient and effective representation of their members. The capacity of National Executive Committee, the national, branch leaderships, and the financial committee are key areas in ensuring that union strategic priorities and structures secure effective representation of member's interests. The capacity of trade unions to support each other and create alliances to advocate for welfare policy issues.
- A new element in phase 2 is support to ensure governments enactment and enforcement of labour laws and Occupational Safety and Health acts. This includes cooperation with the Ministry of Labour and capacity building of labour inspectors in Mombasa, Kisumu, Nairobi and Dar.

Component 2: “Improved support from Governments and youth organizations secure better job and business possibilities for youth in Kenya and Tanzania”.

Activities aim at building models and sharing experience on creation of youth employment. FIC has successful experiences in supporting partners with capacity development in building models for how to empower youth, and help them access the formal as well as the informal labour market. The partner organisation AYT has over the past years developed a job creation model for access to employment together with FIC, the “Economic Empowerment Model”. In phase 2 the interventions will comprise: 1. The social mobilization of youth takes place at the community level. The local community and its leaders are invited to take part in the planning and implementation of the interventions. 2. The information meetings equip the youth with information on what is available in the market and the relevant trends that the youth can tap. 3. Trainings: Youth can sign up for two different trainings of 3 weeks duration: A) Training in business skills and entrepreneurship development (BSED) or B) Labour market training, employability. 4. Internship possibilities and job placement will be offered to youth who has participated in the employability trainings. A formal network and cooperation with employers will be established in line with experiences in this field. 5. Integrated into the last phase of the BSED training and as a post-training activity the students are offered counselling on their business idea and they are offered a mentor. The programme will cooperate with local governments to ensure that youth participating in the labour market training can form groups and develop business proposals to be funded by the Youth fund.

Programme objectives:

Programme objective	The programme development objective is: <i>Youth and workers in Kenya and Tanzania enjoy sustainable welfare characterized by access to decent work.</i>
Immediate objective 1	Improved capacity of trade unions in securing better conditions and terms of employment.
Outcome 1 indicators	<ul style="list-style-type: none"> - Partner trade unions secure that all existing work places within targeted industries with a CBA have decent working and health and safety conditions before the end of 2019 such as: <ul style="list-style-type: none"> o a) At least 80 % compliance with the labour laws and OSH Act o b) At least 80 per % cent of the CBA fully implemented within a year - Workers from partner trade unions targeted industries with negotiated CBAs are benefitting from improved conditions of work before the end of 2019, such as <ul style="list-style-type: none"> o a) At least 10% salary increase negotiated through CBAs o b) 30% increase of employees on casual terms transitioning to permanent employment, o c) 20 % Improved social protection such as pension and leave - Partner trade unions have increased the number of signed CBA’s by at least 100 % and doubled their membership within targeted areas before the end of 2019
Outcome 2 indicators	<ul style="list-style-type: none"> - 20 % increase in number of labour inspections conducted in Mombasa, Nairobi and Dar Es Salaam before the end of 2019 - 20 % increase in number of OSH inspections handled by labour inspectors in Mombasa, Nairobi and Dar Es Salaam before the end of 2019
Outcome 3 indicators	<ul style="list-style-type: none"> - At least 4 issues related to workers’ rights and health and safety, successfully approached through advocacy activities and campaigns before December 2019 - All partner trade unions have improved their democracy, accountability and openness in the running of the organisations before the end of 2019 so that <ul style="list-style-type: none"> o a) Members from partner trade unions have influence on union’s decisions and priorities o b) Information’s about trade unions decisions and priorities are accessible by members - Finance and administration of the trade union are handled in line with the law and good accounting principles
Immediate objective 2	Strengthened advocacy and actions from partner youth organisations leads to local governments’ improvement of access to decent jobs and business possibilities for youth in Mombasa, Kisumu and Dar Es Salaam
Outcome 4 indicators	<ul style="list-style-type: none"> - 5 Partner Youth Organizations have improved organizational structures and

