



# Evaluation Summary



International  
Labour  
Office

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Office

## *Improving working conditions in the ready-made Garment Sector in Bangladesh - Midterm Evaluation*

### Quick Facts

**Country:** *Bangladesh*

**Mid-Term Evaluation:** *August - October 2015*

**Mode of Evaluation:** *Independent*

**Administrative Office:** *ILO-Dhaka*

**Technical Office:** *Governance*

**Evaluation Manager:** *Pamornrat Pringsulaka*

**Evaluation Consultant:** *Ganesh P. Rauniyar*

**Project End:** *December 2016*

**Project Code:** *BGD/13/09/MUL*

**Donor & Project Budget:**

*Canada -US\$7,500,000 Netherlands - US\$11,100,038*

*United Kingdom - US\$11,100,038 ILO - US\$1,700,000*

**Keywords:** *Bangladesh, clothing industry, labour inspection, labour relation, occupational safety, industrial accident, working conditions*

### Background & Context

**Summary of the project purpose, logic and structure:** The project aims to create a safe and compliant ready-made garment (RMG) sector and its immediate objective is that Workers and employers are aware of their rights and responsibilities about occupational safety and health,

labour inspections and building, fire and electrical safety. Two specific outcomes are:

- *Regulatory institutions implementing relevant inspections in accordance with national legislation and in line with international labour standards and*
- *Employers and workers organizations effectively supporting compliance through social dialogue and sound industrial relations.*

The project has five key components:

- Building and Fire Safety Assessment
- Strengthening Labour Inspection and Support Fire and Building Inspection
- Building OSH awareness, capacity and systems
- Rehabilitation and skills training for Rana Plaza building victims and survivors, and
- Implementing a Better Work programme

The RMG factories are concentrated in Dhaka, Gazipur, Narayanganj and Chittagong districts; about half in Dhaka district alone. A team of 20 staff and consultants manage the project under the leadership of a Programme Manager under the overall guidance of the ILO Bangladesh Country Director and broader RMG umbrella programme of five projects. The project works closely with workers and employers' organizations, regulatory agencies, and development partners with stake in RMG sector. Better Work Bangladesh (BWB) has a separate Programme Manager.

**Present Situation of the Project:** ILO is implementing the project in close collaboration with relevant government agencies, workers and employers' organizations, and development partners with a budget of US\$31.4 million. The Programme Manager commenced duties in July 2014.

At the end of August 2015, the project has utilized 34% of the available funds at midterm.

### **Purpose, scope and clients of the evaluation**

The Midterm evaluation (MTE) aimed to assess the continued relevance of interventions and the progress made towards achieving its planned/revised objectives (as agreed with the donors), that is, accountability. It provides an opportunity to make modifications to ensure the achievement of these objectives within the lifetime of the project. The evaluation offers recommendations and lessons learnt to improve the project's effectiveness and efficiency in achieving its objectives (learning) during the remaining project duration.

The evaluation serves a multitude of stakeholders with direct stake and interest in improved working conditions in Bangladesh's RMG sector. Clients for evaluation include relevant government agencies, workers and employers' organizations, ILO staff and consultants at Headquarters, country office, project office and DWT-New Delhi and Regional Office –Bangkok.

### **Methodology of evaluation**

The MTE followed ILO Evaluation Policy and ILO EVAL Guidelines. Comprehensive terms of reference (TORs) for evaluation formed the basis for evaluation. The MTE adopted a mixed method approach using qualitative and quantitative techniques.

Prior to field work, evaluation team reviewed project related documents and Bangladesh RMG sector related literature to develop a full understanding of the sector. During the fieldwork, evaluation team discussed and interacted with relevant key informants and conducted focus group discussions. It also visited one RMG factory (a new client for BWB) and discussed working conditions issues with a group of trade union representatives and workers. In all, discussions took place with 30 individuals or groups having a direct stake in RMG sector and included project staff, ILO-Dhaka staff, workers and employers' senior representatives, a university, senior officials in government agencies having regulatory and policy stake in RMG sector. The team reviewed financial status of the project and analyzed parameters to confirm that the project was a good value for money. It also critically compared with the progress and analyzed logical framework and results framework (including revisions) obtained from the project team.

The evaluation team presented emerging findings and recommendations at a stakeholders' workshop in Dhaka

and confirmed that the evaluation was on track. ILO shared the draft report with concerned stakeholders and evaluation team addressed the comments in finalizing the MTE report.

## **Main Findings & Conclusions**

### **Relevance**

The project continues to remain relevant and it continues to address the needs of the RMG workers and the victims of Rana Plaza. The project design extensively reflected promoting gender mainstreaming in project activities and gender equality leading to gender empowerment. The project design appropriately reflected donors' priority in improving the working conditions in RMG sector. Recognizing the scale of safety assessment required in RMG factories, donors responded positively.

The evolving crisis at the time of project formulation underestimated the scope of work needed and level of support required. This was partly associated with lack of data on RMG factories and their operational status and partly on low absorptive and implementation capacity in implementing partners. The political dynamics surrounding the approval of Labour Law Implementation Rules (LLIRs) was known to be complicated due to divergent interest in stakeholders and a transition arrangement could have been set up in place until the Rules were approved.

The strategic choice of engaging BRAC for skill training to Rana Plaza building collapse survivors and victims was appropriate and a rigorous due diligence in offering skill development training through Action Aid Bangladesh to the affected people based on market needs rather than off the shelf offerings would have been beneficial.

### **Validity of design**

Project design broadly continues to be valid in addressing stakeholders' needs but requires some adjustments. The project design took into account relevance of all concerned government and social partners and it identified risks and assumptions appropriately considered relevant at that time.

