



ILO - EVALUATION

- **Evaluation Title:** Independent Evaluation of ILO Better Factories Cambodia Programme
- **ILO TC/SYMBOL:** CMB/12/02/USA; CMB/11/50/USA; CMB/00/51/CMB; CMB/00/52/CMB; CMB/05/04/CMB; CMB/05/50/USA; CMB/06/02/IDA; CMB/08/01/NZE; CMB/09/03/UND; GLO/08/52/NET; CMB/06/03/MUL; CMB/10/50/MUL
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- **Administrative Office:** Country Office for Thailand, Cambodia and Lao PDR
- **Technical Backstopping Office:** Better Work
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- **Donor: country and budget US\$** United States Department of Labour (USDOL); Agence française de développement (AFD); USAID; NZAID; Government of the Netherlands; World Bank; UNDP; and foundations of major international brands: 11,300,000 (2006-2015)
- **Evaluation Manager:** Sutida Srinopnikom and Pamornrat Pringsulaka
- **Key Words** labour standard, clothing industry, compliance, clothing worker, working conditions, Cambodia
- **This evaluation has been conducted according to ILO's evaluation policies and procedures. It has been quality controlled by the ILO Evaluation Unit**

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The evaluators have tried within a short time-frame to provide feedback from diverse sources in an accurate and balanced way; and with strenuous attempts to cross-check and verify data, as can be confirmed by many key interlocutors. Any remaining inconsistencies or inaccuracies are therefore not intentional.

The evaluators appreciate the significance and accomplishments of BFC and trust that their recommendations will be considered in the constructive manner in which they have been proffered.

Executive Summary

Independent Evaluation of ILO Better Factories Cambodia (BFC)

Quick Facts

Country: *Cambodia*

Mid-Term Evaluation:

Mode of Evaluation: *Independent*

ILO Administrative responsibility: Country Office for Thailand, Cambodia and Lao PDR

Technical Area: *Governance and Tripartism*

Evaluation Management: Sutida Srinopnikom and Pamornrat Pringsulaka

Evaluation Team: Jane Hailé and Somith Sok

Project End: 2015

Project Code: ILO project #CMB/00/52M/CMB; CMB/00/M51/CMB; CMB/06/03M/MUL)

Donor: Multi donor (USD 11,300.00)

Keywords: *Monitoring Labour Compliance, Garment Trade, Women, Tripartism, Training*

Background & Context

Summary of project purpose, logic and structure

BFC began in 2001 and has been integrated into successive ILO Decent Work Country Programmes (DWCP) for Cambodia. It depends for administrative and operational support on the Country Office for Thailand, Cambodia and Lao PDR based in Bangkok (CO-BKK); and for technical support on the Better Work global programme which is based in Geneva, but is now deploying seven staff to Bangkok.

The BFC is guided by a Programme Advisory Committee (PAC) comprised of Royal Government of Cambodia (RGC), the Garment Manufacturers Association of Cambodia (GMAC) the Trade Unions.

The BFC Programme Logic is as follows:

- **Goal:**
To reduce poverty by expanding decent work opportunities in the garment export industry.
- **Purpose:**
To contribute to the growth of exports of the garment industry in Cambodia through promoting socially responsible production and compliance with Cambodian labour law and core labour standards.
- **Objectives:**
 - Component 1 - To improve compliance with Cambodian labour law and core labour standards.
 - Component 2 - To increase socially responsible production (SRP) in the Cambodian garment industry
 - Component 3 - To promote the Cambodian garment sector project domestically and internationally.
 - Component 4 - To develop tripartite and sustainable systems to support the ongoing operation of Better Factories Cambodia.

- Component 5 – To enhance workers’ access to health and social protection services; and broadening workers’ pre and post garment life skills and economic opportunities.

BFC core services for the achievement of the above are:

- Monitoring and reporting on working conditions against national and international labour standards
- Providing various constructive means of intervention (remediation) at the factory level to ensure sustainable improvement of working conditions
- Facilitation of social dialogue between the social partners and international buyers
- Advocacy activities to promote the garment industry nationally and internationally

Since 2001 BFC has monitored working conditions in approximately 425 registered garment exporting factories mainly in the greater Phnom Penh area, and has provided training and advisory services to many factories.

Present Situation of the Project:

The project has begun a new phase of operation for the period 2013-2015

Purpose, scope and clients of the evaluation

The main objectives of the BFC evaluation are:

- To provide account to the donors, national and international stakeholders in regard to the results achieved by BFC to date.
- To analyse the achievements made and to identify lessons learned in order to improve and guide the future operations of the BFC project vis-à-vis the changing garment industry, changing socio-economic and business environment and the new technical operating environment e.g. the scheduled alignment with the Better Work Programme. This will be achieved by assessing the relevance and coherence of the BFC design, strategy and approach, the efficiency in implementation, effectiveness of its operations, sustainability of results and the impact of the project.
- To provide recommendations for the future direction of BFC.
- To identify lessons learned from BFC strategies, policies and operations to be transferred and integrated where applicable in the operations of the ILO/IFC Better Work Programme, as well as the ILO as a whole¹.

The principal clients for the evaluation are BFC’s management team and the Better Work Programme, both the Global Programme based at the ILO HQ in Geneva and Better Work country programmes particularly in Asia (Indonesia and Vietnam). The evaluation will also inform the ILO Country Office for Thailand, Cambodia and Laos PDR based in Bangkok, the Decent Work Team-Bangkok, and the ILO Cambodia project office. Secondary clients include BFC donors and national and international stakeholders.

Methodology of Evaluation

The evaluation was conducted through desk study of reference materials; and a twelve –day mission to Phnom Penh to meet the BFC management team and key stakeholders.

¹ ToR for the evaluation page 2. See Annex I. Evaluator’s copy of ToR is dated March 2012.

Reference materials consisted of data generated by the programme; previous studies and evaluations; and academic studies and reports.

Briefings were held with ILO CO-BKK & ROAP staff en route to and from Phnom Penh.

Main Findings and Conclusions

The establishment of BFC programme document for the period 2013-15 is noted as a very welcome development which will enable greater coherence across core services and funding sources as well as better monitoring and evaluation of the programme.

Relevance:

Overall BFC is considered relevant in the sense that its operations have improved garment factory working conditions; which in turn is assumed to have had a positive impact on growth of Cambodia's garment exporting industry, though non-BFC factors in the global and regional economy are also recognized to have been influential. Despite much progress labour conditions in the garment exporting industry are still deemed inadequate and the need for continued, enhanced and expanded monitoring is clear. BFC's responsiveness to changing needs, by for example introducing remediation activities has enhanced its relevance, and continuing quantitative and qualitative enhancements are needed to retain that relevance. BFC status as an ILO programme and part of the DWCP for Cambodia is considered an important aspect of continuing relevance.

Validity/Coherence of Design:

This section summarizes evaluation findings on programme design including use by BFC of previous evaluation findings; the Public Reporting for Improvement (PRI) Initiative; alignment with ILO/IFC Better Work programme; and BFC collaboration on to cross-cutting issues such as gender equality and other developmental issues addressed under special projects such as the Social Protection and Gender (SPG) project and under the MDG-Fund. The establishment of a programme document for the period 2013-15 is noted as a very welcome development which will enable greater coherence across core services and funding sources as well as better monitoring and evaluation of the programme. It is not clear whether or not the findings of previous evaluations have been taken on board. Whilst most stakeholders expressed a need for BFC's enhanced transparency the PRI as understood by them stopped short of meeting that need by its perceived exclusive emphasis on the responsibility of garment manufacturers for working conditions in the factory. BFC monitoring process needs to be more sophisticated and nuanced in order to take full cognizance of the dynamics of intra-factory relationships and in particular of the actual and potential role and potential of international buyers in influencing working conditions. Alignment with ILO/IFC Better Work programme was not understood in great detail by the majority of those interviewed but generally assumed to be a positive development. BFC collaboration in special projects(e.g. SPG,MDG-F) had generated interesting experience and materials appreciated by their intended audience though the lasting benefits to the programme itself were less clear. Many interlocutors felt that BFC should focus on its core function of compliance monitoring and use information generated to leverage collaboration and support from other actors rather than taking on more activities itself. Gender equality mainstreaming is uneven and needs to be systematized by linkage to key players in the national gender equality machinery at policy and institutional level.

Project Progress and Effectiveness:

BFC continues to expand the number of registered garment factories monitored in addition to monitoring in 2012 some footwear factories, and some un-registered garment factories. However, frequency of monitoring visits has declined due to resource limitations. The Project Advisory Committee (PAC) meets regularly but could probably be engaged as a body more frequently in more substantive discussions and decisions. Closer internal coordination between core services (monitoring, training) would be mutually beneficial as would be enhanced collaboration with other DWCP programmes and the resources of the CO-BKK and ROAP. Proposals are made for the refinement of the monitoring tool and the monitoring process overall; and for more strategic and user- focussed training, advocacy and information activities, and for more in-depth analysis of data available under IMS and other data-bases in use.

Stakeholder and Partner Engagement:

Both trade unions and employers proposed that BFC should remember to its tripartite roots and avoid the appearance of bias in its monitoring process and in overall dealings with tripartite constituents. Many interlocutors felt that BFC needed to engage much more fully with buyers in recognition of their actual or potential influence on factory working conditions; this would be in line with BFC's own statements in the PRI and elsewhere about the importance of reputation-sensitive buyers in improving compliance. The dynamics of the relationship between buyers and suppliers needs to be more fully understood and monitored; the Buyers Forum needs to include non-CSR staff of international companies in order to avoid preaching to the converted; information on the numbers of buyers working with each factory, and their exclusive or other use of BFC reports should be compiled. The existence of a unified project document will enable better articulation and synergies between funds from different sources. BFC may wish to use its information resources to leverage collaboration and inspire projects managed by other entities rather than taking so many activities under the BFC umbrella.

Project Management Arrangements:

BFC/CTA reports both to the Director CO-BKK, and the BW Director, Geneva. An organization chart showing BFC linkages with other ILO and ILO/IFC units, as well as with the PAC should be developed. The establishment of the new programme document will enhance the process of BFC-wide work planning and reporting.

Adequacy and efficiency of Resource Use:

If BFC is to maintain and expand its current scope of monitoring and other core services additional funds will need to be mobilized from some or all of the following sources; international donors including IFC; strengthened training and advisory services and sale of reports; and larger contributions from its tripartite donors.

Impact Orientation:

In the period under evaluation (2007-2012) BFC has lacked the comprehensive programme framework necessary for a full impact assessment nevertheless analysis of BFC data and a number of academic studies and surveys testify to the positive impact of the programme. A clearer assessment of impact will be available under the programme 2013-2015.

Sustainability Issues

It appears that for the foreseeable future BFC will remain as a flagship ILO programme and a key part of the DWCP Cambodia, with technical links to BW global programme. Different funding options and sustainability plans are proposed under the new programme now underway.

Recommendations and Lessons Learned

1. BFC needs to demonstrate its commitment to **tripartism** more consistently in to respond to charges of bias made by both trade unions and employers. This would require, as is envisaged in the new programme document, an enhanced and more substantive role for the PAC with respect to both policy and technical issues going forward, as well as refinements to the core monitoring process as proposed.

Responsibility: BFC, PAC, CO-BKK, DWT

2. BFC needs to position itself more clearly as a **user-oriented information programme**; a source of high quality, comprehensive, un-biased, easily accessible data on working conditions in the garment industry and beyond; and integrated approaches to improve those conditions.

Better management of information requires inter alia that the improved data entry and retrieval system permits a unified analysis and presentation of information across all core services. The system should be able to easily provide for all factories monitored a comprehensive picture of in-factory BFC and non-BFC training and advisory services; and numbers and identity of buyers and their auditing and remediation activities.

The data system needs to provide clear information on annual rather than six-monthly or quarterly trends; and to be able to generate information on core services such as training and advocacy across all donor sources.

Better analysis, management and dissemination of information will enable BFC to pro-actively leverage substantive collaboration with other stakeholders and partners in the industry, in the development community, in academia, in the private sector and civil society rather than taking on more activities itself.

Responsibility: BFC, PAC, CO-BKK, DWT

3. **BFC** should move beyond what seems to many (employers, trade unions, independent researchers) to be a narrow and punitive approach to monitoring. **The monitoring tool and process should be revised by tripartite constituents and buyers**; the monitoring visit should be an entry point for social dialogue on working conditions between all parties concerned (tripartite constituents and buyers). Monitoring reports should explain shortfalls in compliance and clearly ascribe responsibility, as well as recognizing positive achievements. Monitoring reports need to be discussed with all stakeholders before being revised and published, and available to all parties afterwards.

The current proposals for enhanced transparency in reporting should be broadened in the light of this change of orientation

The benefit to the factories of receiving fewer monitoring visits if one agreed monitoring tool were acceptable to all would also be considerable.

A new approach to compliance monitoring would also require substantive capacity-building for BFC monitors

Responsibility: BFC and PAC; DWT, Better Work, Buyers Forum.

4. **BFC training and advisory services** need to be framed by a **comprehensive strategy with clear targets and indicators** which would articulate activities funded from different sources. Development of such a strategy would require inter alia the establishment of a more detailed baseline for BFC training in qualitative as well as quantitative terms, including a better identification of the needs of different potential audiences in the factory, amongst tripartite constituents and beyond. This would also enable BFC to establish a better market niche and to market themselves better relative to the other types of training currently available locally and from international buyers. BFC training activities and experience should continue to provide a valuable input to the Global Better Work programme at the global level and through inter-country exchange.

Responsibility: BFC, PAC, Better Work, DWT

5. Although in the foreseeable future the monitoring process will continue to be led by BFC this should be accompanied by **building capacity** of government partners to collaborate in and eventually to assume this function. To enhance capacity and credibility of government monitors requires not only skills training by BFC and others but attention by the RGC to the working conditions (salary, transport etc) which currently undermine the effectiveness and reputation of government inspectors.

Strengthening the capacity of Trade Unions with respect to their own responsibilities for workplace conditions has been expressed as a continuing need.

Responsibility: BFC, PAC, ILO DWCP Cambodia, DWT

6. There is a need to develop a comprehensive **advocacy and information strategy** complementary to but distinct from training services. This strategy needs to define local and international audiences more precisely, their information needs and the consequent choice of materials, media and monitoring/evaluation processes. This strategic approach to information would underpin involvement of existing and potential stakeholders, and would clarify BFC profile within and beyond the ILO and the ILO/IFC Better Work programme. Whilst negative information, such as that concerning the so-called mass fainting, seems to have travelled efficiently to the ultimate consumers there also seems to be scope for exploring the possibility for more positive communication with the international consumers, whose behaviour and views directly influences international buyers.

BFC should consider launching a web-based survey to ascertain views of various audiences with respect to all information products (monitoring reports, training and advocacy materials) in order to develop products which best respond to user needs and interests in both content and frequency.

Responsibility BFC, PAC; DWT, ROAP, ILO/IFC Better Work

7. BFC needs to **engage more constructively with international buyers** in factories monitored in recognition of the important influence they have on working conditions. The factory monitoring process should also collect information about buyers' own auditing and remediation activities. With respect to the six-monthly Buyers' Forums BFC should explore the possibility of attracting a broader group of interests from the **buyers beyond those concerned only with CSR** to those concerned with sourcing and production decisions.

Responsibility: BFC, PAC, BW, Buyers Forum

8. The **complementarity of BFC, DWT and Better Work** needs to be further defined in order to determine what activities can best be done and by whom at the global ,regional or country-specific level. Careful attention must be given so that apparent efficiencies of doing something at a global level e.g. producing training materials do not have a negative impact upon their effectiveness at the country level. There appears to be great scope for cross-country research activities in areas such as minimum wage, factory and worker movement across boundaries and many other topics.

Responsibility: BFC, CO-BKK, DWT, BW

9. More attention should be given to **mainstreaming gender** equality in the BFC project at policy, institutional and beneficiary levels. The policy framework already exists at the level of the RGC and individual ministries. Links with these policy frameworks and the associated 'gender machinery' would help to ensure that gender equality is more thoroughly mainstreamed at the institutional level (e.g. PICC and trades unions) as well as to counter discrimination and harassment currently experienced by factory workers. Implementation of such an approach would require BFC staff to expand their interaction with colleagues in key ministries to those specific groups responsible for gender equality mainstreaming i.e. the Gender Mainstreaming Action Groups (GMAGs) who have all developed in collaboration with MoWA Gender Mainstreaming Action Plans (GMAPs). Such collaboration should help to ensure that gender inequality issues being addressed by responsible groups (RGC, NGO, donor) which include all types of discrimination and harassment would include the specific population of factory workers.

Responsibility: BFC, PAC, DWT

Important Lessons Learned

There is a need for BFC to balance flexibility and innovativeness, with a bureaucratic need to analyse and document. BFC must continue to balance the legitimately competing needs of various stakeholders, by positioning itself as a neutral and efficient resource of comprehensive information. The new programme document with a fully developed and measurable results framework against which progress can be measured responds to these needs, as will the revisions proposed to core services and re-structuring of the data-base, and re-design of the web-site for better functionality.

Monitoring alone is not enough to achieve compliance; training and advisory services, the roles and responsibilities of employers, trade unions, government and international buyers, and ultimately the consumer all play an important part in improvement of working conditions and this vision needs to be embedded in all project operations and core services. Transparency and tripartism should permeate the entire approach and is much broader than a return to the 'best practice' of 'naming and shaming' individual non-compliant factories. The actual and potential influence of international buyers on factory working conditions needs to be better understood.

Having a majority of women beneficiaries is not equivalent to having mainstreamed gender equality which needs to be integrated systematically at policy, institutional, and beneficiary levels, by inter alia ensuring women's access to leadership positions in trades unions, to maternity and child protection, and to protection against discrimination and harassment.

BFC should focus on its core services and use better management of its data to leverage collaboration with a wide range of domestic and international services rather than trying to include myriad projects under the BFC programme umbrella.

List of Acronyms

AC	Arbitration Council
ACILS	American Center for International Labour Solidarity
BFC	Better Factories Cambodia
BW	Better Work
CAMFEBA	Cambodian Federation of Employers and Business Associations
CCC	Clean Clothes Campaign
CTA	Chief Technical Advisor
CLEC	Community Legal Education Centre
DWCP	Decent Work Country Programme
GMAC	Garment Manufacturers' Association in Cambodia
IMS	Information Management System
MFA	Multi-Fibre Agreement
MoC	Ministry of Commerce
MoLVT	Ministry of Labour and Vocational Training
MoSA	Ministry of Social Affairs
MoWA	Ministry of Women's Affairs
PAC	Project Advisory Committee
PICC	Performance Improvement Consultative Committee
PRI	Public Reporting for Improvement Initiative
RGC	Royal Government of Cambodia
SPG	Social Protection and Gender Project
SST	Supervisory Skills Training
TATA	US-Cambodia Textile and Apparel Trade Agreement

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1. Background to the BFC programme

1.1 Country Context²

Cambodia, in comparison with some of its neighbours, is a relatively late-comer to the garment industry with her garment exporting industry coming into prominence only in the late 1990s, due largely to an influx of foreign investment from Hong Kong, Taiwan, Malaysia and Singapore earlier in the decade. The garment factories currently represent about 30% of the country's foreign direct investment with less than 5% of the factories being owned by Cambodians. Most of the factories, which on average employ 1,000 workers, are situated on the outskirts of Phnom Penh from where the products are transported by road to Sihanoukville for export overseas.