	<p>governance where beneficiaries have influence on decision making in the organisation by December 2019</p> <ul style="list-style-type: none"> o a) Members represented in the board o b) Majority of members feel that they have influence in the organization and the organization is representing their needs <p>- 5 partner youth organizations are financing at least 10 percent of their annual budgets from alternative resources from donor funds by December 2019</p> <p>- 5 partner youth organizations have systems meeting financial standards including electronic system by Dec 2017</p>
Outcome 5 indicators	<ul style="list-style-type: none"> - 1 year after training, at least 15 percent of trained youth have improved income and livelihood <ul style="list-style-type: none"> o a) 20 percent of youth trained in employability have accessed decent jobs within a period of 6 months after training o b) 30 percent of youth trained in BSED have started businesses or improved existing businesses within a period of 6 months after training - At least 4 successful advocacy campaigns leading to government actions that improves youth access to decent work such as: <ul style="list-style-type: none"> o a) 20% increase in number of youth accessing government tenders o b) 10 per cent increase in government budget allocation for youth empowerment initiatives o c) 20 per cent increase in loans given by government to youth to start businesses

Key assumptions related to the programme strategy (outcome level):

Immediate objective	KEY ASSUMPTION
Objective 1: Conditions and terms of employment improved within targeted areas in Kenya and Tanzania	<p>Employers are cooperative in implementation of OSH standards and improvement of working conditions in the work places</p> <p>Political and legal systems support implementation of OHS compliance in all sectors and compliance of terms and conditions of work with the labour laws as a minimum</p> <p>Governments/Ministry of labour in Kenya and Tanzania remain providers in policy and practice.</p> <p>Trade unions have strong networks and alliances supporting advocacy for enactment and enforcement of labour laws and OSH act</p> <p>Trade union leaders favouring changes towards member involvement and influence changes towards improved administrative and finance handling</p>
Objective 2: Strengthened advocacy and actions from partner youth organisations leads to local governments' improvement of access to decent jobs and business possibilities for youth in Mombasa, Kisumu and Dar Es Salaam	<p>The target youth/beneficiaries will exploit the opportunities to fully participate as key stakeholders in youth organizations</p> <p>Governments are cooperative</p> <p>Employers are cooperative in offering job opportunities for youth</p> <p>Youth organisations are active in their advocacy and involvement of governments and relevant stakeholders</p> <p>The beneficiaries will be proactive in accessing labour market opportunities</p>

Target groups:

The primary target group consists of:

- 15.100 trade union members from Kudheihia, KSCWWU and Tamico will be trained frequently in workers' rights, basic knowledge about their trade union, health, safety, and social protection. The members will additionally benefit from Collective Bargaining Agreement (CBA) negotiations.
- 3.330 youth from local communities and from vocational training institutions will be trained in employability. The youth will additionally be offered job placement services.
- 3.000 youth from Kisumu, Mombasa and Dar Es Salaam will be trained in business skills and entrepreneurship development (BSDED) and offered mentor support to start and run their own business.
- 21.000 youth from local communities in Nairobi, Kisumu and Dar will be targeted with basic information activities and awareness capacity building and support in business development or support to access the labour market.

The secondary target group consists of:

- National Executive Committee members in all four partner trade unions will be trained in dispute handling and advocacy.
- A minimum of 70 work place committees and 70 health and safety committees are trained in workers' rights, and Occupational Health and Safety. A total of 150 Trainers Of Trainers will receive yearly brush up training.
- 30 labour inspectors in Nairobi, Mombasa and Dar Es Salaam will be trained 2 times during the program period to build their capacity to improve labour inspections and health and safety inspections in Mombasa, Nairobi and Dar Es Salaam.
- 5 partner youth organizations will be trained in improvement of their organizational and financial structures.
- 20 government representatives from Mombasa, Kisumu and Dar Es Salaam are trained in strategies for youth empowerment.

Key Output indicators:

The programme seeks to deliver a total of 19 outputs, which are outlined in the FIC programme log frame. The following displays the indicators, organised under the 2 components and 5 outcomes.