The logical framework and associated results framework proved detailed but too complicated. It overemphasized achievement of outputs and overlooked outcomes and progress towards impact. To some extent, the result framework remained disconnected from logical framework. Clear linkages and choice of SMART indicators taking into account outcomes would have helped to keep project activities focused in right direction.

A detailed institutional analysis at the early stage of project implementation could have helped and provisioned in the project design. Gender analysis good but it lacked results oriented implementation plan.

### **Effectiveness**

Most of the stakeholders have been actively involved in project implementation. The project has strengthened the functioning of NTC but creating a national ownership will take time. ILO has been highly effective in coordinating RMG sector stakeholders, including coordination with key actors like Accord and Alliance. The project has exerted strong influence at the national level and the momentum need to continue.

RMG sector has a number of challenges, constraints, and problems. It needs continued attention. The Achievement of project outputs will progress sufficiently towards planned objectives but fall short in achieving outcomes. However, the project is less likely to achieve its development objectives by December 2016.

The project has missed several milestones stated in the revised results framework and monitoring plan. The project's engagement with the RMG sector unions has been satisfactory but could be better. Youth and gender are two potential growth opportunities in turning the fate of workers in RMG sector.

The project needs to strengthen its knowledge management system, institute a results oriented gender action plan and revisit its communication approach to ensure meaningful outcomes.

### **Efficiency of resources used**

By December 2016, majority of outputs are likely be achieved if external environment continues to remain stable but quality need to be carefully monitored and maintained. The project has strategically deployed resources to achieve project objectives. The economic conversion of input into outputs and results appears satisfactory.

The project has leveraged 27% of resources from other sources but further scope exists. Project activities have significant delays but costs are under control. The project continues to be a good value for money but there is sufficient room to improve.

The project has made some progress in response to DFID's annual review of the project.

### **Effectiveness of management arrangements**

The project enjoys adequate political, technical and administrative support from the ILO and its national implementing partners. The project monitoring mechanism is satisfactory.

The project management structure and technical capacity requires strengthening, even though project management is reasonably satisfactory. Staff are stretched out and a sense of fatigue and potential departure of some of the capable staff cannot be ruled out.

### **Gender issues**

At the factory level, the project needs to promote gender sensitivity working hands in hand with employers and workers. At present, gender action plan is virtually non-existent.

### **Likely impact**

It is too early to expect any direct long-term impact (reflected in the objective) from the project. Better preparation for any potential disaster has no substitute. The impact of Better Work Bangladesh programme rests on its ability to demonstrate better working conditions for workers, lower transaction time and costs for employers, and better compliance for overseas buyers.

### **Likely sustainability**

The project outcomes from the ongoing project cannot sustain without continued support from ILO and international community post 2016. At the present, the project has disbursed only 36% of project funds. There is potential danger to spend at a faster rate without compromising the quality of service delivered under the project. The industry needs to come up with a self-sustaining model for assessment and remediation as well as averting future catastrophe in RMG factories

## **Recommendations & Lessons Learned**

The MTE has 12 recommendations directed to relevant stakeholders:

1. The donors should grant a six month no cost extension to the project since at present absorptive capacity in implementing partners is low and support provided under the project need to maintain quality over time to sustain the benefits.
2. The project must strengthen its capacity by recruiting three experienced Bangladeshi nationals- a Deputy

Project Manager, a Gender Specialist and a Monitoring and Evaluation Specialist.

3. The Government should form a high-level taskforce and institutionalize reforms initiated under the project as soon as possible.
4. The project should formulate a consolidated capacity development road map with pooled resources from all five components and the Training Specialist (under recruitment process) should lead this initiative. The project's Workers Education Expert and Occupational Health Safety Expert/Officer should convene monthly meetings with genuine representatives of RMG workers and employer organizations and support industrial relations.
5. National Tripartite Committee (NTC) should require all RMG factories to submit remediation action to DIFE accomplish required remediation measures within 6-9 months.
6. The Government should review the composition of the Project Steering Committee (PSC), reconstitute it with due representation from the Ministry for the Environment, Ministry of Women and Children's Affairs and Bangladesh Power Development Authority.
7. The Ministry of Housing and Public Works should establish a RMG Cell within the Ministry staffed by a Joint Secretary and the Ministry for the Environment and Ministry of Women and Children's Affairs in consultation with GIZ should develop an environmental and social compliance checklist for labour inspectors to include in their work plan.
8. The Government and ILO Bangladesh Country Office should prepare a transition plan by 31 March 2016 so that current tasks performed by Accord and Alliance can be smoothly transferred under a new arrangement. This must be compatible with any new follow on project formulation.
9. The Better Work Bangladesh must focus on consolidating experience from current factories and demonstrate a sound business case.
10. The project should undertake a full costing for each type of intervention
11. The project should prepare and implement an actionable gender action plan for project staff, RMG workers and employers.
12. The project should strengthen communication, dissemination and knowledge management

#### **Key lessons learned**

1. Under an emergency condition, neutral and credible leadership agency is important to galvanize support for a response mechanism.
2. A complex project design requires additional social preparation time and proper sequencing of interventions.
3. Workplace safety assessment alone does not necessarily guarantee better working conditions unless followed up by remediation. Corrective action plans and implementation of these plans need to follow quickly after assessment.
4. Developing a proper road map based on training needs identified both by supervisors and staff/workers for capacity development certainly helps in achieving intended goal.
5. An effective communication strategy and its implementation plan should be user-friendly and crosscutting as well as applicable to all components of a project.