

► Terms of Reference

Productivity Ecosystems for Decent Work

Market Systems Development (MSD) Review of
current project interventions in Viet Nam

Deadline for applications: 25 November 2024

Introduction

The Productivity Ecosystems for Decent Work Programme (PE4DW), launched jointly by the SME unit of the ILO Enterprises Department and the Employment Policy Department, together with the Swiss State Secretariat for Economic Affairs (SECO) and the Norwegian Agency for Development Cooperation (NORAD), aims at addressing constraints to productivity growth and decent job creation. The Programme was launched in 2022 and will run until the end of 2025, being piloted in Ghana, South Africa and Viet Nam and implemented by the ILO Enterprises and Employment Departments and ILO offices in three countries.

In Vietnam the productivity agenda has high priority for the Government, where national productivity programme (Nb 712) was declared more than 10 years ago, and a new National Programme on Improving Labour Productivity was adopted in November 2023 by the decision of Prime Minister (Decision 1305/QD) for 2023-2030. However, despite this declared political will to promote productivity growth, the results of policies remain mixed for a variety of reasons, among them fragmented policy implementation space, mismatch between available financing and expected results, but mostly due to a lack of tangible incentives for firms and workers to invest in boosting labour productivity. Hence, essentially, there is a need for an ecosystems approach on how to achieve the productivity goal both at policy, sectoral, and firm levels in a strategic and systemic way.

The ILO's PE4DW project in Viet Nam worked on the engagement of a diverse range of stakeholders with the aim of running testing and piloting approaches at all 3 layers of interventions ((i) macro/national level, (ii) meso/sectoral and provincial level, and (iii) micro/firm level), and offering evidence-based advice for effective policymaking for government and social partners in Viet Nam. The project in Viet Nam works in two target sectors, identified through sector selection studies and wide consultations with social partners: wood processing and machinery. Sectoral systemic reports were developed for both sectors to generate ideas for interventions and design the post-inception project document by the end of the inception phase in January 2023.

The project has completed its first independent mid-term evaluation in June 2024, and the recommendations included stronger focus on strategic upscaling of generated results and intensive sharing of learning between stakeholders at all levels. Upscaling of results gained through pilot testing (by essence done in a limited and controlled environment) remains one of the challenging areas in the methodology of market systems development. However, upscaling is required to provide the project interventions their ultimate validity, permits reevaluating the project hypotheses, and eventually shapes the project's impact. Therefore, the project in Viet Nam intends to conduct a thorough review of the partnerships and project interventions that have been established under all three layers of project work (from policy to sectoral and enterprise components). This review will be based on the best practices in results-oriented programming in development projects, the widely accepted market systems development (MSD) methodology, and MSD for employment (MSD4E) approaches.

Objectives of this assignment

The primary objective of this assignment is **to enhance the programme delivery in Viet Nam by introducing the “MSD lenses” into the existing project interventions, and through this, to increase the potential for generating stronger results on productivity at the national, sectoral, and enterprise levels.** To achieve this objective, the consultant will support the programme to:

- 1 **Run an MSD review of current interventions:** run an analysis of the Vietnam project strategy and partnerships, performance plans, and propose strategic and actionable recommendations, revisions, and additions to activities, outputs, and possibly outcomes and related indicators. The proposed recommendations need to be impactful and realistically implementable within the current project phase until December 2025. Recommendations potentially having longer-term effect can be grouped separately as an orientation for the development of Phase 2 of the PE4DW project in Viet Nam for 2026-30.

- 2 **Provide on-the-job training and coaching for project staff and project partners in MSD approaches:** The consultant will develop a brief learning plan and deliver **on-the-job training sessions** to project staff and key partners on MSD methodology. The “on-the-job training” means that the learning will be built around the cases derived from the current implementation of the PE4DW project in Viet Nam. The project team will be supporting the development of the cases. A comparison of current progress achieved vs. the MSD opportunity cost might be one of the possible reviews for the learning cases.
- 3 **Suggest practical ideas on how to strengthen the current upscaling of the generated results of pilot interventions.** The assignment includes helping the project team to effectively capture the learning from the pilots and identify market-based potential for strategic upscaling, including replication, crowding-in, and other MSD approaches. This will entail enhancing the project team’s and partners’ capability to recognise pilots that are scalable and non-scalable as well as improving their ability to make relevant analyses.

Tasks/Activities

Considering the above mentioned objectives, the assignment might include the following tasks and activities that are proposed to the consultant, but they are open for further refinement and revision:

1. Review the ongoing project interventions from the angle of MSD methodology by REMOTE work

The ongoing project interventions were developed through discussions with potential partners (often service providers, commercial and business associations, and governmental agencies) about their needs and interest in assisting enterprises with productivity-related performance, such as quality improvements, lean manufacturing, and other approaches. These discussions were fruitful and resulted in the type of interventions that are demand-driven (where demand is the partner's need), but it is unclear to what extent they are market-driven, if there is a clear and realistic vision of how the service offer will continue without project support (that is, if the system can function on its own), and if the intervention outcomes will be sustainable in the long run.