Key Output indicators:

Immediate objective 1:	Improved capacity of trade unions in securing better conditions and terms of employment
Outcome 1.	Trade unions capacity to secure compliance with labour best practices is improved
Output 1.1.	-OSH committee is in place in each workplace with recognition agreement and CBA with the unions -OSH committees have been trained and are effectively overseeing the implementation of OSH conditions in the specific workplaces in line with the CBA, and OSH Act -Trade unions in the programme have developed and implemented a policy and strategy to handle health and safety issues at work places -At least 80 % of yearly identified OSH issues successfully handled at the end of 2019 at each workplace with CBA
Output 1.2.	- Partner trade unions involved in the program have developed and implemented efficient recruitment and CBA negotiation strategies
Output 1.3.	-80 % of the CBAs fully implemented by employers within targeted areas within a year after signing -The conditions of work within all workplaces with a CBA within targeted areas have at least 80% compliance with labour laws
Output 1.4.	-Each Partner trade union has developed and implemented strategies for advocacy of enactment and enforcement of Labor Laws and OSH Act
Output 1.5.	-At least 80% of workers within targeted areas and industries with a recognition agreement or CBA with the trade union are aware of a)Basic knowledge about the trade union and Rights as member of the union b)Workers' rights c)OSH d)Social protection
Outcome 2.	Governments enactment and enforcement of labour laws and OSH standard compliance improved in Mombasa, Nairobi and Dar Es Salaam
Output 2.1	-The targeted labour inspectors have reviewed the efficiency (number of targeted workplaces) and quality (way of handling the cases) in their strategies for labour

	enforcement and committed themselves to implement the changes agreed
Output 2.2	-The targeted OSH inspectors have reviewed the efficiency (number of targeted workplaces) and quality (way of handling the cases)in their strategies for OSH enforcement and committed themselves to implement the changes agreed
Outcome 3.	Partner trade Unions structures support effective and efficient representation of workers' interests
Output 3.1	-Partner trade unions have established advocacy cooperation with other trade unions and developed and implemented strategies to advocate for workers welfare
Output 3.2	-Policy and practice allows for transparency, democracy and members involvement in partner trade unions -Members have access to information about union operations -Systems established for members to petition leaders and hold them to account.
Output 3.3	-Trade union members from targeted workplaces have updated information on their respective unions, at least 80 % are satisfied with the information level about trade union activities and priorities
Output 3.4	-Finance and administration of the trade union are handled in line with the law and good accounting principles
Output 3.5	-Unions have developed and implemented yearly priorities and targets that encounters handling of their key challenges and work related issues
Output 3.6	-Trade unions are handling organizational capacity issues identified yearly

Immediate objective 2:	Strengthened advocacy and actions from partner youth organisations lead to local governments' improvement of access to decent jobs and business possibilities for youth in Mombassa, Kisumu and Dar Es Salaam
Outcome 4:	Youth organizations have improved their structures and capacity to run efficient and viable organizations representing the needs of their beneficiaries
Output 4.1.	5 partner youth organizations have reviewed organizational strategies to respond to changes in youth sector - 4 partner youth organizations have mainstreamed HRBA principles of transparency, accountability, participation and non-discrimination -5 partner youth organizations have improved the quality of their progress and financial reporting -5 partner youth organizations have electronic financial systems and have started implementing resource mobilization strategies that include member recruitment and other IGAs by Dec 2017
Output 4.2.	-5 Partner youth organizations have governance structures and organizational strategies that empower beneficiaries to influence decisions (Beneficiaries feel that their priorities are well represented)
Outcome 5:	Youth are accessing decent jobs and establishing viable businesses
Output 5.1	-5 partner youth organizations are part of an active advocacy network (doing at-least a campaign per year) that includes national youth organizations, trade union organizations and other stakeholders
Output 5.2	-3 local governments (Ksm & Mbsa counties and Dar) have improved strategies to support youth to access decent work and improved reporting and documentation skills on youth initiatives
Output 5.3	-Youth trained in employability have developed job hunting plans and improved their ability to apply for jobs
Output 5.4	-Youth trained have developed a business plan 3 months after training, 50% of youth have started implementing their business plan

Monitoring & Evaluation

A monitoring and evaluation manual has been developed under phase 1 and will remain the same under phase 2. The new element is that assumptions for change in the Theory of Change will be monitored and revised twice, during midterm and end of the implementation period. An outcome mapping will also be applied, once partner organisations have been trained. Annex L describes the M&E system, which includes baseline studies, and monitoring of the progress of reaching the expected results (by looking at program objectives, expected outputs and indicators and well as cross-cutting issues). The reporting system consists of half year and annual progress reports and quarterly financial reports. Learning takes place at all Cluster meetings of the partners, Steering Committee meetings, and during the midterm review and external end review.