The Cambodian economy is highly dependent on the garment sector which is the country's single largest industrial sector accounting in 2010 for between 70% and 80% of the country's exports reaching according to some sources 90% in 2012. Today the garment industry is Cambodia's largest formal sector employer, with exports worth US\$4 billion per year. Over 90 per cent of Cambodia's garment factory workers are female and the average age of a garment worker is 24 years old, meaning that the primary beneficiaries of BFC's work are young women. An estimated 1.75 million Cambodians are sustained through remittances that these workers send home to their families mainly in rural areas.

The rapid expansion of Cambodia's garment exporting industry owes much to the early special access to US markets, access which was conditional on Cambodia's willingness to improve labour standards in its export industries. Until the end of 2004 Cambodia was also assisted by the provisions of the Multi-Fibre Arrangement (MFA) on Textiles and Clothing which in effect restricted the amount that major producers such as China could export, thus providing a window of opportunity for smaller and newer entries into the market place such as Cambodia.

Against most predictions when the MFA ended the Cambodian garment industry continued to grow – with the exception of a period 2008-2009 when the country was hit by the global financial crisis, and suffered a downturn in terms of exports, number of factories working, and employment. Economists and scholars see many reasons for the continued growth of the Cambodian garment industry including relaxation of the EU's rule of origin³ and the shift of orders from China and Vietnam to Cambodia; the government's Foreign Direct Investment (FDI)- friendly policy; and frequent dialogue amongst stakeholders including the government, industrial organizations, labour unions, buyers and the ILO.

Challenges remain in terms of high unofficial costs, and high costs for electricity and transport, frequent labour disputes, relatively low productivity of workers and for the latter the still very modest minimum wage though this may be increasing in the current situation of labour shortage.

² Sources: How has the Cambodian Garment Industry Evolved (Yoko Asuyama and Seiha Neou); Challenges to the Cambodia Garment Industry in the Global Garment Value Chain (Kaoru Natsuda, Kenta Goto, and John Thorburn); From downturn to recovery: Cambodia's garment sector in transition (Sukti Dasgupta, Tuomo Poutiainen, David Williams).

³ According to the EU rule of origin policy in effect since the beginning of 2011 Lesser Developed Countries can export duty free to the EU even if the country only partakes in the processing of finished products as is the case for Cambodia which imports all its fabric for the garments exported.

The low labour costs have attracted many buyers and new factories to Cambodia which in turn has resulted in a perceived shortage of workers by some employers and a consequent increase in wages and benefits to attract workers. Other factories have re-located from the outskirts of Phnom Penh to rural areas nearer to where the workers have their homes.

A recent article in the New York Times⁴ which is based inter alia on interviews with key donors and other stakeholders in Phnom Penh reflect the volatility of the garment industry globally and in the region. It reports that foreign companies are flocking to Cambodia for the simple reason that they want to limit their overwhelming reliance on factories in China where blue-collar wages have surged 'quadrupling in the last decade as a factory construction boom has coincided with waning numbers of young people interested in factory jobs. Starting last year, the labor force has actually begun shrinking because of the "one child" policy and an aging population.'

In this situation whilst 'wages and benefits often remain below levels needed to provide proper housing and balanced diets, the manufacturing investment — foreign direct investment in Cambodia rose 70 per cent last year from 2011 — is starting to raise millions of people out of destitution' and 'overall monthly compensation for industrial workers has jumped as much as 65 per cent in the last five years in Cambodia, although from such a low base that workers here remain among the poorest in Asia.'

According to the same article last year was the first time since comparable recordkeeping began in the 1970s that Cambodia received more foreign investment per person than China.'

Increasingly factories are 'introducing employee benefits that were previously rare in Cambodia, like medical insurance, accident insurance, education allowances and free lunches. Cambodian workers sew 15 to 30 per cent fewer sleeves per day than their Shanghai counterparts, but productivity in Cambodia has been catching up and the cost is less than a third of China's

The past, current and future role of the ILO programme, Better Factories Cambodia (BFC), was reviewed by the present independent evaluation against this broader background.

1.2 ILO Better Factories Cambodia (BFC) programme.

The mandate of the ILO Better Factories Cambodia programme is to help build the economy and competitiveness of Cambodia through performing assessments in factories based on Cambodian Labour Law and other relevant laws in Cambodia and internationally recognized core labour standards, to report on its findings publicly through its information management system (through industry-wide synthesis reports and individual enterprise reports) and to help improve working conditions and productivity through providing advisory services and training.⁵

The programme is supported by the Royal Government of Cambodia (RGC), the Garment Manufacturers Association of Cambodia (GMAC) the Trade Unions, international donors and international buyers. The BFC is guided by a Programme Advisory Committee (PAC) comprised of RGC, GMAC and Trade Unions members. The PAC exists to guide the project and has important monitoring and evaluating functions in addition to its advisory role.⁶

BFC is integrated into successive ILO Decent Work Country Programmes (DWCP) for Cambodia. It depends for administrative and operational support on the Country Office for Thailand, Cambodia

⁴ New York Times (10/04/2013) 'Manufacturers Jump Ship from China to Cambodia'

⁵ Memorandum of Understanding between the Royal Government of Cambodia, the Garment Manufacturers Association in Cambodia and the International Labour Organization on the ILO Better Factories Cambodia Programme(July 2011)

⁶ PAC ToR point 6

and Lao PDR based in Bangkok (CO-BKK); and for technical support on the Better Work global programme which is based in Geneva, but is now deploying seven staff to Bangkok. BFC also draws upon the resources and expertise of the ILO Decent Work Team (DWT) based in Bangkok and of other colleagues in Geneva. BFC has adopted the Better Work financial management model and signs its own contractual documents with counterparts. Human Resources aspects of BFC continue to be under ILO management and the Director CO-BKK administers and deals with political issues. BFC Chief Technical Advisor (CTA) deals directly with constituents in matters such as signing of MOUs with the RGC. The CTA continues to report to CO-BKK Director as well as BW Director Geneva⁷.

BFC represents the largest national export factory monitoring system in the world. Since 2001 BFC has conducted over 3,000 factory assessments assessing working conditions in over 300 apparel factories per year employing approximately 400,000 workers⁸.

According to the Terms of Reference (ToR) for the evaluation (March 2012) the BFC has had a budget of USD 11, 300,000 in the period 2006-2015⁹.

The BFC Programme Logic is expressed in the ToR as follows:

- Goal:
To reduce poverty by expanding decent work opportunities in the garment export industry.
- Purpose:
To contribute to the growth of exports of the garment industry in Cambodia through promoting socially responsible production and compliance with Cambodian labour law and core labour standards.
- Objectives:
 - Component 1 - To improve compliance with Cambodian labour law and core labour standards.
 - Component 2 - To increase socially responsible production (SRP) in the Cambodian garment industry
 - Component 3 - To promote the Cambodian garment sector project domestically and internationally.
 - Component 4 - To develop tripartite and sustainable systems to support the ongoing operation of Better Factories Cambodia.
 - Component 5 – To enhance workers’ access to health and social protection services; and broadening workers’ pre and post garment life skills and economic opportunities¹⁰

BFC core services for the achievement of the above are:

⁷ Information from ILO Country Office for Thailand, Cambodia and Laos PDR, Bangkok

⁸ The most recent data suggests that there are currently around 425 garment factories registered though this changes on a daily basis. BFC monitors over 300 garment factories per year (Email from CTA 21/04/2013). See also section 4.3b 1 Labour Compliance Monitoring

⁹ See Annex I for Terms of Reference, and Annex iv for a more detailed breakdown of donor and non-donor funding over the period.

¹⁰ The Social Protection and Gender (SPG) project for Cambodian garment workers (2010-2012) funded by the Agencia Española de Cooperación Internacional para el Desarrollo (AECID) designed in response to the global economic crisis to enhance workers access to health and social protection services, life skills, new economic opportunities, leadership etc was designed to form Component 5 was not reflected across all documents including the ToR for the evaluation.

- Monitoring and reporting on working conditions against national and international labour standards
- Providing various constructive means of intervention (remediation) at the factory level to ensure sustainable improvement of working conditions
- Facilitation of social dialogue between the social partners and international buyers
- Advocacy activities to promote the garment industry nationally and internationally

BFC has its origins in the bilateral agreement on textiles and apparel between the United States government and the RGC signed in 1999. The original agreement lasted for three years and it was later extended until December 2004. This agreement tied potential increases in the quota of garments manufactured in Cambodia and exported to the United States to demonstrated improvements in compliance by Cambodian garment factories with internationally agreed core labour standards and Cambodian Labour Law.

In order to support this endeavour the ILO was requested to undertake from 2001 a technical assistance project to create a system to monitor compliance with labour standards and to assist factories in Cambodia to improve working conditions. This project involved collaboration with and between ILO's traditional tripartite partners, namely, the RGC, employers from the textile and clothing industry represented by GMAC and the Trade Unions. All garment factories with an export license from the Ministry of Commerce are required to accept assessment by the BFC monitors.

The original programme began in January 2001 and was extended until December 2005 despite the expiry during this period of the original US-Cambodia trade agreement and the related international Multi-Fibre Arrangement. The major external donors throughout this period have been the US Department of Labour (USDOL), the World Bank, and the Agence Française de Développement, with additional funding from RGC, GMAC, and international buyers through purchase of monitoring reports¹¹.

During 2005 efforts were undertaken successfully to expand the donor base and simultaneously to begin the process of developing a new organizational and financial structure for the project that would enable it to become a functional Cambodian entity without direct ILO input by the end of the calendar year 2008. As it became apparent that this sustainability target was too ambitious ILO's involvement was extended for two more years until the end of 2010.¹²

Another Memorandum of Understanding (MoU) between the RGC, GMAC, and the ILO was signed in July 2011 extending ILO's involvement until the end of 2013 through direct financial contribution from the RGC, from GMAC and from Cambodian Trade Unions¹³ and by the international garment buyers based on fees for access to the factory monitoring reports, and for training and advisory services rendered.

ILO's involvement therefore has continued throughout 2011 and 2012 though many of the traditional sources of funding have come to an end. A new programme document developed to cover the period 2013 – 2015 was shared in draft form with the evaluators.

¹¹ Since 2001 the project has received direct funding from the following donors: United States Department of Labor (USDOL), Agence Française de Développement (AFD), AECID, United States Agency for International Development (USAID), New Zealand's International Aid & Development Agency (NZAID), Government of The Netherlands, World Bank, United Nations Development Programme (See attachment to ToR at Annex i for details of current donors).

¹² See Sections 4.8 Sustainability Issues

¹³ Memorandum of Understanding (MoU) between Royal Government of Cambodia, Garment Manufacturers Association in Cambodia and International Labour Organization on ILO Better Factories Cambodia Programme.

In the early years the project focused on establishing the monitoring and reporting system and getting commitment to that underlying approach from various stakeholders. Gradually the monitoring and reporting system has been expanded to all registered garment exporting factories.

A significant loophole in mandatory labour standards compliance reporting system lies in the fact that non-registered factories, which are not subject to assessment may be sub-contracted by registered factories to undertake the work. Stakeholders interviewed estimated the number of non-registered sub-contracting factories could be as many as 2,500- 3,000 though precise numbers are not available. The recent report by the Community Legal Education Centre (CLEC) and the Clean Clothes Campaign¹⁴ summarizes the situation as follows 'manufacturers frequently use sub-contracting factories to evade monitoring. Working conditions there are typically significantly worse than in the registered ones, while trade unions are virtually non-existent'. The same report adds that garment factories not exporting are also not monitored.

In 2012 BFC has monitored some footwear factories and some unregistered sub-contracting factories and according to the ILO DWCP 2011-15 and the new BFC project document (2013-15) will expand this effort. This planned expansion would appear to require significant increase in human and financial resources.

Since 2003 attention has also been given to enhancing the capacity of the RGC, factory management and trades unions not only to identify problems with compliance but also to implement solutions through training and consultancy services offered by the project. BFC offers a regular menu of 10 different training courses in addition to advisory services and customized training.

A variety of worker education initiatives have been taken several of them involving collaboration with local media. BFC has reached thousands of workers through advocacy programs in addition to its monitoring and training activities including a Garment Workers Open University program and Supervisor's College training. Some larger developmental initiatives have been undertaken in the field of Social Protection and Gender (with AECID) and in relation to the MDG-F Joint Programme with UN donors and bilaterals including AECID¹⁵.

Since 2007 BFC has become progressively aligned with the ILO/IFC Better Work global programme which it was instrumental in inspiring. These activities are discussed in more detail below at Section 4. 2.

2. Evaluation Background

The current evaluation is the first independent evaluation to be managed by ILO in the life of BFC¹⁶. It was originally scheduled for early 2011 prior to the arrival of the current Chief Technical Advisor (CTA). The ToR though revised in May 2012 did not reflect some important developments, such as the signing of a new MoU (2011); and the approval later in 2012 of a project document for the period 2013-2015. The establishment of a new two-year programme appeared to the evaluators to pre-empt the current evaluation. However the CTA felt that it would still be useful to have an 'external party seek comment and input from all of our stakeholders' as this had never been done and could still feed into the new programme document¹⁷.

¹⁴ 10 Years of the Better Factories Cambodia Project: A critical evaluation (August 2012) page 19

¹⁵ See below at Section 4.2 Validity/Coherence of Programme Design

¹⁶ Information from the Evaluation Managers 28/03/2013

¹⁷ E-mail exchange between Evaluator and CTA Jill Tucker 07 January 2013

The main objectives of the present evaluation are:

- To provide account to the donors, national and international stakeholders in regard to the results achieved by BFC to date.
- To analyse the achievements made and to identify lessons learned in order to improve and guide the future operations of the BFC project vis-à-vis the changing garment industry, changing socio-economic and business environment and the new technical operating environment e.g. the scheduled alignment with the Better Work Programme. This will be achieved by assessing the relevance and coherence of the BFC design, strategy and approach, the efficiency in implementation, effectiveness of its operations, sustainability of results and the impact of the project.
- To provide recommendations for the future direction of BFC.
- To identify lessons learned from BFC strategies, policies and operations to be transferred and integrated where applicable in the operations of the ILO/IFC Better Work Programme, as well as the ILO as a whole¹⁸.

The evaluation examined the relevance, validity, effectiveness, impact and sustainability of all aspects of the project and the inter-relationship; as well as the linkages between BFC and the Decent Work Country Programme and BFC's alignment with the ILO/IFC Better Work Programme.

The evaluation exercise was guided by six core evaluative questions namely: the **relevance** of the BFC to the development, socio-economic, political, business environment and priorities of the Cambodian Government; the **coherence** between BFC's focus and DWCP Cambodia, its integration and coordination with other projects and other actors in Cambodia; and the **effectiveness** of the project to assess the progress and achievement made on the four components; the **sustainability** of project achievements, with particular attention given to institutional and financial sustainability; and the **impact of the BFC's activities** i.e. whether the BFC has promoted improvements in the lives of workers and has informed policies and approaches beyond the garment sector.

'The principal clients for this evaluation report¹⁹ are BFC's management team and the Better Work Programme, both the Global Programme based at the ILO HQ in Geneva and Better Work country programmes particularly in Asia (Indonesia and Vietnam). The evaluation will also inform the ILO Country Office for Thailand, Cambodia and Laos PDR based in Bangkok, the Decent Work Team-Bangkok, and the ILO Cambodia joint programme office. Secondary clients include BFC donors and national and international stakeholders'.

Evaluation Managers were Sutida Srinopnikom and Pamornrat Pringsulaka. The evaluation team was composed of Jane Hailé and Somith Sok.

3. Methodology & Limitations of the Evaluation

3.1 Methodology

¹⁸ ToR for the evaluation page 2. See Annex I; Evaluator's copy of ToR is dated March 2012.

¹⁹ ToR for the evaluation page 6.

The evaluation commenced on 19 December 2012 and was to be completed on 30 March 2013²⁰. The twenty-nine working days allowed for the evaluation were to be allocated as follows:

- document review and drafting Inception Report home-based (December-February: 5 days). Documents reviewed are listed at Annex iii.
- briefing with Evaluation Managers and other colleagues in CO-BKK and ROAP Bangkok en route for Phnom Penh (07 February).
- mission in Cambodia (08-20 February) which included visits and meetings as indicated in the attached schedule (Annex ii) and de-briefing with the Programme Advisory Committee (PAC) and a Stakeholder workshop. This 12- day period included two weekends. The schedule was arranged by BFC in consultation with the evaluator. Interviews typically lasted for one to one and a half hours.
- Six factory visits were scheduled such that the evaluators were able to visit a range of factories (factory with many BFC assessments; factory signed up for advisory services; footwear factory; factory with variety of BFC interactions (training, workers education etc.); factory with no BFC buyers; factory with recent problem or special investigation).
- There was frequent interaction with the BFC team during this two-week mission and subsequently during the report drafting.
- The list of evaluative questions²¹ included in the ToR was further elaborated in use and this outline has been followed in presentation of the data. Throughout the process emphasis was placed on establishing a participatory discussion during which the interviewees felt free to share new insights and information.
- one-day de-briefing in ILO Regional Office Bangkok (21/02).
- drafting evaluation report and phone interviews with relevant stakeholders located outside Cambodia (7 days) (March – April)²².
- finalization of the Report home-based (2 days).

The evaluation was guided by the ILO's Evaluation Policies and Procedures as defined in the ILO Guidelines on Results- based Evaluation, March 2012 and respected the UN Evaluation Norms and Standards and OECD/DAC quality standards. The evaluation also took into account the mainstreaming of gender equality, as guided by the ILO guidelines on Gender in Monitoring and Evaluation.

3.2 Limitations of the Evaluation

Evaluability of BFC (2007-2012)

A number of issues were raised in the Inception Report (03/02/2013) as to the evaluability of BFC according to ILO's own evaluability assessment procedure²³. These are briefly elaborated here as essential to the understanding of the evaluation's conclusions and recommendations which follow at Section 5.4.

²⁰ Comments on draft final report were received from Evaluation Manager on 04/04/2013 and the final report was revised and returned on 30 /04/2013.

²¹ See Annex i

²² Details of all persons met or talked to are included at Annex iii along with lists of participants in key meetings.

²³ Reference ILO Guidance Note 11, Using the Evaluability Assessment Tool.