Many partners in the Vietnam productivity project have different statuses; some are departments under governmental ministries, and their place in the market systems is sometimes ambiguous, because many of them attempt to provide services more directly than serve as catalysts for the positive functioning of market systems. The problem frequently goes beyond just the capacity to encourage deeper structural change in the market systems. It is uncertain whether and how the project will be able to address this underperformance on its own. How the project should structure its activities to interact with important players in a constructive way and encourage changes in their motivations and roles. How the project should build its work to productively engage with key actors to support changes in their roles and incentives to drive systemic change.

The project needs actionable recommendations on how to strengthen the current delivery based on the results of the MSD review of the project interventions at national, sectoral, and firm levels. The activities will include desk review of current project documentation, logframes, workplans, quarterly reports, annual reports, and performance indicators. Regular meetings can be undertaken with the project team to get the introduction, run Q&A sessions and discussions, and effectively undertake planning of the in-country part of the assignment. It will be important to develop some first versions of recommendations and ideas before the travel to Viet Nam.

2. Meet with the project team and stakeholders and run an assessment of further potential for enhancement of project impact by work IN COUNTRY.

The project team and partners recognised that there can never be a “one-size-fits-all” approach and tried to develop unique interventions based on careful analysis of SME needs for advice that brings tangible results, tailored to their specific situation, and refined based on the ongoing circumstances in each sector and sub-sector.

Nevertheless, it is still unclear to what extent the limited project funding made an influence on the incentives and behaviour of enterprises, service providers, and other market players, public and private, to ensure lasting and large-scale beneficial change and strategic project impact.

The following questions can serve as a direction for this activity: if the project interventions target the actual root causes of market systems underperformance? How can we be certain that we are not distorting the existing markets and avoiding direct delivery of services? If the interventions were designed and implemented with a view on sustainability? If there is a potential for strategic upscaling, and if yes, how can it be accomplished, and if not, why?

3. Train the project team and core partners on MSD methodology using the cases from the project implementation and reviewing the potential for further enhancement of interventions delivery. The work can be started ONLINE and continued IN COUNTRY.

The project team has already received some training on the MSD theory, however, advice and support to practical application of learning by developing cases based on the real project interventions will be important. This work can also be assisted by the project team as part of the online training, preferably initiated prior to the Vietnam trip.

4. Review the current results of the pilots IN COUNTRY

Undertake visits to several project pilot sites and discuss the latest developments, results, and findings with the partners and beneficiaries. Develop ideas for further enhancement of the interventions delivery and develop recommendations. Run analysis jointly with the project team and partners of the upscaling potential of each of interventions and develop insights on how to achieve an effective systemic impact of interventions.

5. Write-up recommendations and an action plan

Insights and conclusions from all activities towards all objectives of the assignment are requested to be shared in the form of final practical and timed recommendations with an action plan.

Consultant can propose other activities as deemed necessary to achieve the objectives of the assignment to be agreed and discussed with the project team.

Deliverables of the assignment

The assignment is expected to start as soon as feasible, with the tentative schedules, as follows:

Outputs	Deliverables	Estimated working days ¹	To be completed by
1. Draft MSD review of the project activities (home based ONLINE)	1.1. Inception report outlining how the consultant intends to execute the assignment (max. 2 pages)	1 day	

¹ While the estimated working days provided serve as an indication of the expected workload, consultants are encouraged to propose their own estimates based on their expertise and the specific requirements of the assignment.

Outputs	Deliverables	Estimated working days ¹	To be completed by
	1.2. Initial draft analysis of the interventions and initial ideas for recommendations	10 days	
2. Training of project team and partners (ONLINE and IN COUNTRY) in Viet Nam	Develop cases based on the current project interventions (with support of the project team)	10 days	
	Run the online training of the project team and partners		
	Offline in country training of project team and partners	2 days	
	Meetings with partners and visits to project sites	7 days	
3. Finalization of the MSD review and develop systemic action plan	Final consultancy report with recommendations	5 days	
	TOTAL	35 days	

All documents need to be submitted in English in Word/Excel/PowerPoint format. The ILO will review all deliverables and provide feedback on whether the product is in line with expectations. Conference calls can be organised at the request of the consultant.

All data and information received from the ILO for the purpose of this assignment are to be treated confidentially and used only in connection with the execution of these Terms of Reference.

The contents of written materials obtained and used in this assignment may not be disclosed to any third parties without the expressed advance written authorisation of the ILO. All intellectual property rights arising from the execution of these ToR are assigned to the ILO.

Application process

Interested consultants should submit the following documents, by 25th November 2024:

- CVs with a short summary of the profile and capacity of the contractor to undertake the assignment, including a record of relevant work executed in the past five years and references.
- A short proposal on how the contractor intends to complete the work described in the TOR. In case a national expert is needed, a description on her/his scope of work. The proposal should include a clear timeline with suggested dates for the implementation of the assignment.
- A cost proposal.

Qualification requirements

The consultant should have at least 7 years of working experience related to market systems analysis and value chain development, economic analysis, as well as familiarity with results oriented programming in development projects. Work experience in sectoral analysis of wood processing and machinery sectors, and policy advisory experience are considered an asset. Strong writing skills in English is a requirement. Familiarity with Viet Nam is a plus.

Contact information

Interested consultants who meet the qualification requirements should submit their technical and financial proposal in separate emails, together with the required documents, to HAN.PROCUREMENT@ilo.org by 25 November 2024 COB Hanoi time (GMT+7). Questions on the assignment are accepted on HAN.PROCUREMENT@ilo.org