Risk analysis and risk management:

The risk analysis consists of risks at component level, with corresponding measures for reduction of risks (Annex J on risks is a 1 page list of major risks at component level).

Sustainability and phasing out:

The reflections on programme sustainability focus on the spreading of knowledge and learning beyond targeted stakeholders, target groups and duty bearers. At component 1 level, the strengthened capacity of the unions to secure compliance with labour best practices, strengthening the capacity of trade unions to secure effective presentation of members and strengthening the structures of governments to ensure enactment and enforcement of labour laws and OSH standards is supposed to lead to better conditions and terms of employment. The extensive capacity building of representatives of the unions and information and dialogue with the membership is a key factor to the sustainability of the program component 1 as this secures the future accountability and performance of the officials of the union. Members and representatives at all levels will be able to demand for a high level of union performance, via democratic processes, transparent and democratic management. Development of well-functioning training departments in the unions is supposed to ensure that continuous training and information activities of union members and officials will continue after the program ends. The organizational coherence from employees and shop stewards, branches to national offices are important sustainability aspects to secure the future organizational capacity of the trade unions. The strategy for obtaining financial sustainability of the trade unions in the program is based on the experiences from the work with Dock Workers Union, Kenya, where development of an active organization able to improve the conditions of work has doubled the membership and income of the organization. Capacity building of the trade unions have a high priority in supporting their recruitment to double membership and obtain a 100 % increase of CBAs negotiated. This will enable the unions to double their finances in the targeted areas. At the same time, the trade unions are trained in proper financial planning and management.

As regards component two, FIC has established a close cooperation with a range of stakeholders (public institutions, ministries, universities and other civil society organisations) in order to ensure the sustainability of the model for creating job opportunities. To enhance on the sustainability, training of governments' representatives are included as a part of the program activities in phase 2. The program will continue to try to establish close cooperation with the Ministry of youth in Dar to ensure the trained youth get access to the youth funds. Capacity building of the youth organizations to improve their financial and administrative structures and include alternative funding strategies and member recruitment and involvement strategies is supposed to decrease the youth organizations dependence on donor funding from Denmark and other donors. Implementation of strategies for involvement and influence of members is supposed to enhance on the organizational legitimacy of the youth organisations and make it more attractive for the youth to be involved in the running of the organizations.

A detailed sustainability and phase out strategy for each partner has been developed to ensure that the partners will be able to operate without support from FIC after the end of the second phase.

4. Overview of management set-up at programme level

Overall organization:

The programme is a joint initiative between FIC Denmark and Kenya and its nine partners in Kenya and Tanzania. The partners of the program each operate within one of the components and thus towards the attached component objective. Twice a year each partner will conduct a steering committee meeting, with participation of the coordinator, representatives from the board/Executive of the partner(s), relevant stakeholders, duty bearers, target group representatives and FIC staff. The purpose of the steering committee meetings is for the participants in the steering committee to oversee and monitor project activities and results. In addition, representatives from all project partners' executive committees will be present along with the partner coordinator(s), FIC staff and relevant stakeholders in a programme seminar conducted during the 2nd year of the program implementation. Within each component, the partners have specific responsibilities towards implementation of activities and achievement of results, which is defined in the partner agreement and LFA and activity plans. The partner agreements are signed after approval of the application. The LFA and activity plans annexed to the partner agreements describe the activities the partners will implement and which results they are supposed to achieve. Each partner has a budget related to their implementation of activities. The activities to be implemented by each partner have been agreed between FIC and the partner during development of the proposal. For the activities and the results to be implemented and monitored successfully, each partner has a coordinator, coordinating the implementation of activities within the partner organisation. The coordinators refer to the executive in the partner organisations as well as to the FIC office in Nairobi/Mombasa. Whereas the FIC programme staff in Denmark is responsible for developing the strategies for programme implementation together with the partners to achieve joint ownership, including for the capacity building, advocacy, Monitoring and Evaluation etc., the programme staff in Nairobi and Mombasa is responsible for following up on

the actual implementation of these strategies. The programme staff in Nairobi and Mombasa thus has a more practical role of supporting programme implementation, monitoring and evaluation in dialogue with the partners and FIC Denmark. The FIC office in Kenya will be sustained until September 2018. From September 2018, the partners will be reporting directly to FIC Denmark.