A notable feature of the BFC is the absence since its inception in 2001 of a fully -developed programme document with a clear results framework²⁴. Although the MoU of 2001 contains a list of goals and objectives which seems to have remained relatively constant, though not attached to subsequent MoUs, this cannot be considered as a fully developed project or programme document as *inter alia* it lacks targets and indicators, inputs/activities, risks and assumptions against which progress could be judged. A fully developed results framework is needed to articulate into one programme the numerous projects funded by different donors over the life-time of the programme. The new programme document (2013-2015) will fulfil this function and is a welcome development.

Timeframe and scheduling of the Evaluation

As was noted in the Inception Report the time allocated for the task of evaluating this complex multi-donor, multi-project programme over a five-year period (2007-2012) was very modest in relation to the ambitious tasks assigned and the complexity of the programme.

Whilst a wide spectrum of stakeholders were interviewed ... senior government officials, trade unions, buyers, employers and factory management, donors, workers, media, NGOs... it was only possible to meet with very few stakeholders in each category (e.g. five workers, six factory managers in registered garment factories, two officials from the Ministry of Commerce etc). This means that the findings cannot be regarded as statistically representative in any way.

The findings of the evaluation should therefore be regarded as qualitative and impressionistic and would need to be validated by more extensive surveys and enquiry with a larger population as well as more in-depth analysis of the existing BFC data. Such a process should be used to strengthen the baseline for BFC going forward.

A full and in-depth evaluation would also require a review of all material pertaining to the changing country context over the five year period as well as of all material pertaining to all separate projects which have contributed to the BFC programme.

Documentation of BFC

The evaluators have experienced difficulty in establishing a clear and comprehensive 'paper trail' of documentation over the entire period for review²⁵. It would have facilitated the evaluation had comprehensive documentation been provided by concerned units at the start of the process. This is not intended as a criticism of BFC and other ILO staff who have made great efforts to locate key documentation and to respond to requests but feeds into the subsequent recommendation on the need for better management of information going forward, given that 'information' is BFC's main stock-in-trade.

Some key BFC 'milestones' appear not to have been documented at all and are therefore reported as 'hearsay' only. A notable example of this is the abandonment in 2006 of the previous practice of publically reporting factory names and compliance information; a major change in direction attributed to the actions of a previous CTA, but which cannot be confirmed. Other issues upon which better documentation appears to be needed relate to the precise nature of intended alignment between BFC and ILO/IFC Better Work; and the evolutionary twists and turns of the so-called 'sustainability' strategy. This situation points to a need for better documentation of all BFC activities and decisions.

²⁴ This was also noted by previous evaluations for the period under review such as USAID Cambodia Evaluation on Labour/Industrial Productivity (2009). As noted in the previous section a programme document has now been developed and approved for the period 2013-15.

²⁵ An exception to this statement is the Synthesis Reports which provide a statistical snapshot of monitoring activities over the previous six months but are not intended to be analytical and do not permit a cumulative analysis.

Confidentiality

The evaluators appreciate that BFC works in a complex political and economic environment and that many discussions and decisions must be confidential. It would be helpful however to have a clearer understanding amongst all parties involved as to what is 'internal' and what this status signifies in terms of access granted to outsiders such as independent evaluators. Several of the evaluators' requests for information were met with the information that the data was 'internal'. For example, though two factory monitoring reports were shared with the names of the factories erased reports for actual factories visited were not shared. Only two Technical Progress Reports which provide information across all services both from 2012²⁶ were shared with the caveat that they were internal. A clearer and perhaps narrower definition of 'internal' could enhance BFC's own reputation for 'transparency' which has been challenged by CAMFEBA²⁷, CLEC²⁸ and other stakeholders interviewed as is discussed below.

²⁶ TPRs were provided for 01/07/2012- 30/09/2012 and 01/10/2012-31/12/2012

²⁷ Draft report of a CAMFEBA employers' survey shared by ILO/ACTEMP advisors based in Bangkok.

²⁸ Ibid footnote 12

4. Main Findings of the Evaluation

4.1 Relevance

Overall BFC is considered relevant in the sense that its operations have improved garment factory working conditions; which in turn is assumed to have had a positive impact on growth of Cambodia's garment exporting industry, though non-BFC factors in the global and regional economy are also recognized to have been influential. Despite much progress labour conditions in the garment exporting industry are still deemed inadequate and the need for continued, enhanced and expanded monitoring is clear. BFC's responsiveness to changing needs, by for example introducing remediation activities has enhanced its relevance, and continuing quantitative and qualitative enhancements are needed to retain that relevance. BFC status as an ILO programme and part of the DWCP for Cambodia is considered an important aspect of continuing relevance.

BFC Relevance to Country Context

Overall BFC was considered by all stakeholders interviewed as still relevant for continued improvements of working conditions in the Cambodian garment exporting industry, and for enhancing Cambodia's reputation abroad. Appreciation was expressed for the credibility and experience of the BFC team; and the fact that BFC has responded to changing needs by combining monitoring with remediation, and engaging with both tripartite constituents and buyers. BFC has also demonstrated its relevance in responding to specific situations arising in the environment as through its response to the mass faintings of 2011 and 2012 through a series of information and training activities discussed below at paragraph 4.3 b2.

Achievements in improving working conditions and addressing specific issues of concern are confirmed by BFC's own monitoring process, as well as by research and studies by NGOs and academic institutions²⁹. It is clear however that despite achievements many challenges remain in relation to the minimum wage, excessive overtime, OSH, use of fixed duration contracts to avoid paying maternity and other benefits, strengthening capacity and responsibility of trade unions, and enhancing the capacity of government partners and especially the labour inspection services.

BFC's status as an ILO flagship programme, and the fact that it is a mandatory programme are both important formal conditions for its continuing relevance according to most interlocutors (government, employers, trade unions). Some critics amongst employers expressed scepticism as to whether BFC would survive in the 'open market' in competition with other private monitoring bodies if it were without the ILO brand and the mandatory status accorded by the RGC.

Many stakeholders expressed the view that to remain relevant to the Cambodian labour market BFC needed to expand its coverage beyond the approximately 425 registered garment factories, as it has begun to do already in 2012. Expansion of the current scope of monitoring beyond the registered garment factories and to non-garment factories appears to require strengthening of BFC but also capacity-building by BFC for government inspectors.

International buyers continue to find BFC reports relevant though they have not yet replaced monitoring and auditing by all buyers. According to the Technical Progress Report for the period

²⁹ See inter alia https://ir.ide.go.jp/dspace/bitstream/2344/930/1/ARRIDE_Discussion_No.268_asuyama.pdf and http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2210743

01/10/2012 to 31/12/2012 36 buyers and brands have subscribed to BFC reports in 2012, and a total of 206 factories have had reports accessed by buyers for a total of 429 reports. BFC does not have data as to how many buyers rely exclusively on BFC reports. Some buyers use the BFC report as a basis for their own additional auditing particularly on environmental or OSH issues; some buyers relied upon either the individual factory report which they purchased or even the Synthesis Reports which are very general and do not provide comment on specific factories.

Critics (buyers, employers, trade union) noted that the BFC reports with their ILO branding could also be used as an 'alibi' by buyers, factory management and government to shelter behind rather than leading them to make substantive changes required. Some interlocutors (GMAC, CAMFEBA, CLEC) stated that whilst some buyers may be interested in labour standards compliance the cost of implementing necessary changes was usually passed on to the factory owners³⁰.

As discussed in subsequent sections many stakeholders (employers, trade unions) believe that in order to remain relevant and competitive BFC needs to up-date the monitoring process, and the training and advisory services, and the connection between the two; to demonstrate in all its operations a commitment to tripartism and transparency and to engage with international buyers more fully in recognition of their influence on working conditions in the factories.

The BFC is widely recognized as the inspiration for the ILO/IFC Better Work Global Programme now operating in a number of countries, including in the region Vietnam and Indonesia, which demonstrates the continuing relevance of the basic approach. This is discussed further below at Section 4.2.

BFC Alignment with ILO DWCP Cambodia (2008-2010 and 2011-2015)

As a flagship programme of the ILO the BFC is clearly relevant to the broader programme in Cambodia as expressed through the Decent Work Country Programmes of 2008-2010 and 2011-2015 which are themselves aligned with the RGC's Rectangular Strategy for Growth, Employment, Equity and Efficiency and the United Nations Development Assistance Framework (UNDAF). Under DWCP 2008-2010 all four country programme outcomes are of relevance to and embodied by the BFC programme. Under Outcome 1 Increased productive employment opportunities for women and men, youth and people with disabilities, particularly in rural areas a number of initiatives were undertaken aimed at mitigating the effects of the global economic crisis including tracking studies of garment workers, support to regional job centres, training for garment workers on rights, responsibilities and life skills and support to the development of the national social protection strategy. The BFC constitutes the major component under DWCP Outcome 2 Improved respect for the rule of law, a more effective labour law and labour market institutions and practices that comply with international labour standards. DWCP Outcome 3 which covers elimination of child labour and respect for women worker's rights and gender equality is clearly embodied by the BFC programme as is DWCP Outcome 4 which addresses enhanced social protection for workers in the formal and informal sectors and addresses inter alia OSH issues and protection against HIV and AIDS.

Under DWCP 2011-2015 Outcome 2.4 - Effective Progress made to enhance productivity and competitiveness (P&B Outcome 13- Decent Work in Economic Sectors: a sector specific approach to decent work is applied) - specifies BFC under milestones and outputs.

³⁰ See inter alia 10 Years of the Better Factories Cambodia Project: A critical evaluation Community Legal Education Centre & Clean Clothes Campaign (August 2012) page24-25, and the draft report of a CAMFEBA survey shared by ILO/ACTEMP advisors based in Bangkok.

Until the development of the BFC programme document 2013 - 2015 which is outside the framework of the evaluation there has been no reciprocal reference to the ILO/DWCP Outcomes and processes in BFC documentation.

Whilst alignment with DWCP is clear on paper the substantive interaction between BFC and other ILO programmes was less apparent to evaluators and to other interlocutors (trade unions, factory management) who requested enhanced training and other services from BFC which properly belong and are already implemented under the DWCP (e.g. training of trade unions in their responsibilities).

The need for more clarity in the position of BFC vis-à-vis other elements of ILO operation in Cambodia has also been expressed in the 2007 evaluation of BFC, and is reflected in the 2012 evaluation of the Social Protection and Gender Project³¹.

4.2 Validity/Coherence of design

This section summarizes evaluation findings on programme design including use by BFC of previous evaluation findings; the Public Reporting for Improvement (PRI) Initiative; alignment with ILO/IFC Better Work programme; and BFC collaboration on to cross-cutting issues such as gender equality and other developmental issues addressed under special projects such as the Social Protection and Gender (SPG) project and under the MDG-Fund. The establishment of a programme document for the period 2013-15 is noted as a very welcome development which will enable greater coherence across core services and funding sources as well as better monitoring and evaluation of the programme. It is not clear whether or not the findings of previous evaluations have been taken on board. Whilst most stakeholders expressed a need for BFC's enhanced transparency the PRI as understood by them stopped short of meeting that need by its perceived exclusive emphasis on the responsibility of garment manufacturers for working conditions in the factory. BFC monitoring process needs to be more sophisticated and nuanced in order to take full cognizance of the dynamics of intra-factory relationships and in particular of the actual and potential role and potential of international buyers in influencing working conditions. Alignment with ILO/IFC Better Work programme was not understood in great detail by the majority of those interviewed but generally assumed to be a positive development. BFC collaboration in special projects had generated interesting experience and materials appreciated by their intended audience though the lasting benefits to the programme itself were less clear. Many interlocutors felt that BFC should focus on its core function of compliance monitoring and use information generated to leverage collaboration and support from other actors rather than taking on more activities itself.

BFC programme design

As noted by previous evaluations³² the BFC programme logic has not been fully developed with clear targets and indicators which would enable measurement of programme results. The programme logic appears to be top-down and incomplete with no clear link between the activities of core

³¹ Better Factories Cambodia – Independent Final Evaluation Report covering period February 2003-December 2005 (October 2007) project funded by USDOL,RGC,GMAC; and the Report of the Independent Evaluation of Social Protection and Gender Project (2012)

³² Notably the Labor/Industrial Productivity: Activity Evaluations (2009) USAID Cambodia

services and their outcomes and the broader programme objectives. No clear targets or indicators have been developed at any level for the period under review 2007-2012, though this is being rectified under the new programme (2013-2015).

BFC's parameters have been determined more by the numbers of garment factories being registered than by a pro-active approach to establishing clear targets and indicators for achievement in all core services. This will be addressed by the new programme going forward.

The framing of the component objectives themselves for the period under review (2007-2012) also raises some questions. Why is socially responsible production which appears to be an overarching purpose also stated as separate component of the objectives? Does SRP equate with CSR and if so why is the Buyers Forum reported under Component 4.

A new objective component - Component 5 – To enhance workers' access to health and social protection services; and broadening workers' pre and post garment life skills and economic opportunities was added to incorporate the activities of the SPG on signing of that project though those activities contribute to the broad components already in place. Changes to this structure have already been made under the new programme.

As far as the evaluators are aware, there have been no transverse programme-wide strategies in such areas as training, or advocacy and information, which would have served to articulate comparable activities being carried out under different funding sources.

These discontinuities in programme design are reflected inter alia in reporting data management systems used. Currently BFC is working with at least four different data recording systems, IMS (for factory monitoring); Excel files and Manich data-base for information on training, advisory and advocacy services; and Workspace for data needed by the Better Work programme. New and improved systems are being piloted and hopefully a unified system will be established to provide a comprehensive picture across all BFC operations.

The incompleteness of programme design has made understanding of and reporting on BFC as a programme, rather than as a collection of individual donor projects problematic as is discussed in more detail below.

Use of previous evaluation findings

As noted earlier the current evaluation is considered to be the first independent evaluation to be managed by the ILO. There is little documentary evidence to suggest that the findings of other evaluations which related to specific donor-funded projects have been taken on board, and the difficulty experienced by the evaluators in locating previous evaluation reports, with the exception of the USAID report of 2009, appears to suggest that they have not been influential in shaping programme design. Previous evaluation reports³³ appear to have commented rather repetitively on the need to establish targets and indicators, a theme which has been taken up again here. The new project document 2013 - 2015 makes little specific reference to previous evaluations which further suggests that they have not been considered useful to the development of BFC.

It is unclear particularly given its timing how the current evaluation will contribute to the process though the existence now of a unified programme document may make it easier to incorporate any recommendations considered relevant.

³³ See inter alia Better Factories Cambodia – Independent Final Evaluation Report covering period February 2003-December 2005 (October 2007) project funded by USDOL,RGC,GMAC page 35

The evaluators consider that the fact that their findings and recommendations have been reviewed and to a large extent validated by the PAC and a larger group of Stakeholders gives grounds for cautious optimism.

Public Reporting for Improvement Initiative (PRI)

A design issue pertinent to validity of BFC design relates to the need, or otherwise, to return to a system whereby factory reports are publicly disclosed in the belief that will enhance compliance³⁴. This practice was abandoned in 2006 though the reasons for this change are not documented.

The BFC has proposed a Public Reporting for Improvement (PRI) Initiative on the grounds that repeated monitoring by BFC has not enhanced compliance in a large number of factories visited. The PRI provides a welcome example of BFC utilizing the wealth of data available from the monitoring process in an analytical and substantive way to support its argument for enhanced transparency in reporting. The PRI now forms part of the new programme going forward (2013-2015).

The concerned discussion paper states that 'increasingly factory improvements are confined to factories that are relatively new to the BFC programme and to factories that have reputation-sensitive buyers subscribing to the BFC reports'.³⁵ The document states that there is a 'clear link between the degree to which an international buyer is sensitive to public opinion and their supplier factories' compliance behaviour'.³⁶

The BFC proposes two activities under the PRI, namely public reporting on key non-compliance issues which would name specific factories through the synthesis reports, although the concerned factories would be alerted three months in advance prior to public disclosure and be provided with practical instructions in the form of an information sheet which 'references relevant law (if any) and provides practical instructions as to actions the factory can take'.

The second activity would consist of requesting assistance from the Ministry of Labour and Vocational Training (MoLVT) to enforce national labour law in the most perennially noncompliant factories; and Perennially Noncompliant Factories be required to participate in BFC's year long programme of advisory services which are available for a cost of USD2,000 in 2012 increasing in 2013 though being replaced by a tiered pricing scheme for factories of different sizes and in different geographic locations.

This PRI still seems to many (government, employers, unions) to be based on the premise that factory management have the sole responsibility for working conditions in the factory. GMAC, and CAMFEBA in particular as well as some ILO staff see enhanced 'transparency' of this type - colloquially expressed as 'naming and shaming' - as having a strong potential driving buyers away from Cambodia to everyone's detriment .

This argument depends for its force on the belief that international buyers in fact care about labour standards compliance which is contested by some factory managers interviewed. It is also believed that so-called reputation-sensitive buyers often expect remedial action to be taken by the factory rather than taking on the costs themselves.

A recent report notes that 'There is no evidence, however, that buyer's rhetorical enthusiasm for BFC and Cambodia's continued commitment to make progress on labour rights translated into a willingness to pay higher prices to factories so as to allow them to pay higher salaries to workers or

³⁴ Public Reporting for Improvement (PRI) Initiative- A Discussion Paper (BFC) (undated; unnumbered pages).

³⁵ Ibid (first page)

³⁶ Better Work Research Brief 'What Drives Compliance' www.betterwork.org

to make investments necessary to improve working conditions on the factory floor³⁷. Costs are often kept down by shifting workers to temporary contracts, and using subcontracting factories amongst other measures.

The PRI invokes some of the responsibilities of the RGC in improving compliance though only the MoLVT, and not the MoC, is envisaged as being involved, and the exact actions required are not clear.

Management, buyers, unions, workers, and government inspectors all have a role to play in improving factory conditions and this multiple responsibility should be recognized in a refined and more participatory monitoring process, which would involve all stakeholders, and would serve to enhance tripartite constituents and buyer dialogue around workplace conditions. This is further discussed at Section 4.3b1

The Stakeholder Workshop which took place on the closing day of the mission (20/02) had no difficulty with factories being named in the synthesis report as long as the report was the result of a more-rounded and participatory process. The working group dealing with transparency issues considered that reports should also include buyer's and subcontractors' names; should not only be posted on the website but should be distributed to trade unions, and relevant ministries as well as employers and buyers. Some participants felt that all interested parties should sign off on the report, and that any guidance or advice provided by BFC should also be copied to all relevant stakeholders.

The evaluators align themselves with the CLEC report cited above which expresses the view that 'there needs to be more transparency regarding the factories themselves, but also the government and international buyers. Transparency would enhance the credibility of the program and lead to increased compliance. Furthermore as a tripartite body it must be transparent to all three of the involved parties and carefully balance the various interests'³⁸

Transparency is a larger issue than public disclosure of the names of factories monitored and is key to BFC's being recognized as operating in line with principles of tripartism. Transparency should be an issue long prior to the publication of the report and needs to permeate the whole BFC operation from revision of the monitoring tool by tripartite stakeholders and buyers; through the inspection visits and exit meeting; to the reports themselves which would highlight positive (including remediation efforts) as well as negative changes and the responsibilities of all tripartite constituents and buyers for factory working conditions.