Financial Management:

All partners and stakeholders in the program will sign an MOU with FIC, and all implementing partners with financial responsibilities in the programme, sign a yearly written agreement with FIC that determines the formal framework for the yearly implementation of activities. A specific yearly LFA and implementation plan for the partner and a budget for the activities to be implemented forms part of the agreement. Partners' expenses for administrative costs and salaries cannot exceed 7 % for administrative costs and 22 % for salary costs of each individual partner's budget. FIC's requirements to the partners handling of funds are described in the Financial and Administrative Guidelines for the Partners (see annex N). The accountant in each partner organization conducts the accounting of the partner's program activities in line with the financial and administrative guidelines. The accountant submits quarterly financial reports and budgets to the FIC administrator in Nairobi. The administrator in Nairobi assesses the budgets and financial reports and compile a report for each component, to be finally approved by the FIC office in Denmark. FIC conducts yearly Mango assessment of each partner and develops action plans for capacity building of partners' financial handling and improvement of their systems. The annual financial statement for the program activities are audited by a local auditor recognized by international standards. The auditor is hired by FIC to audit all program partners. The audit is completed in line with international standards and Danida's instruction on audits. FIC partnership agreements adhere to Danida's anti-corruption clause.

5. The programme budget

Budget overview:	2017	2018	2019	2020	I alt	Pct.
1. Programme activities	1493500	3249000	2889000	1253900	8885400	85
2. Other activities	230000	230000	170000	170000	800000	8
3. Administration and auditing	139600	273000	254000	148000	814600	8
Total programmebudget	1863100	3752000	3313000	1571900	10500000	100
1. Programme activities divided by:						
1.A Countries/regions:						
Activities in Kenya	1150000	2150000	1800000	700.000	5800000	65
Activities in Tanzania	300000	1000000	1000000	516922	2816982	32
Global (activities relevant for all involved countries)					0	-
not planned (max 10% of programme activities)					0	-
budget margin (max 5% of programme activities)	43500	99000	89000	36918	268418	3
Programme activities by country/region	1493500	3249000	2889000	1253900	8885400	100
1.B thematic areas/sectors						
Component 1 Strengthen Capacity of Trade Unions	775000	1575000	1400000	553565	4303565	48
Component 2 Strengthen Youth Organisations	675000	1575000	1400000	663417	4313417	49
FIC office in Kenya costs					0	-
not planned (max 10% of programme activities)					0	-
budget margin (max 5% of programme activities)	43500	99000	89000	36918	268418	3
Programactivities by themes/sectors	1493500	3249000	2889000	1253900	8885400	100
2. other activities						
Appraisals					0	
Supervision & monitoring	80000	220000	150000	50.000	500000	
Evaluation				100.000	100000	
Information work in Denmark	150.000	10.000	20.000	20.000	200000	
I alt	230000	230000	170000	170000	800000	
3. Administration and auditing						
Auditing	40.000	50.000	50.000	60.000	200000	
Danish administration (7%)	99600	223000	204000	88000	614600	
Total	139600	273000	254000	148000	814600	

Local currency	KES	
Exchange rate at time of budgeting:	14500	= 100 d.kr

6. Comments from Embassies (and response from applicant)

The MFA commented on specific outcome and output indicators. FIC has accepted the comments and accommodated the revised outcome and output indicators into the Logframe. The Danish Embassy in Nairobi commented on 1) relevant contextual conditions, and 2) local partners involved in the proposed project. FIC has submitted a four page response that provides satisfactory explanations and answers the questions raised by the Embassy.