Alignment with ILO/IFC Better Work global programme

Whilst there is a tendency to exaggerate the differences between BFC and Better Work (BW) on the part of some respondents and a resistance to the term 'alignment', most interviewees (government, employers) see the value of a global umbrella in terms of visibility, potential for funding, rationalization of effort and exchange of experience and expertise, provided that country-specificity is respected and that there is bottom-up as well as top-down and lateral communication.

In fact the boundaries between BFC and BW are already blurred by exchanges in both directions. The BFC has also lengthened the factory monitoring visits from one to two days (i.e. to four- person days for a two- person team) in line with the BW model and there have already been information and

³⁷ Monitoring in the Dark: an evaluation of the International Labour Organization's Better Factories Cambodia monitoring and reporting program. International Human Rights and Conflict Resolution Clinic, Stanford Law School & Worker's Rights (page 5)

³⁸ Ibid footnote 27 (page 29)

training exchanges and study tours between BFC and other with BW programmes, particularly Vietnam.

The practice of the 6- monthly Buyers Forums was started by BFC and later integrated into the ILO/IFC BW programme globally. The Buyers Forums give international buyers the chance to interact with national stakeholders including representatives of the tripartite constituents, and with key partners such as American Center for International Labour Solidarity (ACILS) and the Arbitration Council Foundation and to discuss country level issues of concern. Those sceptical of the value of the Buyers Forum in terms of improving labour standards in Cambodia have pointed out that the participants on the buyers' side include only those already interested in labour standards compliance and corporate social responsibility, and not those responsible for making decisions as to sourcing and production and that the forum is therefore 'preaching to the converted'. This is addressed further at Section 4.4 Stakeholder and Partner Engagement.

The BW data entry and retrieval system known as STAR which is meant to be rolled out to all participating BW programmes has not yet been adopted by BFC who consider that system less able to record and generate useable data than their current IMS system. BFC is currently piloting new systems for data management.

Under BW monitoring and training and advisory services are 'bundled' so that monitoring leads automatically to training and advisory services which is not the case under BFC. In some BW programme countries monitoring is voluntary rather than mandatory though it is also mandatory in Haiti and Jordan.

Whilst a number of documents and drafts have been provided describing BFC/BW relationship and implications a more clear and concise written statement would still be useful for BFC partners and stakeholders. Many interlocutors believed BW to be a recent development, though it started in 2007, and were not clear about its significance. Two factories visited described themselves as Better Work factories though this cannot have been the case.

Most of the BW contacts and activities seem to be handled directly by the CTA though one staff member was engaged on adapting BW training modules and materials for use in the BFC context. As BFC inspired BW the evaluators trust that this is not a circular process whereby BFC training materials are globalized by BW and then handed back to be adapted to the Cambodian context.

Attention to gender equality and other cross-cutting and developmental issues.

The issue of gender equality appears to have received rather uneven attention in BFC programme design. The new programme document (2013-2015) states that; 'a large majority of workers in the garment industries in Cambodia are women. Therefore (sic), BFC has been incorporating a gender dimension in all aspects of its work, including staff recruitment, compliance assessments, training, information resources, and monitoring and evaluation'. The evaluators note that it is well-recognized that the existence of a majority of women in any situation does not necessarily equate to incorporation of a gender dimension. However, a number of initiatives have been taken.

For example, efforts have been made to ensure that two-person monitoring teams are gender-balanced; the Performance Improvement Consultative Committees (PICC) established in some factories are described as both as 'reflecting the gender breakdown in factories', and having a membership composed of at least half women members, though women in fact make up over 90% of the workforce.

Women also appear to be somewhat under-represented in training activities even allowing for the fact that they are under-represented at supervisory and management levels and therefore less likely participants in training for these groups. The new ToR for the PICC stipulates that 50% of trainees should be women, which will maintain their under-representation.

In general, BFC data is sex-disaggregated; the term ‘man-days’ is still common in documents and should be replaced by gender neutral person days or working days in line with the practice of ILO and other national and international agencies³⁹.

Overall both the DWCP and BFC could benefit from a more coherent statement as to the way gender equality issues are to be mainstreamed. Specific links should be developed both in the documentation and in practice with the well-established gender equality bodies and plans present in key ILO-BFC partner ministries such as the Ministry of Labour and Vocational Training (MoLVT), the Ministry of Commerce (MoC) and the Ministry of Social Affairs. These structures and plans have been elaborated in collaboration with the Ministry of Women’s Affairs (MoWA).

The latter is now developing its fourth five- year gender equality strategy, Neary Rattanak IV, a main plank of which relates to women’s economic empowerment and is therefore directly relevant to the BFC and vice versa. Whilst links at the level of documents such as the Gender Mainstreaming Action Plans (GMAPs) of MOLVT and MoC, and the Neary Rattanak IV do not guarantee concrete collaboration without those documentary links collaboration will be even harder to achieve. At the level of BFC whilst there had been some collaboration with MoWA under the SPG project this had not resulted in any sustained relationship.

Special Projects: SPG & MDG-F

BFC’s core function of factory monitoring raises social and developmental issues which go beyond compliance with Cambodian Labour Law and international core labour standards. BFC has therefore undertaken with support from various donors to address some of these issues through for example the Social Protection and Gender Project and the MDG-F initiative⁴⁰.

The *Social Protection and Gender Project* (CMB/09/04M/SPA) funded by AECID (USD 1,358,693.00) was conceptualized as the social component of BFC although for a variety of reasons detailed in the recent evaluation report⁴¹ it appears not to have been well-integrated into the BFC programme. The SPG Independent Final Evaluation Report (November 2012) states that whereas ‘the project collaborated well with other ILO projects... as well as the MDG-F joint Program it collaborated less well with Better Factories Cambodia(BFC), although it has been conceptualized as a social component of the latter. This is very unfortunate as opportunities have been missed to connect elements of SPG’s in-industry interventions to BFC’s advocacy work and mandate of compliance monitoring.’

There appears to be general agreement that the project was too ambitious and involved too many stakeholders who were never brought together ‘to jointly reflect on the objectives, direction, indicators and interventions’⁴². Some of the partners involved (government and NGO) appeared not even to be aware that their programme activities were intended to be part of a larger whole.

The absence of a clearly articulated design and strategy for BFC as well as modest human resource capacity may have contributed to the difficulty of integrating and benefitting from this component though a large number of materials and studies were produced relating to maternity protection,

³⁹ See Daft Resolution on Gender Equality and Use of Language in ILO legal texts adopted by 2011 ILC Selection Committee. http://www.ilo.org/gender/Events/WCMS_156892/lang-en/index.htm

⁴⁰ The information provided by a commentator on the draft report suggested that the SPG project was developed and initiated at the period when discussions were underway as to BFC being spun off as an independent separate entity, and that those activities would currently be better managed under the broader programme of the DWCP.

⁴¹ Social Protection and Gender (CMB/09/04M/SPA) Independent Final Evaluation (06 November 2012) page 26

⁴² *ibid*

health and HIV/AIDS, gender equality in decision-making, post factory employment opportunities etc and are well-received and still in use.

The Social Protection and Gender (SPG) project ⁴³ had as one of its intermediate objectives - The Promotion of Women's Participation in workplace level decision-making and appears to have had some impact in increasing numbers of women in Trade Union leadership. It would be important that the results of gender equality and women's empowerment initiatives under the SPG project and others such as the MDG-F collaboration are integrated into the BFC going forward.

Under the *MDG-F project* the ILO, through BFC⁴⁴ collaborated with five other participating UN agencies (UNICEF,WHO,FAO,WFP, UNESCO) for the period 2010-2011 in the Joint Programme for Children, Food Security and Nutrition in Cambodia with support from the MDG Fund facility provided by the government of Spain . The ILO/BFC activities contributed to Joint Programme Outcome 1 Improvement of the nutritional status of children aged 0-24 months and pregnant and lactating women and Joint Programme Outcome 2: implementation of existing nutrition, food security and agricultural policies and strengthened and new nutrition policies developed.

The BFC activities coordinated by one of the senior national officers collaborated with two Provincial Labour Departments on a number of activities in garment factories and in the footwear industry, hotel-casinos and restaurants, handicrafts, services, banking, construction and manufacturing. A number of training activities were organized for workers and employers relative to OSH and maternity protection, and on behavioural change communication and OSH for infirmity staff. Training on expression of breast milk and on reproductive health was conducted by officials of the provincial departments of labour of Kampong Speu and Svay Rieng. In total training activities reached 1,004 workers, employers and infirmity staff. Other activities included radio call-in shows focussing on OSH, breastfeeding, maternity protection and radio spots and dramas on OSH, breastfeeding complementary feeding etc broadcast through local and provincial radio stations.

A very important aspect of this work from the perspective of BFC core functions was the training of provincial Labour Officials in various aspects of OSH, health promotion and maternity protection which was well appreciated by the government officials themselves and marked a new level of constructive collaboration between BFC and the MoLVT which should be built upon. The resulting training and advocacy activities were positively evaluated by the beneficiaries interviewed particularly workers.

The question posed by other stakeholders (employers, buyers) with respect to both the SPG and the MDG-F projects was should BFC be trying to respond to all the issues raised by the compliance monitoring process or should it remain focussed on what is seen by them to be its true vocation (monitoring compliance), and rather be using the data it obtains through the monitoring process to inspire and leverage collaboration with other stakeholders including Better Work programmes⁴⁵.

4.3 Programme Progress and effectiveness.

⁴³ See page 20

⁴⁴ ILO: Report on MDG-F Joint Programme's Achievements and Challenges, Chea Sophal BFC, 2011

⁴⁵ One commentator to the draft report explained that these two special projects were undertaken at a time when consideration was being given under the 'sustainability' plan to establishing BFC as an independent project , and would now normally be regarded as belong to ILO Cambodia country programme activities. It appears however from the draft (undated) programme document for BFC (2013-2015) shared with the evaluators that these 'developmental' activities were still envisaged as falling under the BFC umbrella.

BFC continues to expand the number of registered garment factories monitored in addition to monitoring in 2012 some footwear factories, and some un-registered garment factories. However, frequency of monitoring visits has declined due to resource limitations. The Project Advisory Committee (PAC) meets regularly but could probably be engaged as a body more frequently in more substantive discussions and decisions. Closer internal coordination between core services (monitoring, training) would be mutually beneficial as would be enhanced collaboration with other DWCP programmes and the resources of the CO-BKK and ROAP. Proposals are made for the refinement of the monitoring tool and the monitoring process overall; and for more strategic and user- focussed training, advocacy and information activities, and for more in-depth analysis of data available under IMS and other data-bases in use.

a) General

As noted previously the assessment of project progress and effectiveness would require the establishment of clear quantitative and qualitative targets and indicators across the period for evaluation and across all BFC services: and clear monitoring of achievements against those targets.

BFC has not established clear quantitative or qualitative targets as discussed earlier under Section 4.2 Validity of Design. The parameters of its monitoring operation are determined by the numbers of factories registered with GMAC and with an export license from MoC. This number has been increasingly steadily as is shown in Table i (page 24) though some factories have also closed. 'Active' factories are BFC registered though not all are monitored in any one year. BFC currently monitors over 300 factories per year whilst the available population of registered garment factories is around 425 but changes on a daily basis.

Previously the BFC aimed to monitor all factories 'every year or every six months, currently all factories with registered BFC-subscribing buyers are monitored every 9 - 10 months. For factories with no registered BFC subscribers, the spans between assessments will be more than a year'⁴⁶. Whilst there are additional factories to be monitored, and the length of the factory visit has been increased in line with the BW model the number of monitors, namely 12, has not increased since 2005.

In terms of internal effectiveness the link between the monitoring and the training and advisory programme could be strengthened, in that the numbers of monitored factories signing up for training and advisory services seems still rather modest. According to the CTA, in 2012 twenty factories engaged BFC for training and advisory services up from twelve in 2011. Some suggestions for strengthening this link are included in subsequent sections.

More training would of course require more resources both human and financial to develop and implement, and the question remains as to whether factories are turning to other sources for remediation services e.g. buyers themselves or local private sector initiatives. Many stakeholders interviewed (factory management, employers) did not perceive the connection between the two services (monitoring, and training and advisory).

The PAC appears to meet regularly and has a role inter alia in discussion of the six-monthly Synthesis Reports prior to their distribution. It should have an important role in any further revision of the monitoring system as is recommended below. Both employers and trade unions interviewed expressed the view that BFC management should approach tri-partite partners as a body rather than individually on all major issues, and be sure to avoid bias in any direction.

⁴⁶ Communication from BFC CTA 20/04/2013

The international buyers have an important but rather poorly documented influence on factory working conditions. Information is not available as to how many buyers make exclusive use of the BFC monitoring report, or the scale of any remediation efforts conducted by buyers.

In terms of BFC engagement with other projects such as the SPG this does not appear to have enhanced its effectiveness despite the many activities undertaken. The recent evaluation report cited previously reflects this situation(See Section 4.2) Collaboration with other activities under the DWCP should be enhanced for mutual effectiveness as noted in the previous section.

Effectiveness of relations with relations w/CO-BKK & ROAP is addressed at Section 4.5

b) Effectiveness of BFC Core Services

b1. Labour Compliance Monitoring⁴⁷

Monitoring visits

The original and still most important of BFC core services is labour compliance monitoring. Monitoring is mandatory for factories registered for an export license with the Ministry of Commerce; export licenses can in principle be revoked for non-compliance after a number of warnings⁴⁸. According to BFC this sanction is rarely if ever applied.

In selecting which factories should be monitored BFC takes into consideration a number of factors including the timing of previous visits, and the outcome of prior assessments, as well as any information received regarding alleged problems at the factory⁴⁹. Selection of factories from the total population of those registered is an internal process in consideration of the fact that monitoring visits are unannounced. However, even within these parameters BFC can establish more precise numerical targets for numbers of factories to be monitored, including garment and footwear factories, un-registered sub-contracting factories and other types of industry going forward. These targets of course have to be established in function of projected human and financial resources.

Whilst additional factories continue to come on stream, and the length of the factory visit has been increased in line with the BW model, the number of monitors has not increased since 2005. The BFC employs 12 full-time monitors who have a target of making on average 6 factory visits per month (of four person -days each), and producing 2.5 reports per month. Since 2001 the BFC has conducted approximately 3,200 factory assessments, monitoring working conditions in over 300 garment factories per year which employ approximately 400,000 workers.

Previously the BFC aimed to monitor all factories 'every year or every six months, currently all factories with registered BFC-subscribing buyers are monitored every 9 - 10 months. For factories with no registered BFC subscribers, the spans between assessments will be more than a year'⁵⁰.

Table i List of factories registered with ILO BFC as of April 2013

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Total
Registered	208	16	20	27	54	59	46	31	28	38	69	80		676

⁴⁷ See also section on PRI at page 17

⁴⁸ See RGC Circular On the Implementation of the ILO's Better Factories Cambodia Project in the Cambodian Textile and Apparel Sector (July, 2005) signed by H.E. the Prime Minister, Hun Sen

⁴⁹ See Monitoring in the Dark: an evaluation of the International Labour Organization's Better Factories Cambodia monitoring and reporting program.

⁵⁰ Information from CTA April 2013

Closed	138	7	12	15	25	19	15	7	3	3	0	0		244
Active	70	9	8	12	29	40	31	24	25	35	69	80		432

Note: The number of closed factories is made based on the date of registration not by year of closure. This means that 138 factories registered in 2001 were closed. The actual dates of closure are different since these factories were closed in the following years. Source: BFC 2013

BFC monitoring visits are in principle though not always in practice unannounced and sometimes monitors are kept waiting outside the factory or asked to return at another time. Some employers consider the unannounced visits disruptive, whilst workers and trade unions consider it essential that visits be unannounced so that factory managers cannot conceal the presence of under-age workers and other non-compliant elements.

The BFC monitors have a checklist of 376 questions, already reduced from a longer version of some 500 questions, covering the following issues; contracts, wages, working hours, leave, welfare, labour relations, OSH, and fundamental rights.

During the visit the monitors talk to workers, trade unions and factory management, and even to vendors around the factory premises in the attempt to obtain a full picture of workers' conditions. Monitors may visit workers in their homes in an effort to get unbiased views. The selection of worker interviewees is made randomly from employee lists or by the monitors directly on the factory floor. A manager in a factory of 2,700 workers said that at best the monitors might talk to 30 workers during the visit. Workers and trades unions complained that some employers selected respondents to talk to the monitors and/or punished those who participated.

At the close of the visit the monitors present their findings to factory management in an exit meeting; management response may or may not be reflected in the final version of the report.

Many factories felt that the monitors were only able to tick 'yes' or 'no' on the list but not able to enter into a dialogue on causes and solutions, and indeed this may be beyond their current Job Description and competence. Whilst many doubted the capacity of some of the monitors to understand the underlying issues and also complained about their arrogance, their credibility and honesty was not questioned by any of the evaluation team's interlocutors. This is in contrast to the views expressed about the inspectors from the MoLVT. All factories visited by the team received multiple inspections, from BFC, government and buyers.

Both employers and trade unions expressed the view that the monitoring process was biased against them and that BFC should demonstrate its commitment to a tripartite approach more clearly. Employers felt that the monitoring process laid all the responsibility for factory working conditions on their shoulders; some interviewees (government) considered this approach to be anchored in the MoU and therefore very difficult to change.

Trade unions considered that they should be involved in the exit meeting at the close of the monitoring visit and that factory reports should be shared with all parties and not just with factory managers, and those buyers who purchased the reports.

Many stakeholders (employers, trade unions) expressed the view that it was time that the commitments and responsibilities of the RGC, particularly MoC, and MoLVT in improving working conditions in the garment industry and complying with international labour standards were more fully mobilized.

The role of the MoC in issuing export licenses, and in principle therefore revoking them for non-compliance needs to be further explored in the overall dynamic of the programme particularly in relation to the current discussions on transparency, though in practice it appears that this sanction has never been applied. The possibility for the MoC to revoke factory licenses of persistently non-

compliant factories has been explored by the BFC without significant results though this was raised as an option to the evaluation team by the MoC itself.⁵¹

Many of those interviewed (employers, trade unions) consider that there have been insufficient attempts to build national capacity for factory inspection and monitoring with the MoLVT. This would require in addition to the BFC training and mentoring, RGC's attention to the other factors which undermine the credibility and effectiveness of government inspectors prominent amongst these being low salaries and lack of transportation for monitoring visits.

Stakeholders (government, trade unions, employers) also considered that more work should be done with trades unions to make them aware of their responsibilities as well as their rights though it seems that much of this activity falls already into the scope of the larger ILO programme in country and would therefore indicate a need for close collaboration of BFC with other ILO/TC projects in country.

Buyer behaviour in terms of continuing to conduct separate audits or to introduce their own remediation efforts needs to be better understood and routinely documented.

Buyers also have an important influence on working conditions by for example placing heavy unscheduled demand for garments or footwear which may in turn impact on demand for over-time⁵².

According to the CLEC report cited above 'the primary focus of BFC's program lies with the manufacturers. Whilst buyer participation is voluntary. This is problematic because buyers can negatively impact working conditions through their sourcing and purchasing practices. For example, the problem of excessive working hours is closely related to (insufficient) pay rates, which in turn is hard to address if the prices that brands and retailers pay for their merchandise continue to fall.'

The Monitoring Checklist

The current checklist is seen by its critics (factory management, employers, trade unions) as a blunt instrument applied in a rigid way to a dynamic and complicated process. The monitoring checklist was seen by management of two factories visited to be lagging behind changes in the legislation even though it is meant to be monitoring compliance with the law. In the Stakeholder meeting a number of revisions were proposed including an expanded section on Trade Unions roles, and responsibilities⁵³.

BFC states that the auditing tool is regularly up-dated against existing legislation whilst admitting that there are redundancies in questions included. The evaluators consider it would be preferable that BFC should convene tripartite constituents and buyers to review and revise the existing tool together to make it responsive to the current context and all stakeholder interests.

Some dissatisfaction expressed by factory management referred to assessment of relatively trivial items such as the substitution by factories of removable light-bulbs for LED lighting (three out of six factories visited), or of cups at the water fountain by bottles of water to be consumed and then refilled (four factories visited); in both cases factories would acquire repeated black marks on their

⁵¹ *ibid*

⁵² BFC has conducted assessments which show that this is not a serious issue though these assessments were not shared.

⁵³ Stakeholders recommended the elimination of Questions 243/244; and 260/269 as being unnecessary. Question 222 was also recommended for deletion as it showed the monitors acting 'like police'.

record⁵⁴. Other cases were more complex referring to excessive overtime which might be due to alleged unscheduled heavy buyer demand.

It should be noted however that whilst everyone advocates for a shorter checklist, by the same token everyone, including the evaluators, has additional issues that need to be included in order to make the process comprehensive.

The evaluators consider that it would be useful and a relatively simple task to reflect information on the following issues; numbers of workers interviewed and the venue for the interview; substantive changes in the size of the workforce since previous monitoring visit; changes in the minimum wage offered in order to attract workers since previous visit; remediation efforts undertaken by factory management with BFC collaboration; buyers exclusive use of BFC reports to replace their own audits; training and other remediation activities offered by buyers in the factory being monitored.⁵⁵

IMS

The IMS developed by BFC is regarded as a 'world-first' information management system for monitoring and reporting on working conditions in the garment trade though it is currently under revision.⁵⁶ The monitoring report is available on the BFC website by application of a password by the factory concerned and can be released to buyers with the consent of the factory for payment of a fee to the BFC⁵⁷. Factories concerned can log onto the IMS's limited access website (extranet) with a password to view their own reports. Other users may view these factory specific reports for a fee and provided they have been granted access by the factory management. Some buyers rely upon BFC reports though the number of buyers who do depend on the reports is unknown. One factory compliance official who expressed appreciation of BFC also said that he had received a total of 40 inspections from various sources (BFC, buyers, RGC, independent auditors) in the previous year.

Synthesis Reports which show trends in compliance in an anonymous fashion over the previous six months of monitoring are publicly available. Between 2002 and 2006 synthesis reports which named individual factories were also posted on the BFC web-site with the intention of making individual factories publicly responsible for conditions in their factories, and hence to enforce compliance. It was found that public disclosure lowered the probability of non-compliance by an average of 4.7%. The evaluation team was not able to find out why this practice has been discontinued though the action was attributed to unrecorded decisions of a former CTA.

It should be noted that the Synthesis Reports are compilations of data from factory visits with limited analysis and discussion. Whilst providing a summary six-month snapshot of monitoring activities and results they do not aim to provide a comprehensive picture of BFC activities over that period. Nor is it possible by reviewing successive reports to have a cumulative picture of numbers of factories visited over the whole period nor of trends in compliance on a particular issue.

It should be noted however that the last two Synthesis Reports, 27th and 28th, are considerably more analytical than has previously been the case and give a more rounded picture of monitoring results

⁵⁴ BFC states that monitoring for these items has been discontinued.

⁵⁵ Additional suggestions are provided in the report *Monitoring in the Dark: an evaluation of the International Labour Organization's Better Factories Cambodia monitoring and reporting program*. International Human Rights and Conflict Resolution Clinic, Stanford Law School & Worker's Rights

⁵⁶ The ToR for the evaluation and other documentation refer to the intended alignment of the IMS with the STAR system used by Better Work but according to BFC the STAR system does not function well and other systems are being explored.

⁵⁷ Some figures suggest that there has been a decline in numbers of reports purchased by international buyers. Ref. *Monitoring, Outcome Report 2009 Outcomes*, Chea Sophal, Senior Programme Assistant, 2010.

and trends as well as providing important contextual information on the industry. This is a welcome innovation.

The evaluators believe that it would be important going forward for BFC to conduct a survey as to user needs with respect to the Synthesis and other reports, fact sheets and bulletins produced.

The IMS was under reconstruction at the time of the evaluator’s visit and new systems and features are being piloted in order to improve data analysis and retrieval. Overall it would seem that there exists a wealth of data in the IMS and other data recording systems in use which deserves further more in-depth analysis going forward.

b2. Training & Advisory Services

The BFC training and advisory services have evolved ‘organically’ according to one previous BFC staff⁵⁸ member and according to need. Whilst BFC training staff are technically very knowledgeable and have a wide range of experience there appears to been no overall written strategy or plan and the information and materials provided to the evaluators were sometimes difficult to contextualize.

The BFC offers a series of 10 core training modules (supervisory skills training, senior management skills, negotiation skills, child labour, gender awareness, labour laws, OSH, HRM etc) and in addition develops training on demand.

Some innovative activities have been presented such as the one-day training known as the Supervisors College (2011) which involved 2050 supervisors from 87 different factories. BFC had initially targeted 125 factories and 2500 supervisors. Buyers, NGOs and government officials participated in the Knowledge Fair which took place at the lunch break. Better Work staff from Vietnam attended in order to replicate the event. University students were also invited to observe and learn about supervisors conditions in the workplace. The event received significant media coverage in country and in the region.

Whilst all materials produced were appreciated by those interviewed the evaluators learned that the Soap Operas designed for factory-based training⁵⁹ and broadcast on Cambodia Television Network (CTN) were particularly welcomed by all stakeholders concerned and several factories planned to continue to use the videos in their factories and canteens. Radio Competitions which posed questions on Cambodian Labour Law with cash prizes for the winner have also been very popular.

Training activities are summarized in the Table ii below.

Table ii Summary of Training Activities from 2003-2013

Summary of Training Activities from 2003-2013					
Type of training	Female	Male	Total	# factories	Training days
Modular (03-11)	1500	1962	3462	61	164
Single Issues Training					
1- First aid training (05-08)	403	184	587	84	40
2- Workplace cooperation (05-Present)	90	106	196	44	20

⁵⁸ Jill Tucker e-mail from Dan O’Connor (07/01/2013)

⁵⁹ Topics covered included Grievance Handling and Dispute Resolution, Stealing, OSH, Maternity Leave and Breastfeeding, Underage Workers, Overtime & Life Skills

3- Gender awareness training (06-Present)	77	104	181	53	8
4- Induction Kit raining (06-Present)	179	285	464	276	28
5- OSH Training (06-Present)	64	100	164	106	16
6- Negotiation skills (07-Present)	81	101	182	94	9
7- HRM Training (07-Present)	71	103	124	80	12
8- Labour Law Training (11-Present)	21	23	44	34	6
9- Managing Across Culture (11-Present)	10	16	26	13	1
10-Trade Union Training (12-Present)	6	11	17	7	2
11- Disabilty Training (12-Present)	3	5	8	6	1
Other Training programmes					
HRM System Programme (12-Present)	60	43	103	3	11
Supervisors training (Sep 07-Present)	1404	495	1899	89	336
Senior Manager Training (2009)	8	6	14	4	2
Customized Training (05-Present)	199	247	446	66	34
Special Project (11-12)	3088	957	4,045	300	12
MoLVT training of trainer (07)	1	6	7	MoLVT staffs	1
Worker training (06-Present)	n/a	n/a	79,373	27	113

Total number of participants included workers training **91,342** participants

Total participants without counting worker training **11,969** participants

Total number of Females without counting workers training **7,265** participants

Female participants by percentages: 61%

Notes: Dates in first column indicate starting and ending dates. Worker training takes place in the factory canteen and therefore includes both men and women though the majority are women.

Source: BFC 2013

During evaluation interviews most training activities were appreciated and positively evaluated by both workers and supervisors as well as by more formal evaluations. A positive formal evaluation was made by IFC with ideas42 at Harvard of the SST of 2005-2006 sponsored by IFC and Gap Inc which was later supported by other brands Adidas, Levi Strauss, Sears, Wal-Mart, Walt Disney etc⁶⁰. The Harvard evaluation noted that this training could be replicated in other sectors of the economy as well as outside Cambodia. The Supervisory Skills Training is available in all Better Work countries.

Training activities under individual projects e.g. SPG or MDG-F are separately reported and it is therefore difficult in the absence of an overall BFC training strategy to have the full picture of training and its impact.

Table iii Training Activities under MDG-F

Training Courses for MDG-F Project from mid-2010 to December 2012	Sum of Female	Count of Male
Dissemination workshop on reproductive health and breast milk expressing	1041	38
First-aid training for labour inspectors	15	1
Follow-up workshop on maternity protection (achievements and challenges)	111	10
Quiz show (on checking the knowledge that been disseminated through training such as maternity protection, OSH, and nutrition)	2147	11
Training impact assessment for those who have attended the training delivered by Labour Departments	450	21
Training on BCC and OSH for enterprise's infirmary staff and workers	146	7
Training on Breast Milk Expressing	145	5
Training on maternity protection at workplace	227	9
Training on maternity protection for workers and employers	1060	32
Training on OSH and Maternity Protection for Infirmary's Doctors, OSH Officials and HIV/AIDS Committee	69	4
Workshop on OSH and Maternity Protection for workers and employers	422	17
Sub-total	5833	155
Grand Total	5988	

Note: The last four training categories at the bottom of the list are quite similar; the difference is that there is some infirmary or medical staff attending the training.

Source: BFC 2013

⁶⁰ Supervisory Skills Training in the Cambodian Garment Industry: A Randomized Impact Evaluation (IFC 2009)

Although training and advisory services are not a large source of cost recovery currently their continuing relevance and competitiveness is a serious concern and is addressed in the project document for 2013-15. In 2012 the sum of USD 71,879 was realized from training activities compared with some USD 350,000 from sale of monitoring reports.

The information provided by the BFC team seems to show a decline in numbers trained from a high in 2009 of 2,435 (f/m) to a low in 2011 of 963 (f/m). This decline in numbers may or may not be related to increasing competition from other training providers including international buyers who provide training free of charge. BFC training was perceived by some interviewees as expensive; the cost for a one- day seminar in 2012 was USD 50 per participant, USD 75 for two days and USD 80 for four days. Some persons interviewed said that the training needed to be more actively marketed rather than expecting potential clients to find out about it from the BFC website.

Many of those interviewed said that BFC needed to give more emphasis to capacity-building with government officials, particularly MoLVT to improve their inspection functions. Others said that whilst workers had received a lot of attention more training for employers and for trades unions in their responsibilities was needed.⁶¹

Several evaluations and studies have noted the need to develop a stronger functional connection between monitoring and training components of BFC. As noted earlier relatively few of the factories monitored take up training or advisory activities which unlike the case with BW are not 'bundled'. The evaluation of 2007 cited below noted that 'according to some managers the benefits coming from the remediation programme have also helped to improve the image that participating factories had of BFC and ILO, which had previously been based only on monitoring'(page 14). The report proposed that 'monitors could promote remediation activities and report upon them... acting as the front line of remediation... similarly remediation staff could make better use of monitoring reports' to target their sales efforts. The same report noted that previously 'factory-based training had been envisaged to be delivered by tri-partite teams' which appeared to be a missed opportunity for enhancing impact, sustainability, local ownership.⁶²

The evaluation team also concurred with stakeholder views that perhaps going forward BFC training services should be based on a more comprehensive analysis of need, including buyers' need, which could persuade some buyers to use BFC training services rather than implementing their own programmes.

BFC training programme needs to identify a niche and to develop a clear needs-based strategy of what it can do best in relation to other training in the garment industry currently available from buyers, NGOs, GMAC ,GIPC, and other industry players ; and to develop a clear business plan for the proposed expansion beyond the garment industry.

Advisory services are provided to factories who register with BFC for a fee of USD 2,500 per annum. BFC assigns a qualified factory advisor to each factory upon registration. A total of 17 factories have signed on in 2012 for advisory services which include advice on setting up the Performance Improvement Consultative Committee (PICC) management and worker committee. The PICC is a task force of 8-10 persons with equal representation of managers and workers representatives which guides the process of training and factory improvement. At least half the PICC members should be

⁶¹ The Ministry of Commerce also expressed a need for a Code of Ethics for Trades Unions similar to that developed for parliamentarians.

⁶² Better Factories Cambodia – Independent Final Evaluation Report covering period February 2003-December 2005 (October 2007) project funded by USDOL,RGC,GMAC

women. The PICC is responsible for developing a factory improvement plan and management system, and advice on how to improve performance in the next monitoring report.

The evaluation team acquired little specific feedback on advisory services though in general both employers, unions and workers expressed appreciation for the Performance Improvement Consultative Committee (PICC) mechanism with where a PICC had been established which had improved collaboration between employers and workers in the factory.

b3. Advocacy and Information

It appears that there is no comprehensive advocacy and information strategy against which these materials were produced, disseminated and evaluated though the arrival of a new Communication Officer (01/04/2013) is expected to help to address that gap.

BFC estimates that it has reached thousands of workers through its advocacy programmes. It has produced with support from tripartite constituents, a range of donors and international buyers a number of innovative materials (Brochures, Good Practice Sheets, Calendars, Audio-Visuals etc) directed at particular issues of concern such as the fainting epidemic of 2011/2012 which gave rise to the Experts by Experience: Workers Perspectives on Fainting in Factories⁶³ activities and advocacy. Comic books and good practice sheets have been produced on a variety of health and safety topics, sick leaves, contractual issues, gender etc.

The 'I am Precious' campaign in 2007 and 2009 attracted wide publicity as did the Garment Workers Open University of 2011 and the Supervisors' Skills College of the same year.

The One Change Campaign 2012 has been designed in order to help Cambodia's garment factories reduce the likelihood of fainting in the workplace. Factory management are encouraged to make at least one of the suggested changes in order to improve the working environment generally and to combat the causes of fainting such as poor hygiene, nutrition, heat stress and poor worker-management communications. Factories who successfully adopt one or more of these recommended changes were awarded the special status of a 'One Change Factory' and earned the right to brandish the 'One Change' logo on their branding materials.

BFC intends to make more use of case studies of workers' positive experience by posting them on the renewed web-site.

Whilst the activities and outputs are very numerous and the evaluators have the impression from interviews and visits that they are well-appreciated a communication strategy and plan detailing for all funding sources, the intended audience, selection of media and materials, and evaluation plans is essential going forward and would help to ensure synergies between activities. In terms of audience the communication strategy should also target international audiences who are regularly reached by negative information about the situation in factories in Cambodia and elsewhere.

4.4 Stakeholder and Partner Engagement

Both trade unions and employers proposed that BFC should remember to its tripartite roots and avoid the appearance of bias in its monitoring process and in overall dealings with tripartite constituents. Many interlocutors felt that BFC needed to engage much more fully

⁶³ The Experts by Experience is one of the anti-fainting campaign activities initiated by the ILO-Better Factories Cambodia programme in order to prevent or minimize fainting incidents. Other initiatives include the Cambodian Television Network comedy show on fainting issues, a workers' calendar with monthly health and safety tips, and the One Change campaign. These initiatives have been supported by the buyers, the Garment Manufacturers Association in Cambodia (GMAC), and the factories (BFC website 2012).

with buyers in recognition of their actual or potential influence on factory working conditions; this would be in line with BFC's own statements in the PRI and elsewhere about the importance of reputation-sensitive buyers in improving compliance. The dynamics of the relationship between buyers and suppliers needs to be more fully understood and monitored; the Buyers Forum needs to include non-CSR staff of international companies in order to avoid preaching to the converted; information on the numbers of buyers working with each factory, and their exclusive or other use of BFC reports should be compiled. The existence of a unified project document will enable better articulation and synergies between funds from different sources. BFC may wish to use its information resources to leverage collaboration and inspire projects managed by other entities rather than taking so many activities under the BFC umbrella.

Tripartite Constituents

The funding structure of the BFC reflects its engagement with its tripartite constituents, RGC (Ministry of Commerce, Ministry of Labour and Vocational Training, Ministry of Social Affairs), GMAC, and Trade Unions.

The Project Advisory Committee (PAC) which is convened every six months reflects this tripartite structure and appears to function effectively though could be enhanced by more substantive engagement in BFC decision-making and activities. Some members of the PAC (employers, trade unions) have stated that BFC needs to deal with the tripartite constituents as a group rather than individually especially when dealing with sensitive issues such as the PRI.

BFC staff also report meeting regularly with government stakeholders at all levels although these meetings are normally not documented because of their confidential or sensitive nature.

It was not possible for the evaluation team to assess the extent of the involvement of BFC with trade unions over the period though strengthening this relationship through more capacity-building was clearly indicated as a need by several respondents (CLEC, ACILS). This is an area which should surely involve greater collaboration with the other ILO/TC projects in country.

Donors

Over its lifetime the BFC has worked with and received support from a large number of international donors among them United States Department of Labor (USDOL), Agence Française de Développement (AFD), the United States Agency for International Development (USAID), New Zealand's International Aid & Development Agency (NZAID), Government of the Netherlands, the World Bank, the United Nations Development Programme, the IFC. In general there has been decreasing reliance on international donors since 2008. It is not clear whether this trend is set to continue in the expectation that income from other sources (e.g. training, advisory and sale of reports) will increase, though the new project document (2013-2015) indicates that income from cost-recovery may have already peaked.⁶⁴

The existence of a unified programme framework should make possible to integrate and report on activities funded by different donors more effectively.

Buyers

⁶⁴ Draft BFC project document 2013-2015

Major international buyers with whom BFC collaborates include ⁶⁵Adidas, AEO, Columbia Sportswear, H&M, JC Penny, Jones Apparel, Levi's, M&S, Nike, Primark, PVH, Sears Holdings, Socam, Target, The Children's Place, the Walt Disney Co.