7. Overall assessment according to CISU programme guidelines

Assessment of the six criteria for the CSP incl. brief explanation of the assessment	Fulfilled	Partly fulfilled	Not fulfilled
1. Assessment of applicant's accumulated experiences and built capacity (tick appropriate box)	X		
<p>Explanation of assessment: The RevApp assesses FIC as a capable and professional NGO with a well-focussed programme and effective setup and programme management. The RevApp confirms that FIC and the partners have largely met planned outputs and indicators, and that FIC has played an important role in providing capacity building to partners, both trade unions and youth organisations. There has been a good follow up on the (seven) recommendations by the capacity assessment in 2013. FIC postponed the final decision on follow-up to the RevApp and Assessment Committee (AC) recommendations to the Joint Programme Preparation (JPP). The JPP and subsequently updated MR has not followed the RevApp recommendation 11 (discontinue partnership with AYT), and only partly the recommendation 12 (accommodate the 42% reduction in funding). FIC has a solid experience of and insight into the thematic focus of the programme, and in relation to the target groups and Kenyan and Tanzanian contexts. The final (re)application elaborates on the Lessons Learned, which have informed the development of the second phase. The overall FIC strategy and core competences correspond to the programme focus, and FIC has a solid popular foundation, as well as transparent and democratic structure. FIC's monitoring system is largely the same as under phase 1, and under phase 2 action will be taken to ensure more timely and higher standards of reporting, following RevApp recommendation 5. A new element in the monitoring system will be monitoring of the Theory of Change assumptions. Summing up, criteria for applicant's accumulated experiences and built capacity are assessed as fulfilled.</p>			
2. Assessment of programme partners: the Danish organisation, local partner organisations and cooperation between them (tick appropriate box)	x		
<p>Explanation of assessment: FIC has a documented experience of cooperating with most of the key local partners, and good experience of coordinating between local partners. Local partners have participated in the JPP and have a good degree of involvement and ownership to the programme's phase 2. The individual partners have competencies, capacities and experience relevant to the roles they play in the programme. In the revised final application, the results of phase 1 for each component and for individual partners have been described in a more concise manner, as a new Results Matrix (annex W) provides an updated overview (February 2017) of the many results obtained in relation to the outcome and output indicators of the complete LFA. The RevApp recommendation 11 is to consider phasing out the partner AYT. FIC has opted to maintain the support to the partner AYT and at the same time include another youth partner AYK. This is assessed as contradictory to the recommendations of the RevApp and Assessment Committee, but of minor importance given the changes in the partner sustainability strategy. There are now four unions (after phasing out TM Labour College, and including newcomer Kudheha, Kenya) as partners in component 1, and five youth organisations as partners of component 2 (including newcomer AYK, Kenya). The change in support to partners include a more limited geographical focus of the support to the partner's activities. The description of the partner's areas of responsibilities are relevant, and indicate e.g., where partners have lead roles in advocacy networks. The programme revolves around the local partners who are also responsible for implementation. In phase 2, the relationship between the trade unions and youth organisations has a potential to evolve, as result of a relevant strategy for better coordination and e.g. advocacy activities in and between the two components partners. The synergy between the partners in the two components has improved, and the recommendation from the assessment committee on this issue has been adequately addressed. Summing up, criteria for assessing the cooperation between the programme partners are assessed as fulfilled.</p>			
3. Assessment of target groups, relevant duty bearers and their relation to the programme (tick appropriate box)	x		
<p>Explanation of assessment: There is a good match between the needs of the participants and target groups, and the programme objectives. The number and composition of participants and target group members is generally relevant in view of the programme's scope, objectives and focus on poverty reduction. The analysis and strategy for incorporation of key duty bearers is assessed as relevant, regarding the advocacy activities, and inclusion in programme seminars and steering committees. Some training of duty bearer's staff is also included in the activities and budget. Advocacy efforts to ensure duty bearer's enforcement of laws and standards is also part of the strategy. The local partners are unions that represent their members, and youth organisations, whose accountability to members vary. The programme strategy aims at enhancing accountability of the partners towards their members. The partner's ownership to the two components is assessed as strong, particularly in component 1. Summing up, criteria for assessing the target groups are assessed as fulfilled.</p>			
4. Assessment of the programme's strategy, coherence, relevance and expected outputs (tick appropriate box)	X		
<p>Explanation of assessment:</p>			