As noted in the preceding section more information is needed as to the activities of buyers at the factory level in terms of conducting separate audits or relying upon BFC monitoring reports; in taking remedial action themselves to improve conditions in factories at their own expense or passing the responsibility to factory management. Several stakeholders (employers, factory management) drew attention to the fact that the six-monthly Buyers Forums needed to expand the basis of participation beyond the CSR departments of the buyers concerned to those taking production and sourcing decisions.

Other partners

Other partners who have been important in the evolution of the programme are the Arbitration Council, the International Finance Corporation (IFC), Global Union federation and international arms of national federations such as the American Center for International Labor Solidarity, Australian People for Health, Education and Development Abroad (APHEDA); Local NGO and organizations such as VBNK, CLEC, CASDEC/GIPC, HR Inc., International NGOs such as CARE, Oxfam, Marie Stopes International, are amongst those who have collaborated with BFC in training, information or research activities.

It is expected that collaboration with a large group of partners will continue though BFC may wish to use its information resources to leverage collaboration and inspire projects managed by other entities rather than taking so many activities under the BFC umbrella.

4.5 Project Management Arrangements

BFC/CTA reports both to the Director CO-BKK, and the BW Director, Geneva. An organization chart showing BFC linkages with other ILO and ILO/IFC units, as well as with the PAC should be developed. The establishment of the new programme document will enhance the process of BFC-wide work planning and reporting.

BFC is one of the technical cooperation programmes under the jurisdiction of the ILO Country Office for Cambodia, Thailand and Lao PDR (CO-BKK). CO-BKK is responsible for supporting constituents in Cambodia, Thailand and Lao in developing and implementing activities in the context of Decent Work Agenda which is, for Cambodia, the DWCP (2011-2015). All technical cooperation programmes in Cambodia including BFC contribute to (an) outcome(s) of DWCP and BFC. Although now BFC follows Better Work financial management and signs its own contractual documents with counterparts, the Human Resources of BFC continue to be under ILO management and support and the Director CO-BKK continues to administer and deal with political issues whilst the project deals with its constituents such as signing of MOUs with the ministries. The CTA also continues to report to CO-BKK Director as well as to BW Director Geneva. Some BW advisors will be deployed to the region. DWT specialists as well as other specialists from Geneva provide technical inputs to BFC.

Unsurprisingly this complex arrangement is not well-understood even by some BFC and ILO staff and it would be helpful if this could be graphically depicted by the responsible ILO department. The current Organization Chart of BFC shows no external linkages and appropriately up-dated should be

⁶⁵ Source: Attendance List at BFC Buyers Forum October 2012.

included in the programme document (2013-2015). Relationships to be depicted are those between BFC, other TC projects in Cambodia; the PAC; CO-BKK; ROAP, Better Work.

BFC is steered by a management team composed of one Chief Technical Advisor (expatriate), one senior monitoring officer, one senior training officer and one senior finance and administration officer. The technical staff of BFC is composed of 12 monitors and 4 training officers. BFC also counts on the support of a media and communications officer⁶⁶, IT officer, and 5 administrative staff and two housekeeping staff. BFC also benefits from the support of a team of 6 drivers that bring the staff to and from the various factories visited every day. Occasionally, BFC hires external collaborators and welcomes interns on specific projects. It seems unlikely that BFC could expand its monitoring activities to a larger group of factories either to unregistered garment factories or outside the garment industry with its current labour force⁶⁷.

The evaluators understand that BFC-wide work planning and reporting is relatively new, though work plans are drawn up for individuals and for constituent services. Comprehensive work plans and reports will be developed under the new programme. As noted earlier stronger links between different services, particularly monitoring and training and advisory, would be beneficial.

The Project Advisory Committee (PAC) of government, unions and employers meets regularly hosted by the BFC. A meeting of this group provided valuable feedback on the project results. There is scope for more substantive involvement of the PAC, possibly with the occasional collaboration of locally available buyers representatives, in for example revision of the monitoring process.

Some ILO colleagues in the Country Office and the DWT felt that BFC made insufficient use of the technical expertise and resources available in the organization and that more effort should be made to leverage those resources rather than attempting to do everything itself. Additional technical resources from the Better Work global programme are now being re-located to Bangkok to support Better Work activities in the region, including BFC, so there is no shortage of in-house expertise to be drawn upon, though it remains to be seen as to how those resources will be rationalized.

Many BFC staff considered that other ILO colleagues were insufficiently aware of the specificity of BFC to provide useful advice. This could of course be related to the very complex nature of BFC which needs to be more fully explained even within the organization.

4.6 Adequacy and efficiency of resource use⁶⁸

If BFC is to maintain and expand its current monitoring additional funds will need to be mobilized from some or all of the following sources; international donors including IFC; through strengthened training and advisory services and sale of reports; through larger contributions from its tri-partite donors.

Table iv: BFC core funding 2007-2012

Source of Funds	2007	2008	2009	2010	2011	2012	TOTAL
RGC	150,000	150,000	180,000	180,000	180,000	180,000	1,020,000
GMAC	112,500	135,000	135,000	135,000	175,000	175,000	867,500

⁶⁶ This post has been empty since November but will be re-occupied on 01 April.

⁶⁸ See Annex iv for further funding breakdown

International Garment Buyers and Training & Advisory	112,500	135,000	200,000	200,000	200,000	262,500	1,100,000
Trade Unions			500	500	500	500	2,000
Total	375,000	420,000	515,500	515,500	555,500	618,000	2,999,500

A detailed analysis of BFC's income and expenditures was beyond the scope of this evaluation which however can contribute some observations for further debate. The MoU of 2005 records financing from GMAC core members in 2007 and 2008 of USD 112,500 and 135,000 respectively. In addition GMAC undertook to collect from international buyers the additional sums of USD 112,500 and 135,000 respectively. The RGC pledged for 2007 the sum of USD 150,000 and USD 180,000 for the following year.

The MoU signed in 2008 shows a contribution from GMAC of USD 135,000 for each of the years 2009 and 2010 increasing to 175,000 for each of 2011 and 2012. During the same period the RGC contribution remained steady at 180,000 per annum. At the same time international buyers contributed through the BFC subscription system and through training and advisory fees USD 200,000 per annum for the period 2009-2011 rising to 262,500 in 2012. Between 2009 and 2012 Cambodian Trades Unions contributed USD 500 per annum.

Additionally over this period the BFC received considerable donor support as indicated at Annex i provided by the BFC team and in more detail at Annex iv

There has been a steady decline in dependence on funding from international donors. At the same time since 2009 the BFC has made increasing efforts to recover its costs through sale of training and advisory services as well as sale to international buyers of its monitoring reports. Figures on cost-recovery efforts over the period of the evaluation appear to indicate a decline in income from some sources of cost recovery (e.g. training) cost-recovery between 2009 and 2012 though a detailed breakdown was only available for 2012. The BFC plans to pursue more donor funding in the future or to seek additional funding from buyers, or from tri-partite constituents are not known.

The new BFC project document states that an objective in the coming years is to increase revenue through advisory and training services by increasing the number of factories receiving services (including sub-contracting factories), and by diversification of the services provided (footwear, light industry etc) with the aim of fully covering the costs of the training and advisory team inputs (as opposed to 60% currently. The programme document notes however the modest expectations in the short-term for enhanced cost recovery. BFC management expressed the view that the various charges levied by the ILO undermined the programme's cost-recovery effort.

All BFC operational costs are supported by this income. The ILO provides technical assistance which is usually free of charge through its experts located in Bangkok Regional Office or in Geneva.

Some respondents (mostly employers) felt that the BFC had little to show in terms of national capacity-building and strengthening of social dialogue given the amounts of money that had been expended.

4.7 Impact Orientation

In the period under evaluation BFC has lacked the comprehensive programme framework necessary for a full impact assessment nevertheless analysis of BFC data and a number of academic studies and surveys testify to the positive impact of the programme. A clearer assessment of impact will be available under the programme 2013-2015.

As noted repeatedly the absence of comprehensive project documentation with a clear baseline and fully developed results framework has militated against precise measurement of impact other than in terms of numbers covered by the services. In this sense BFC can be said to lack an impact orientation.

It is agreed by all stakeholders and evident from BFC analysis of compliance data that BFC has had a positive impact on working conditions in the garment factories; Cambodia's reputation for ethical work-place practices can also be assumed to have attracted international buyers though many other factors contribute to the growth of the industry including the attractiveness of the continued low minimum wage in Cambodia. A number of studies cited earlier and academic papers on BW data-base provide additional evidence.⁶⁹ Recent substantive and in-depth analysis of monitoring data has shown trends in compliance on different dimensions by different factories though the full results of that analysis are not yet available.

BFC has conducted approximately 3,200 factory assessments since 2001 and published 28 Synthesis Reports. BFC monitor conditions in over 300 apparel factories per year employing approximately 350,000 workers.

It is estimated that BFC has reached some 91,000 workers through core training activities and thousands more under special projects such as the MDG-F and SPG.

BFC estimates that it has reached thousands of workers through its advocacy programmes and to have sustained a further 1.75 million family members through remittances.

Buyers' purchase of BFC reports have been taken as evidence of impact by some evaluators, though as noted above they may also be buying BFC reports as an 'alibi' against taking any further action. It is also not known how many buyers make exclusive use of BFC reports. Buyers' awareness of customer concerns plays a major but currently unknown role in their production and sourcing decisions.

In addition to the tangible evidence of coverage, much of the impact of the BFC impact is intangible being concerned with changing public awareness in Cambodia as well as the awareness of the tripartite constituents about workers' rights to decent working conditions. The image of Cambodia as an ethical producer is part of the intangible 'halo' effect of BFC.

Under the new programme a comprehensive baseline should be developed across all services and funding sources as a basis for a well-developed results framework against which impact should be measured. In addition further in-depth analysis of existing data will enable a better assessment of BFC impact.

4.8 Sustainability Issues

It appears that for the foreseeable future BFC will remain as a flagship ILO programme and a key part of the DWCP Cambodia, with technical links to BW global programme. Different funding options and sustainability plans are proposed under the new programme now underway.

The IFC was engaged with ILO-BFC since 2006 in reviewing and preparing approaches towards the sustainability of BFC with the objective of its becoming an independent Cambodian organization supported by the BW global programme by the end of 2009-2010. In July 2006 the ILO and the IFC

⁶⁹ <http://betterwork.com/global/wp-content/uploads/Session-7-Wage-and-Workers%E2%80%99-Voice.pdf> and other papers

signed a Cooperation Agreement that 'sets the framework for IFC advisory services to the BFC project. The objective of the Agreement was to build the organizational capacity of BFC so that it can transition from the ILO-funded project to an independent entity'⁷⁰.

Emerging from this partnership was a sustainability strategy which envisaged BFC transition into an internationally recognized Non-Profit foundation by 2009 whose key function would be labour compliance monitoring in the garment industry and beyond.

In an Aide Memoire of 17/03/2010 the then BFC CTA proposed a new institutional model for BFC going forward as an independent Non-Profit Foundation governed by a Board of Directors including representatives of all key stakeholders (RGC, GMAC, Unions and Better Work) with additional Directors at large representing other important constituencies such as civil society, private sector and international development organizations.

In 2011 this model has been rejected by the RGC who felt that it was important that BFC remain part of ILO and discussions as to the future status of BFC continue under the new programme 2013-2015.

It seems that most stakeholders would like to insist on a continuing association with the ILO brand hand-in-hand with the increased 'Cambodianization' of the institution.

Many interviewees expressed the view that the BFC should be institutionalized along the lines of the Arbitration Council Foundation of Cambodia, but remaining under the auspices of the ILO and the ILO/IFC Better Work Global programme.

Full participation in the BW programme would provide the option of funding from IFC.

A number of different financing scenarios may be envisaged and are under debate. The BFC has plans to increase its income from training, and advisory services through expansion in the number and types of factories covered and by diversification of its product.

International donors are also being approached for support on the basis of the new programme document. Funding may also be sought from the IFC.

A further scenario whereby the RGC, the GMAC and the Trade Unions increase their current contribution may also be considered.

⁷⁰ See Aide Memoire ILO Better Factories Cambodia Sustainability and Transition to an independent Cambodian Entity on 01/01/2011 (dated 17/03/2010)

5. CONCLUSIONS & RECOMMENDATIONS

5.1 Conclusions

BFC is recognized by all stakeholders as having improved working conditions in the Cambodian garment industry. This in turn has enhanced Cambodia's reputation abroad as a source of ethically produced garments. Improvements have been demonstrated by BFC's own analysis of compliance data as well as by independent studies.

Recognition was given by all stakeholders to the ways in which BFC had evolved to meet changing needs most notably by the development of training and advisory services as a necessary complement to monitoring; and through the involvement of buyers in the six-monthly Buyers Forums.

However, many key stakeholders (employers, trade unions) expressed the view that the time had come for BFC review its way of working, with its key stakeholders and partners and to 'evolve' again.

Both unions and employers expressed the view that BFC needed to become more 'tripartite' in all its operations but particularly in its core function of factory monitoring. In this connection enhanced 'transparency' in involvement of all parties was requested in connection with the whole monitoring process from revision of the monitoring tool; the conduct of the monitoring visits ; exit meeting participation and reporting on the results .

The role of international buyers in influencing factory working conditions needs to be more clearly recognized and documented. Currently there are contradictory views as to their influence; on the one hand buyers are said to be moved more by costs of production than compliance, and on the other reputation-sensitive buyers are seen as key to factory compliance. Clearly international buyers are not a homogeneous group and BFC needs to engage more constructively with them to find out which buyers are using BFC reports exclusively; and what is their actual or potential influence on factory working conditions.

If BFC is to maintain and expand its monitoring achievements additional resources will need to be mobilized from traditional or new sources.

Strengthening of the government inspection process would appear also to be essential and requires commitment by all tripartite constituents. Overall there is a need for government partners to implement their commitments under the MoU more actively.

BFC needs to refine its core functions and 'unique selling point' of monitoring compliance leading to training and advisory services, and not to become directly involved into myriad activities which others might do better. BFC should be able to present a more coherent profile to key stakeholders and the development of a unified programme document is a welcome step in the right direction.

BFC's continuing to be an ILO programme is regarded as critical to its continuing. The connection between BFC and ILO/IFC Better Work programme whilst not widely understood is generally seen as a positive factor in terms of enhanced possibilities for inter-country exchange of experience and knowledge, and potential funding opportunities. The relationship between BFC and the ILO/IFC Better Work and the implications of that relationship should be clarified for key partners and stakeholders.

5.2 Good practices

PAC BFC is guided by the Project Advisory Committee (PAC) consisting of the tripartite constituents, RGC, GMAC and trade unions who also provide core funding. The PAC meets regularly hosted by BFC. A meeting of this group provided valuable feedback on the evaluation results. There is scope for

even more substantive involvement of the PAC, possibly with the occasional collaboration of locally available buyers' representatives, in determining the strategic approach of BFC going forward, as well as in providing specific technical input. Their mandate for monitoring and evaluation of BFC operations should be more fully implemented.

IMS: The Information Management System (IMS) developed by BFC is regarded as a 'world-first' information management system for monitoring and reporting on working conditions in the garment trade though it is currently under revision.⁷¹ Reports on individual factories are uploaded to the IMS and factories concerned can log onto the IMS's limited access website (extranet) with a password to view their own reports. Other users may view these factory specific reports for a fee and provided they have been granted access by the factory management. Buyers' subscriptions resulted in an income of USD 353, 869 in 2012.

SST The Supervisory Skills Training Course was supported by IFC, and The Gap Inc to improve the supervisory skills of garment industry supervisors. The 2008 year-long randomized-experimental impact evaluation by ideas42Harvard concluded that the training improved worker-supervisor relationships and led to moderate improvement in overall factory productivity. This training has already been rolled out to other Better Work programmes and the basic approach is valid beyond the apparel and foot wear industry in Cambodia.

Anti-Fainting Campaign: BFC has produced a number of innovative materials (Brochures, Good Practice Sheets, Calendars, Audio-Visuals etc) aimed at addressing the mass- fainting epidemic of 2012. The Experts by Experience is one of the anti-fainting campaign activities designed to prevent or minimize fainting incidents. Other initiatives include the Cambodian Television Network comedy show on fainting issues, a workers' calendar with monthly health and safety tips, and the One Change campaign. The One Change Campaign 2012 has been designed in order to help Cambodia's garment factories reduce the likelihood of fainting in the workplace. Factory management are encouraged to make at least one of the suggested changes in order to improve the working environment generally and to combat the causes of fainting such as poor hygiene, nutrition, heat stress and poor worker-management communications. Factories who successfully adopt one or more of these recommended changes were awarded the special status of a 'One Change Factory' and earned the right to brandish the 'One Change' logo on their branding materials. These initiatives have been supported by the buyers, by GMAC, and the factories (BFC website 2012).

5.3 Lessons Learned

There is a need for BFC to balance flexibility and innovativeness, with a bureaucratic need to analyse and document. BFC must continue to balance the legitimately competing needs of various stakeholders, whilst positioning itself as a neutral and efficient resource of comprehensive information. The new programme document with a fully developed and measurable results framework against which progress can be measured responds to these needs, as will the recommended strengthening of core services, the ongoing revision of the data-entry system and re-design of the web-site for better functionality.

Currently whilst there is detailed reporting on factory visits and factory compliance or otherwise, it is difficult to have a comprehensive picture of what BFC is doing and why, across all services, and across different funding sources. The ability to demonstrate its undoubted achievements more concretely and to a wider audience as for example by issuing an attractive, comprehensive , and

⁷¹ The ToR for the evaluation and other documentation refer to the intended alignment of the IMS with the STAR system used by Better Work but according to BFC and other persons interviewed the STAR system does not function well and other systems are being piloted.

user-friendly annual report would help BFC in explaining the project inside and beyond the ILO, and could play a major part in attracting further funding and other support going forward

Monitoring alone is not enough to achieve compliance; training and advisory services, the roles and responsibilities of employers, trade unions, government and international buyers, and ultimately the consumer all play an important part in improvement of working conditions and this vision needs to be embedded in all project operations and core services. Transparency and tripartism should permeate the entire approach and is much broader than a return to the 'best practice' of 'naming and shaming' individual non-compliant factories. The actual and potential influence of international buyers on factory working conditions needs to be better understood.

Having a majority of women beneficiaries is not equivalent to having mainstreamed gender equality which needs to be integrated systematically at policy (e.g. by links with Neary Rattanak IV), institutional (e.g. as by links with Gender Mainstreaming Action Plans in MoLVT, and MoC); and beneficiary levels, by inter alia ensuring women's access to leadership positions in trades unions, to maternity and child protection, and to protection against discrimination and harassment.

BFC should focus on its core services and use better management of its data to leverage collaboration with a wide range of domestic and international services rather than trying to include myriad projects under the BFC programme umbrella.

5.4 Recommendations

1. BFC needs to demonstrate its commitment to tripartism more consistently in to respond to charges of bias made by both trade unions and employers. This would require, as is envisaged in the new programme document, an enhanced and more substantive role for the PAC.

Responsibility: BFC, PAC, CO-BKK, DWT

2. BFC needs to position itself more clearly as a **user-oriented information programme**; a source of high quality, comprehensive, un-biased, easily accessible data on working conditions in the garment industry and beyond; and integrated approaches to improve those conditions.

Better management of information requires inter alia that the improved data entry and retrieval system permits a unified analysis and presentation of information across all core services. The system should be able to easily provide for all factories monitored a comprehensive picture of in-factory BFC and non-BFC training and advisory services; and numbers and identity of buyers and their auditing and remediation activities.

The data system needs to provide clear information on annual rather than six-monthly or quarterly trends; and to be able to generate information on core services such as training and advocacy across all donor sources.

Better analysis, management and dissemination of information will enable BFC to pro-actively leverage substantive collaboration with other stakeholders and partners in the industry, in the development community, in academia, in the private sector and civil society rather than taking on more activities itself.

Responsibility: BFC, PAC, CO-BKK, DWT

3. **BFC** should move beyond what seems to many (employers, trade unions, independent researchers) to be a narrow and punitive approach to monitoring. **The monitoring tool and process should be revised by tripartite constituents and buyers;** the monitoring visit should be an entry point for social dialogue on working conditions between all parties concerned (tripartite constituents and buyers). Monitoring reports should explain shortfalls in compliance and clearly ascribe responsibility, as well as recognizing positive achievements. Monitoring reports need to be discussed with all stakeholders before being revised and published, and available to all parties afterwards.

The current proposals for enhanced transparency in reporting should be broadened in the light of this change of orientation

The benefit to the factories of receiving fewer monitoring visits if one agreed monitoring tool were acceptable to all would also be considerable.

A new approach to compliance monitoring would also require substantive capacity-building for BFC monitors

Responsibility: BFC and PAC; DWT, Better Work, Buyers Forum

4. **BFC training and advisory services** need to be framed by a **comprehensive strategy with clear targets and indicators** which would articulate activities funded from different sources. Development of such a strategy would require inter alia the establishment of a more detailed baseline for BFC training in qualitative as well as quantitative terms, including a better identification of the needs of different potential audiences in the factory, amongst tripartite constituents and beyond. This would also enable BFC to establish a better market niche and to market themselves better relative to the other types of training currently available locally and from international buyers. BFC training activities and experience should continue to provide a valuable input to the Global Better Work programme at the global level and through inter-country exchange.

Responsibility: BFC, PAC, Better Work, DWT

5. Although in the foreseeable future the monitoring process will continue to be led by BFC this should be accompanied by **building capacity** of government partners to collaborate in and eventually to assume this function. To enhance capacity and credibility of government monitors requires not only skills training by BFC and others but attention by the RGC to the working conditions (salary, transport etc) which currently undermine the effectiveness and reputation of government inspectors.

Strengthening the capacity of Trade Unions with respect to their own responsibilities for workplace conditions has been expressed as a continuing need.

Responsibility: BFC, PAC, ILO DWCP Cambodia, DWT

6. There is a need to develop a comprehensive advocacy and information strategy complementary to but distinct from training services. This strategy needs to define local and international audiences more precisely, their information needs and the consequent choice of materials, media and monitoring/evaluation processes. This strategic approach to information would underpin involvement of existing and potential stakeholders, and would clarify BFC profile within and beyond the ILO and

the ILO/IFC Better Work programme. Whilst negative information, such as that concerning the so-called mass fainting, seems to have travelled efficiently to the ultimate consumers there also seems to be scope for exploring the possibility for more positive communication with the international consumers, whose behaviour and views directly influences international buyers. BFC should consider launching a web-based survey to ascertain views of various audiences with respect to all information products (monitoring reports, training and advocacy materials) in order to develop products which best respond to user needs and interests in both content and frequency.

Responsibility BFC, PAC; DWT, ROAP, ILO /IFC Better Work

7. There is a need to engage more constructively with international buyers in factories monitored in recognition of the important influence they have on working conditions. The factory monitoring process should collect information about buyers' own auditing and remediation activities. With respect to the six-monthly Buyers' Forums BFC should explore the possibility of attracting a broader group of interests from the **buyers beyond those concerned only with CSR** to those concerned with sourcing and production decisions.

Responsibility: BFC, PAC, BW, Buyers Forum

8. The complementarity of BFC, DWT and Better Work needs to be further defined in order to determine what activities can best be done and by whom at the global ,regional or country-specific level. Careful attention must be given so that apparent efficiencies of doing something at a global level e.g. producing training materials do not have a negative impact upon their effectiveness at the country level. There appears to be great scope for cross-country research activities under in areas such as minimum wage, factory and worker movement across boundaries etc.

Responsibility: BFC, CO-BKK, DWT, BW

9. More attention should be given to **mainstreaming gender** equality in the BFC project at policy, institutional and beneficiary levels. The policy framework already exists at the level of the RGC and individual ministries. Links with these policy frameworks and the associated 'gender machinery' would help to ensure that gender equality is more thoroughly mainstreamed at the institutional level (e.g. PICC and trades unions) as well as to counter discrimination and harassment currently experienced by factory workers. Implementation of such an approach would require BFC staff to expand their interaction with colleagues in key ministries to those specific groups responsible for gender equality mainstreaming i.e. the Gender Mainstreaming Action Groups (GMAGs) who have all developed Gender Mainstreaming Action Plans (GMAPs). Such collaboration should help to ensure that gender inequality issues being addressed by responsible groups (RGC, NGO, donor) which address all types of discrimination and harassment would include the specific population of garment and other factory workers.

Responsibility: BFC, PAC, DWT

List of Annexes

Annexe I	Terms of Reference: Independent Evaluation of Better Factories Cambodia
Annexe IIa	Mission Schedule and List of persons Interviewed
Annexe IIb	List of contacts
Annexe III	List of publications cited
Annexe IV	Income donor & non donor 2009 - 2012

Annex I

Terms of Reference

Independent Evaluation of Better Factories Cambodia

Summary of BFC project profile

Donors (over the years)	<ul style="list-style-type: none"> • United States Department of Labor (USDOL) • Agence française de développement (AFD) • The United States Agency for International Development (USAID) • New Zealand’s International Aid & Development Agency (NZAID) • Government of The Netherlands • World Bank • The United Nations Development Programme • Major international brands, such as the Gap Foundation
Main partners (also contributing to the programme)	<ul style="list-style-type: none"> • Royal Government of Cambodia (RGC) (Ministry of Commerce, Ministry of Labour and Vocational Training) • Garment Manufacturers Association in Cambodia (GMAC) • Trade unions • Through the IMS subscription: International buyers and garment factories
Project budget (donor funding 2006-2015)	US\$ 11,300,000
Project duration	2001- on going
Scope of the programme	Exporting garment industry in Cambodia
Evaluation date	August/September 2012
ToR preparation	March 2012

1. Introduction and rationale for evaluation

In 2001, the Cambodian government, in partnership with employers from the textile and clothing industry and the trade unions, developed a unique system for improving working conditions in garment factories, based on social dialogue, stricter observance of labour legislation, and continuous improvements. The International Labour Organization (ILO) was therefore called upon to help set up the system, providing assistance through a project known as “*Better Factories Cambodia*” (BFC).

Ten years after its inception and 4 years after USAID conducted the external evaluation which encompassed the BFC components in 2008, it has been agreed that there is a need for a strategic independent evaluation of the BFC programme. The main (historical) funding sources of the programme have come to an end together with the consideration of the important 10 year legacy that the programme has built and the new opportunities and

challenges ahead (footwear, subcontract garment factories, and alignment with the Better Work programmes).

The timeframe under this evaluation will be from 2007 to present. The evaluation will consider areas in which the BFC has been more and less effective in promoting socially responsible apparel production and compliance with Cambodian labour law and core labour standards. The evaluation will also provide lessons to be considered for the future of BFC project, including reinforcement or adjustments in priorities, implementation strategies, and organizational practices. The evaluation will also critically inform the strategies and operations of the ILO/IFC Better Work Programme, which built upon BFC since 2007. Given the high profile and the uniqueness that characterize BFC, lessons learned from the present evaluation will inform also the ILO as a whole.

The main objectives of the evaluation are:

- 1) To provide account to the donors, national and international stakeholders in regard to the results achieved by BFC to date.
- 2) To analyse the achievements made and to identify lessons learned in order to improve and guide the future operations of the BFC project vis-a-vis the changing garment industry, changing socio-economic and business environment and the new technical operating environment e.g. the scheduled alignment with the Better Work⁷² Programme. This will be achieved by assessing the relevance and coherence of the BFC design, strategy and approach, the efficiency in implementation, effectiveness of its operations, sustainability of results and the impact of the project.
3. To provide recommendations for the future direction of BFC.
4. To identify lessons learned from BFC strategies, policies and operations to be transferred and integrated where applicable in the operations of the ILO/IFC Better Work Programme, as well as the ILO as a whole.

This independent evaluation will be carried out by an independent evaluator. The evaluation will be managed by Ms. Sutida Srinopnikom. Consultations and inputs from Better Work Global Programme in Geneva, BFC's management team and tripartite constituents will be gathered throughout the evaluation process. The BFC team will provide administrative and logistic support to the evaluation throughout the process. The evaluation will be undertaken during the month of August 2012. The evaluation will comply with UN norms and standards and that ethical safeguards will be followed.

2. Context and Background on Better Factories Cambodia

Over the past 10 years, *Better Factories Cambodia* (BFC) has received funds from the Agence Française de Développement, the World Bank, USAID, New Zealand's International Aid and Development Agency, the Australian Aid, the United Nations Development Fund, the US DOL. BFC is managed by the ILO and supported by the RGC, the Garment

⁷²Building on the success of BFC, the ILO and the International Financial Corporation joined forces in 2007 to create a global programme called Better Work, which building from the good practices, tools, and lessons learned from BFC has established the programme in Vietnam, Indonesia, Lesotho, Jordan, Haiti and Nicaragua.

Manufacturers' Association in Cambodia (GMAC) and local trade unions. BFC works closely with other stakeholders including international garment buyers. Those industry stakeholders pay fees to BFC for the services that the organization provides to them.

2.1 Programme logic

Goal: To reduce poverty by expanding decent work opportunities in the garment export industry

Purpose: To contribute to the growth of exports of the garment industry in Cambodia through promoting socially responsible production and compliance with Cambodian labour law and core labour standards.

Objectives:

Component 1 - To improve compliance with Cambodian labour law and core labour standards.

Component 2 - To increase socially responsible production (SRP) in the Cambodian garment industry.

Component 3 - To promote the Cambodian garment sector project domestically and internationally.

Component 4 - To develop tripartite and sustainable systems to support the ongoing operation of Better Factories Cambodia.

Initially, Better Factories Cambodia focused on setting up a system for monitoring working conditions in Cambodian apparel firms, by recruiting a team of independent monitors. It very soon became apparent that monitoring the working conditions alone was not sufficient to bring about real improvements in the working conditions in factories. From 2003 onwards, Better Factories Cambodia therefore adjusted its operating strategy by providing training services to firms wishing to improve their social practices, as well as to the government, employers' associations and trade unions.

In order to achieve its goal, purpose and objectives, BFC has divided its operational work in 4 main core services lines including:

- Monitoring and reporting on working conditions against national and international labour standards
- Providing various constructive means of intervention (remediation) at the factory level to ensure sustainable improvement of working conditions
- Facilitation of social dialogue between the social partners and international buyers
- Advocacy activities to promote the garment industry nationally and internationally

2.2 Location

The project office is located in Phnom Penh, Cambodia. It is operated from a different office than the remaining ILO projects in Cambodia. BFC's operations cover the entirety of the exporting garment factories in the country and those are mainly situated in the greater Phnom Penh area, with some factories in provinces.

BFC however benefits from the support of the ILO various technical specialists which are located in Bangkok and Geneva. Since 2007, BFC has been receiving support by the Better Work Global programme, in Geneva.

2.3 Project budget

The average yearly budget of the project is approximately US\$1.2 million. This income comes from various donors, and from partners who pay to receive BFC's services.

A list of the multiple donors and contributing project partners that have contributed to BFC from 2007 can be found in [Annex1](#).

2.4 Staffing

Although the structure of BFC has changed over the years, currently, BFC is steered by a management team composed of one chief technical advisor (expat), one senior monitoring officer, one senior training officer and one senior finance and administration officer. The technical staff of BFC is composed of 12 monitors and 4 training officers. BFC also counts on the support of a media and communications officer, IT officer, and 5 administrative staff and two housekeeping staff. BFC also benefits from the support of a team of 6 drivers that bring the staff to and from the various factories visited every day. Occasionally, BFC hires external collaborators and welcomes interns.

2.5 Partners and stakeholders

The project has a range of partners and stakeholders. The list below cannot reflect all the partnerships that BFC has established over the years, but rather provide a sense of the scope of the programme.

Stakeholders

- The Ministry of Commerce of Cambodia (MoC)
- The Ministry of Labour and Vocational Training of Cambodia (MoLVT), its various departments at the national and provincial levels.
- The Garment Manufacturers Association in Cambodia (GMAC)
- The various trade unions in Cambodia
- The many international garment brands/buyers

Other partners

- Other ministries in Cambodia, such as the Ministry of Women's Affairs and the Ministry of Environment
- The International Finance Corporation (IFC)
- Other United Nations Agencies in Cambodia
- Other ILO projects in Cambodia
- Global union federations such as the International Textile, Garment and Leather Workers Federation and international arms of national federations such as the American Center for International Labor Solidarity, Australian People for Health, Education and Development Abroad (APHEDA)
- Local NGO and organizations such as VBNK, CLEC, CASDEC/GIPC, HR Inc., etc.
- International NGOs such as CARE, Oxfam, Marie Stopes International,

2.6 Project's major milestones/ accomplishments to date

BFC began operations in 2001 when a trade agreement between the Royal Government of Cambodia and the United States gave Cambodian-made garments preferential access to the US market in return for documented improvements in working conditions. The Cambodian garment industry's impressive growth in the years following the trade agreement is believed to have been related to the country's transparent labour practices and factory conditions monitored by BFC.

Today the garment industry is Cambodia's largest formal sector employer, with exports worth US\$4 billion per year. 90.7% per cent of Cambodia's garment factory workers are female and the average age of a garment worker is 24 years old, meaning that the primary beneficiary of BFC's work is young women. An estimated 1.75 million Cambodians are sustained through remittances that these workers send home to their families.

Scope of BFC activities:

- Since 2001, BFC has conducted over 3,000 factory assessments;
- BFC staff assess working conditions in 300 apparel factories per year employing approximately 350,000 workers;
- BFC's training staff offer a regular menu of 10 different training courses in addition to advisory services and customized training;
- In 2012 BFC started to assess footwear factories;
- BFC activities have reached thousands of workers through advocacy programs in addition to its monitoring and training activities, including a Garment Workers Open University program and Supervisor's College training;
- Through convening activities, BFC promotes bipartite and tripartite social dialogue at the enterprise level as well as nationally.

3. Purpose, scope and clients

3.1 Purpose

The evaluation will consider areas in which the BFC has been more and less effective in promoting socially responsible production and compliance with Cambodian labour law and core labour standards. The evaluation will also provide lessons to be considered for the future of BFC, for the Better Work Global and country programmes and for the ILO.

In doing so, the evaluation exercise will be guided by six core evaluative questions addressing: the **relevance** of the BFC to the development, socioeconomic, political, business environment and priorities of the Cambodian Government; the **coherence** between BFC's focus and DWCP Cambodia, its integration and coordination with other projects and other actors in Cambodia; the **efficiency** measured both in terms of administrative costs and timeliness of execution; and the **effectiveness** of the project to assess the progress and achievement made on the four objectives components; the **sustainability** of project achievements, with particular attention given to institutional and financial sustainability; and the **impact of the BFC's activities** – whether the BFC has promoted improvements in the lives of workers and has informed policies and approaches beyond the garment sector.

3.2 Scope

The evaluation timeframe is 2007 until now. The evaluation will take into account all interventions made by BFC during the proposed timeframe. The evaluation will focus on technical and political approaches and on initiatives that BFC has adopted in setting a

project's (and ILO's) agenda amidst the changing garment industry's industrial relations and business environment in this timeframe.

The evaluation will focus and provide recommendations regarding:

- The future role and relevance of BFC in Cambodia. How can BFC be taken forward in Cambodia, taking into account the country's situation and the foreseen alignment of the project with the Better Work Programme.
- The focus and coherence of BFC's strategies and approach.
- The role and effectiveness of BFC in collaborating with the tripartite constituents and other actors in promoting socially responsible production and compliance with Cambodian labour law and core labour standards. Assessment of BFC's project objectives, including opportunities and challenges and external factors that have affected their achievement and the delivery of the outputs.
- Evidence of the direct and indirect impact and/or use of BFC's contributions and support at national level; evidence towards longer term impact; assessment of the implementation approaches that BFC has adopted in promoting/integrating broader ILO agenda (e.g. HIV/AIDS, disability, gender, social protection etc.) in its implementation
- The efficiency and adequacy of organizational arrangements to deliver BFC including implementation monitoring, outcome monitoring, backstopping, and collaboration with other projects.
- The sustainability of the project, particularly institutional and financial aspects
- Knowledge sharing and outreach and engagement with media at the national level and beyond
- Lessons learnt and good practices for BFC, Better Work and the ILO.

3.3 Client

The principal client for this evaluation are BFC's project management team and the Better Work Programme, both the Global programme based at the ILO HQ in Geneva and Better Work country programmes particularly in Asia (Indonesia and Vietnam). The evaluation will also inform the ILO Country Office for Thailand, Laos and Cambodia, DWT-Bangkok, the ILO Cambodia project office. Secondary clients include BFC donors and national and international stakeholders.

4. Key evaluation questions/analytical framework

The evaluation will be guided by the ILO's Evaluation policies and procedures as defined in ILO guidelines on Results based evaluation, March 2012. The evaluation should address the overall ILO evaluation criteria as mentioned earlier. The evaluation shall also take into account gender equality, as guided by the ILO guidelines on Gender in Monitoring and Evaluation. The evaluation shall adhere to the UN Evaluation Norms and Standards and OECD/DAC quality standards.

The consultant to be hired should make conclusions, recommendations, and identify lessons learned and good practices based on the below specific questions. In consultation with the project review manager, any other information and questions that the consultant may wish to address may be included as the consultant see fit.

Based on development objectives, outputs and activities specified in the project document, the final evaluation will address the following issues:

4.1 Relevance and strategic fit

- Are the objectives of BFC consistent with the future needs and priorities of stakeholders, including tripartite partners, international buyers and participating factories?
- How do the program objectives align with national development frameworks and DWCP, in particular Outcome 13: improved working conditions and competitiveness in the garment industry?
- What are the benefits/gains the stakeholders, both at national and international level (international brands) are associating to BFC?
- Is BFC considered by stakeholders to be the most appropriate means of addressing the problems? Are there variations or alternatives that could be considered more relevant and/or a better fit?