<p>The programme strategy is relevant as it empowers poor and vulnerable groups, both trade union members with precarious employment conditions and youth with few opportunities to improve their living conditions. It also strengthens civil society's modes of organisation, and the intervention has been conceived in tandem with the Danish organisations work in Denmark and internationally. The RevApp concluded that under phase 1 "there is hardly any synergy between the two programme components so far". Recommendation 1 of the RevApp and the recommendation of the Assessment Committee regarding a realistic level of building synergy, have been addressed in the final application as the focus in the components and two areas for synergy between the components are assessed as realistic and includes joint advocacy activities. There is coherence between the programme components and the overall programme objective(s), and coherence between objectives, expected outputs and problems, which the programme addresses. However, the indicators for Outcome 2 and related outputs are not adequate, as they are outside the programme's control. The coherence and balance between strategic deliveries, capacity building and advocacy is relevant. Some elements of the strategic services (training/capacity building of duty bearers) may be less relevant, but the capacity building of partners, which constitutes the main part of the programme, is focussed and targeted and builds on the lessons learned and results of phase 1, as well as it addresses the RevApp recommendation 4 (to update capacity assessment etc.). The advocacy element of the strategy complies with the recommendations from the RevApp (# 3) and Assessment Committee in this respect. The description of the advocacy strategy is spread across several chapters, but the overall strategy and activities are clear and relevant enough. Advocacy at local level is significant within both components, and the activities at national level are clear on their issues, and seem to build on the preparations during phase 1. The local partner's competencies are described in relation to the capacity development and advocacy activities and they match their role in the programme. The strategy for obtaining financial sustainability of partners is mentioned under different sections, but the application does not address the recommendation of the Assessment Committee directly, nor does it distinguish between highly dependent and less dependent partners. The monitoring and evaluation plan is a continuation of the first phase, with a new element of monitoring of the Theory of Change assumptions. The general and component specific assumptions of the programme are relevant, however maybe to the optimistic side regarding employers and governments cooperation towards programme objectives, when considering the context analysis. The risk assessment as per component is a 1 page annex J, with Medium or Small risks, and brief, but relevant, risk reduction steps. Summing up, criteria for assessing the strategy, coherence, relevance and expected outputs are assessed as having weaknesses, but fulfilled.</p>			
<p>5. Assessment of the programme's sustainability and long-term impact (tick appropriate box)</p>	<p>x</p>		
<p>Explanation of assessment: The RevApp contains a critical analysis of the partners organizational and financial sustainability, leading to recommendation 10 (partners should diversify their resource mobilization). The Assessment Committee has a similar recommendation as part of approval of the JPP and MR. One partner, TM Labour College, was phased-out during the last year of phase 1. The sustainability (and organizational development) section has some general and relevant reflections on how organizational sustainability for both trade union partners and youth organization partners will be enhanced. The RevApp pointed to a considerable variation amongst the partners when it comes to capacity to fund their activities, and their level of dependency on FIC and external funds (chapter 5.9 and annex D). In the revised final application, there are specific reflections on how partners with high dependency on FIC can reduce this during the second phase. The revised final application and the annexes on partner sustainability strategies and partner income projections, contain sound tools for enhancing sustainability of programme results and partner organisations through i.e. specific plans for diversification of resource mobilization. There is a good description of how the programme is likely to lead to improvements in participant's and target groups' living conditions and local partners advocacy capacity. The programme's results are likely to continue to spread to other target groups as result of the advocacy activities, and the increased capacity of the partner organisations. Summing up, criteria for assessing the sustainability and long-term impact of the programme are assessed as fulfilled.</p>			
<p>6. Assessment of the programme's cost-effectiveness (tick appropriate box)</p>	<p>x</p>		
<p>Explanation of assessment: The total budget for the planned programme is DKK 10,5 million DKK. In the revised final application FIC has reduced the FIC payroll costs, in its DK and Kenya offices. The TA and monitoring expenses of the DK HQ have been reduced to 1.391.400 DKK (a reduction of 300.000 DKK). The FIC Kenya office will be phased out after a transition period of 1,3 years. The tasks of the FIC Kenya office will be transferred to the partners, mainly KUDHEIHA, and FIC DK HQ. The FIC man-hours in the revised application constitute 1.391.400 DKK for FIC DK (including monitoring), or app. 13,3%, while the FIC Kenya man-hours constitute 1.100.000 DKK, or app. 10,5%, for a total of 2.491.400 DKK or 23.8% of the budget. This is a considerable reduction compared to the previous applications total FIC man-hours of 3.716.707 DKK or 35.37% of the total budget. The revised budget also addresses the recommendation of the Assessment Committee as it contain sufficient budget-notes and substantiates the different inputs relating to the strategy. The relation between the outputs of the programme, the scale of activities, the number of participants and the target group, and the total budget is assessed as realistic. The cost level in view of the local context is assessed as realistic, and the new annexes on "partner sustainability strategy" and "partner income</p>			

projection” make the case that local partners may cover future expenses themselves in part or in full. The conclusion is that the revised final application addresses the previous concerns and recommendations from the RevApp and the CISU Assessment Committee in a way that sufficiently meets the criteria for cost-effectiveness and the intentions stated in the Management Response to recommendations 9, 10 and 12. Summing up, criteria for assessing the programme’s cost-effectiveness are assessed as **fulfilled**.

Conclusion: The programme application is recommended for approval.

FIC submitted a revised Final Programme Application (17-1954-PR-mar) after rejection of the previous application (17-1864-PR-mar).

In its resubmitted application FIC has addressed the three reasons for rejection, concerning criteria 2, 5 and 6, as well as the three recommendations of the Assessment Committee in a satisfactory manner.

The revised application (17-1954-PR-mar) addresses the Recommendations of the Assessment Committee in a satisfactory manner:

Recommendation 1: The programme budget includes approx. 3.716.707 DKK or 35.37% for FIC payroll cost. In order for the cost-effectiveness criteria of the programme to be fulfilled, the amounts for FIC technical assistance and monitoring will have to be further reduced. The FIC technical and monitoring input to the programme, including local FIC staff, must be substantiated, reflecting the programme approach and taking into account that the partners in this second phase are expected to hold the capacity necessary for taking on increasing responsibility in regard to project cycle/programme management. A revised budget should be submitted with budget-notes.

- FIC has reduced the FIC payroll costs, in its DK and Kenya offices. The TA and monitoring expenses of the DK HQ have been reduced to 1.391.400 DKK (a reduction of 300.000 DKK). The FIC Kenya office will be phased out after a transition period of 1,3 years. The tasks of the FIC Kenya office will be transferred to the partners, mainly KUDHEIHA, and FIC DK HQ. The FIC man-hours in the revised application constitute 1.391.400 DKK for FIC DK (including monitoring), or app. 13,3%, while the FIC Kenya man-hours constitute 1.100.000 DKK, or app. 10,5%, for a total of 2.491.400 DKK or 23.8% of the budget. This is a considerable reduction compared to the previous applications total FIC man-hours of 3.716.707 DKK or 35.37% of the total budget. The revised budget meets the criteria 6 for the programmes cost-effectiveness. It also addresses the recommendation of the Assessment Committee as it contain sufficient budget-notes and substantiates the different inputs relating to the strategy.

Recommendation 2: With the aim to increase local ownership FIC is recommended to consider how FIC technical and supervision input can gradually be reduced in the course of the planned second programme phase, so that the partners progress to become increasingly responsible for the programme implementation and management.

- A specific plan for capacity building of the partners to enable them to assume the responsibility of the project cycle/programme management has been drawn up. This “partner sustainability strategy” or roadmap (new Annex U) focusses on improving the partner’s organizational capacity gaps and ensuring that the local trade unions and youth organizations have appropriate capacity and financial resources to obtain the results of the two components. As part of the new “exit strategy for FIC Nairobi” (new Annex T) phasing out the FIC Nairobi office, the partners will assume responsibility for i) programme implementation, monitoring and reporting, ii) finance, accounting and reporting, and iii) organizational development. After 1,3 years when the FIC Nairobi office is closed down, support will be provided directly from FIC Copenhagen.

Recommendation 3: Considering this is a second phase of the programme, diversified plans for phasing out of partners should be developed in order to ensure that local partners or target groups are not left in an unfortunate position of dependency when the programme period expires.

- As part of the revised application, both the new “partner sustainability strategy”, “partner income projection matrix”, as well as the “exit strategy for FIC Nairobi” and the changes in the budget allocation to further capacity building of partners are assessed as realistic. Together they constitute roadmaps and tools that may ensure diversified individual plans for enhancing partners and target groups ability to reduce dependency on funding though FIC when the programme period expires.