4.2 Validity of design

- To what extent have recommendations from previous project evaluations been taken on board? With what effects?
- How well integrated are the various components of BFC? How do they build on each other? How do they contribute to the achievement of the overall goal of BFC of reduced poverty by expanding decent work opportunities in the garment export industry, and its purpose to contribute to the growth of the garment industry and to increase compliance with international labour standards and national laws?
- To what extent is the absence of an overall BFC country programme framework reflected through a comprehensive project document affecting the implementation of the programme?

4.3 Project progress and effectiveness

- To what extent have the 4 project immediate objectives been achieved? Under which objectives/components did the project have the greatest/least achievements? What have been the contributing/constraining factors and why?
- Who uses BFC outputs and tools such as training materials, the Labour Law Guide, helpful hints calendar, nutrition leaflet, etc.?
- How and to what extent have stakeholders (particularly the ILO constituents) been involved in project implementation?
- In terms of partnerships, networking and collaboration with IFC and UN agencies in Cambodia, to what extent have these partnerships supported BFC in the

achievement of its objectives? What are the good practices? What collaboration could be further enhanced?

- How did other projects implemented by BFC complement the effectiveness of, or affect its capacity to deliver its core services?
- To what extent has BFC been able to align to Better Work tools and methodologies to date? What are the constraining/ contributing factors and why? What needs to be considered/ implemented in order to achieve full alignment? How does the alignment to the global programme impact on BFC's relationship with its partners?

4.3.1. Effectiveness of BFC Core Services:

A. Labour compliance monitoring

- What are the key strengths of the professional team responsible for delivering monitoring services? What are the areas in need of improvement?
- How skilled have the monitors been in identifying gaps in compliance, both in terms of number and depth?
- Are international buyers using exclusively BFC monitoring services, including ceasing to use third party services? What is the feedback of international buyers in regard to efficiency and quality of BFC services?
- To what extent is public reporting desirable and feasible in the Cambodian context?

B. Advisory services

- What are the opportunities and challenges for BFC to deliver assessment-advisory bundled services, based on the experience acquired from its experimental practices in a limited number of factories?
- What has been the buyers' contribution in terms of advisory services? How could they further strengthen their support to the programme?

C. Training services

- What is the scope and types of the training offered? What are the potential areas for diversifying/expanding the services? Assess the efforts made by the programme to market and sell its training services.
- How does the provision of these training services contribute the achievement of the programme objectives?
- What are the key strengths of the professional team responsible for delivering the training services? What are the areas in need of improvement?
- Did the training provided match with stakeholders' respective needs and demands? What is the level of satisfaction of the service users?

4.3.2. Effectiveness of stakeholder engagement:

A. Industry-wide engagement

- Is BFC's "mandatory engagement" sufficient to promote meaningful industry-wide changes?

B. Stakeholder capacity building

- How did the RGC (in particular MoLVT and MoC), GMAC, trade unions, international buyers and IFC contribute to the success of the project? Has the collaboration among partners been efficient?
- How does BFC respond to the training needs of project stakeholders, in particular of national constituents?
- Are roles and responsibilities of the Project Advisory Committee (PAC) members well defined? Is the body functioning properly?
- Have the mechanisms for engaging donors, buyers, unions and other stakeholders proven to be effective channels of communication?

C. Buyer Engagement

- Have Buyers' Forums been an effective platform for promoting buyers' and brands' engagement?
- Have the buyers working with BFC been satisfied with the programme's responsiveness and communications?
- To what extent does BFC influence buyers' sourcing behaviour?

D. Public policy

- How has BFC influenced the country's policy and legal framework, including more mature industrial relations, effective social dialogue at factory and sectoral levels, and legal reforms?
- How do the 27 synthesis reports published so far contribute to sectoral and national policy debate?
- To what extent the BFC has engaged and communicate with the national media and beyond?

4.3.3. Effectiveness of project management arrangements:

- Did the project receive adequate political, technical and administrative support from its national partners?
- How efficient and effective have the ILO Country Office, Regional Office and Better Work Global team supported the implementation of the program?
- Do the systems of budget planning, reporting, and work planning and reporting effectively correspond? Are they adequate?

4.4 Adequacy and efficiency of resource use

- Did the project receive adequate resources (funds, human resources, time, expertise, etc.)? Have resources been used efficiently?
- Have resources (funds, human resources, time, expertise etc.) been allocated strategically to achieve outcomes?

4.5 Impact orientation

- Has the program developed a comprehensive impact assessment plan and made sufficient efforts to demonstrate programme impact? Can changes (in knowledge, attitudes, capacities and institutions) be causally linked to project interventions?
- How has BFC shaped or contributed to the development of the garment industry in Cambodia so far?
- How has the programme impacted on the lives of its targeted ultimate beneficiaries: workers and their families?

- How effectively has the project built necessary capacity as well as ownership of national institutions in implementing the project, particularly the impact of programme interventions on labour law enforcement capacity of the relevant national authorities, such as labour inspectors and OSH inspectors?
- What BFC approaches and tools will be duplicable to other sectors, such as the footwear industry? What are the challenges?
- Can the project approach or results be replicated or scaled up by national partners or other actors? Is this likely to happen? What would support their replication and scaling up?
- How effective is the project in communicating stories and disseminating knowledge internally and externally?
- What are the lessons and good practices learnt for the project going forward? What are the lessons learned that can be disseminated, adapted and replicated by Better Work Global and country programmes as well as the ILO country office and regional office?

4.6 Sustainability

- Has the project adequately defined its vision of sustainability, both institutional and financial? Are project results, achievements and benefits likely to be sustainable?
- Review cost recovery strategy/status in taking into account of both donors' funds and income generating efforts, and assess the financial sustainability likelihood.
- Are results anchored in national institutions and can the partners maintain them financially at the end of the project?

5. Main outputs of Evaluation

The main output will be first a draft report, later transformed into a final report (in word file) when comments from the ILO, and other stakeholders have been received on the draft. The report will contain an executive summary, a section with project achievements to date, findings and recommendations for short and medium term action. The report should be set-up in line with the 'Quality Checklist for Evaluation Reports in the ILO' which will be provided to the evaluator. The final report is subject to final approval by ILO Evaluation Unit.

In addition to the draft and final evaluation report the followings are also the outputs of the evaluation:

- Inception report (10-12 pages to summarise the evaluation's purposes, scope, key evaluation questions, with more detailed methodologies, and plan for the evaluation mission, draft report etc.)
- Preliminary findings to be presented at BFC's management team meeting at the end of evaluation mission
- Evaluation summary and list of recommendations (according to ILO standard template)
- Project scoring matrix

BFC management will prepare management response to the evaluation recommendations

and action to act upon the recommendations will be undertaken and report to ILO Evaluation Unit.

6. Methodology

The Evaluation will be conducted in accordance with ILO guidelines for independence, credibility, and transparency. The final methodology and evaluation questions will be finalized by the consultant, in consultation with the Evaluation Manager.

6.1 Process

The ILO will hire one external consultant to undertake this independent evaluation. The consultant will report to the Evaluation Manager who is based at the ILO Regional Office for Asia and the Pacific. The evaluator will rely on a number of sources and techniques to answer the questions posed above, including:

- **Document review:**
 - The evaluator will review all project documentation including project document, previous evaluation reports that provide information on indicators, targets, and progress toward achieving those targets (both objectives and impact) for all activities under review. Periodic technical progress reports and any other relevant documentation will also be reviewed.
- **Interviews, focus group discussions, and observations**
 - with the BFC team and the Implementing partners: Interviews will be conducted with the managers and staff of BFC and of the implementing partners.
 - with the ILO tripartite constituents and beneficiaries
 - with relevant ILO officials who backstop the project both administratively and technically (DWT Bangkok, CO Bangkok, Better Work Programme in Geneva)
 - with relevant donors and IFC
 - Arbitration Council Foundation, CLEC, ACILS, Workers' Education Project and other relevant stakeholders in Cambodia
- **A stakeholder workshop** will be organized to present the preliminary findings to all relevant and key project stakeholders. This allows the key findings and key recommendations to be verified by the key stakeholders.

When relevant, the consultant should propose the methods for data analysis. All data should be sex-disaggregated and different needs of women and men and marginalized groups should be considered throughout evaluation process. A draft evaluation report will be submitted to the evaluation manager who will later share with the evaluation team for their comments and inputs.

The consultant will have access to all relevant materials. To the extent possible key documentations will be sent to the consultant in advance.

6.2 Source of Information:

Sources of information and documentation that can be identified at this point are the following:

1. Various PRODOC BFC has had over the years
2. USAID Labour/Productivity Evaluation (2009)
3. End of Phase 1 report produced for the Agence française de développement (2008)

4. Project work plans and activity budget
5. BFC's management and general meeting minutes
6. BFC website: www.betterfactories.org
7. Project technical progress reports
8. BFC's synthesis reports
9. BFC's Change Management Review: Summary Report & Recommendations
10. IFC's sustainability documents
11. Better Work's relevant material on BFC
12. BFC's training material
13. Various brochures on BFC's services (monitoring, training)
14. Various article and researches conducted on BFC over the years
15. Media compilation (press clippings) on BFC
16. Cambodia Decent Work Country Programme (DWCP)
17. Better Work biannual Monitoring & Evaluation Matrix for BFC
18. Evaluations conducted by other organizations, such as Clean Clothes Campaign/Cambodian Legal Education Center 2012 evaluation
19. Any other relevant material

7. Management arrangement, work plan and time frame

7.1 Management arrangements:

The designated evaluation manager is Ms. Sutida Srinopnikom, Senior Programme Assistant, Decent Work Technical Support Team for East and Southeast Asia and the Pacific whom the evaluation team reports to ILO Regional Evaluation Officer will provide oversight and quality control of the evaluation.

7.2 Consultants' tasks

The evaluation will be conducted by an independent consultant responsible for conducting a participatory and inclusive evaluation process. The consultant will deliver the above evaluation outputs using a combination of methods mentioned above.

7.3 Stakeholders' and donors' role:

All stakeholders in Cambodia particularly the constituents, the partners, the project staff, ILO Bangkok, DWT Bangkok, ILO HQ, better Work, the International Financial Corporation and donors will be consulted and will have opportunities to provided inputs to the ToR and draft evaluation report. All key stakeholders will be consulted and interviewed by the evaluator.

7.4 Projects staff's role

BFC's Management team with its chief technical Advisor will support the implementation of the evaluation throughout the process, and provide logistical and practical support to the evaluation team during the evaluation mission. The project will also ensure that project documentations are up to date and easily accessible.

7.5 Work plan and timeframe⁷³

Table 3
Draft work plan and time frame

Task	Responsible person	Time frame
Preparation of the TOR	BFC's CTA DIALOGUE Evaluation Manager	12 March
Sharing the TOR with all concerned for comments/inputs	Evaluation Manager	May
Finalization of the TOR	Evaluation Manager	June
Shortlist candidate and submit all concerned for consideration	Evaluation Manager	August
Approval the shortlisted candidate	EVAL/ ROAP	First half of August
Contact shortlisted candidates to prepare a short proposal for evaluation methodology	Evaluation Manager	Mid August
Submit the short proposal	Shortlisted candidates	Last week of August
Selection of consultant and finalization	EVAL/ ROAP	End of August
Draft itinerary/schedule for the consultant and the list of key stakeholders to be interviewed	CTA	Second half of August
EXCOL contract based on the TOR prepared/signed	Evaluation Manager/CTA ILO Director for Cambodia, Laos and Thailand	Either end of September/ early October
Brief consultant on ILO evaluation policy	Evaluation Manager	September/October
Evaluation Mission and stakeholders consultation workshop to present the preliminary findings	Consultant	Second half of October
Drafting of evaluation report and submitting it to the Evaluation manager	Consultant	End of October
Sharing the draft report to key stakeholders	Evaluation Manager	First half of October
Consolidation of comments and send the comments to the evaluator	Evaluation Manager	mid October
Finalization of the report and submission of the revised report to Evaluation manager	Consultant	Last week of October
Review of the final report	Evaluation Manager	Early November
Approval of the final evaluation report	ILO EVAL (HQ)	November
Submission of the final report to BFC and other clients	Evaluation manager	November/ December
Follow up on recommendations	Evaluation manager/ ILO Director/BFC CTA	Ongoing

⁷³Subject to change, after consultation with the evaluation manager and the consultant.

8. Resources Required

8.1 BFC and BW will provide funds to cover the cost of the evaluation

- Cost for evaluator ((fee, travelling cost, and DSA)
- Cost for stakeholders workshop
- Cost for translation (if needed)

8.2 Qualifications and Responsibilities of the evaluator

- Demonstrated knowledge and experience in design, management and evaluation of large-scale development projects.
- Experience in evaluations of the UN system or similar international development experience in evaluating projects involving multiple stakeholders. Experience with the ILO is an advantage.
- Labour standards expertise, experience in the areas of labour standards compliance and/or corporate social responsibility, global supply chains, and right-based approaches in a normative framework. Experience in the garment industry is a distinct advantage.
- Relevant regional experience, preferably prior working experience in Cambodia.
- Relevant background in social and/or economic development.
- Experience in the area of workshop facilitation, qualitative methodologies such as in-depth interviews and focus group discussions, capacity building/training will also be appreciated.
- Fluency in English is imperative.

Annex 1

List of contributors to Better Factories Cambodia 2007-2013

Project title/Code	Project description/goals	Duration	Donor/ Contributor	Funding (US\$)	Evaluation status
CMB/11/50M/USA	<ul style="list-style-type: none"> Strengthening the scope & capacities of Better Factories Cambodia 	2012-2013	United State Department Of Labour	660,000	
CMB/12/02/USA	<ul style="list-style-type: none"> BFC's expansion into the footwear industry Developing an environment component Extend collaboration with labour inspection 	2012-2015	United State Department Of Labour	1,000,000	
CMB/00/51M/CMB	<p>The contribution of the Royal Government of Cambodia supports BFC to build the economy and competitiveness of Cambodia through</p> <ul style="list-style-type: none"> performing assessments on working conditions in factories based on Cambodian Labour Law and internationally recognized core labour standards, reporting on its findings publicly through its information management system - through industry wide synthesis reports and individual enterprise reports helping to improve working conditions and productivity through providing advisory services and training. 	2001-2013	Royal Government of Cambodia	1,569,665	Evaluated as part of ILO project evaluation carried out in 2003 and 2007.
CMB/00/52M/CMB	<p>The contribution of GMAC supports BFC to build the economy and competitiveness of Cambodia through</p> <ul style="list-style-type: none"> performing assessments on working conditions in factories based on Cambodian Labour Law and internationally recognized core labour standards, reporting on its findings publicly through its information management system -through industry wide synthesis reports and individual enterprise reports helping to improve working conditions and productivity through providing advisory services and training. 	2001-2013	GMAC	1,048,311	Evaluated as part of ILO project evaluation carried out in 2003 and 2007.

Project title/Code	Project description/goals	Duration	Donor/ Contributor	Funding (US\$)	Evaluation status
CMB/05/04M/CMB	<p>Phase 1:</p> <ul style="list-style-type: none"> • Ensure the sustainability of Better Factories Cambodia • Ensure the sustainability of BFC as an ethical sourcing destination • Ensure sustainability of Cambodian garment industry <p>Phase 2:</p> <ul style="list-style-type: none"> • moving the programme beyond compliance monitoring towards industry wide trade capacitating through development of a training service provision directed at export enhancement of individual factories and the sector as a whole • linking existing compliance, productivity and competitiveness related industry wide training efforts more intensely together in order to pragmatically service industry needs and enhance collaboration between training providers (GMAC, RGC etc.) • assisting the industry in moving from basic capacity building and training towards socially responsible industry upgrading process including systems level analysis and intermediate supervisory training crucial for sustained and expanded impact • facilitation of transfer of knowledge from Phase 1 to key industry stakeholders (GMAC and RGC offices responsible for the sector) and building their absorption capacity and practical skills in addressing the evolving regulatory framework and changing production conditions and needs • establishment of an impact evaluation system in order to look at productivity gains and in order to measure tangible results from training and capacity building efforts i.e. lead times, quality, staff turnover, days lost at work etc. 	2005-2010	Agence française de développement (AFD) – Phase 1 and 2	2,274,256	Will be evaluated by AFD in 2012.
CMB/05/50M/USA	<p>To support sustainability during the transition period. It is proposed that USAID support three discrete components. These are</p> <ul style="list-style-type: none"> • Component 1: To improve the efficiency, effectiveness and sustainability of Better Factories Cambodia monitoring. • Component 2: To increase compliance with the labour law by 	2006-2008	The United States Agency for International Development	600,000	Final evaluation completed and released in 2009.

Project title/Code	Project description/goals	Duration	Donor/ Contributor	Funding (US\$)	Evaluation status
	<p>improving workers' understanding of their rights and responsibilities.</p> <ul style="list-style-type: none"> Component 3: To develop sustainable systems to support the ongoing operation of Better Factories Cambodia 		(USAID)		
CMB/06/02M/IDA	To support BFC's transition toward a sustainable local organization	2006-2011	World Bank	1,286,844	No evaluation carried out
CMB/08/01M/NZE	<p>The purpose of this proposal is to seek funding to support International Labour Organization (ILO) activities related to the garment sector in Cambodia with a particular focus on supporting the rule of law, dispute prevention and resolution, freedom of association and the development of a mature and effective industrial relations system. 3 outcomes were identified:</p> <ul style="list-style-type: none"> Training & Capacity Building - Provide targeted training and capacity building to different stakeholders including the police, employers, unions, judicial officers and public servants which is focused on dispute prevention, strengthening the rule of law and developing sound and productive labour relations in the garment sector and elsewhere. Institutional Support - Support the Arbitration Council and Arbitration Council Foundation. Legal Review - Conduct a review of the Cambodian Labour Law (1997) 	2008-2009	New Zealand International Aid & Development Agency (NZAID)	144,188	No evaluation carried out
CMB/09/03M/UND	<ul style="list-style-type: none"> To address UN systems knowledge gaps in what actually is happening to the workers in the garment industry and what are their coping strategies during the crisis. To advocate for responsible enterprise transitioning (closures and suspensions) and to continue to build confidence in the industry during the crisis through awareness raising and advocacy efforts. To collaborate together on a multi-agency economic crisis concept note and proposal on worker outreach and skills and job referral services. This is multi agency effort including UNIAP, UNAIDS, UNIFEM, ILO and UNDP with the latter 	2009-2010	UNDP	58,951	Mid-term evaluation completed (Sept. 2011) NOT SURE ABOUT THIS ONE

Project title/Code	Project description/goals	Duration	Donor/ Contributor	Funding (US\$)	Evaluation status
	potentially funding parts of the work intended to support economic recovery through enhanced skills and human capital development efforts.				
GLO/08/52/NET	<p>Under the ILO Global Job Pact.</p> <p>This proposal comprises three components, all of which provide a justifiable short term response to the challenges of the economic crisis in Cambodia, particularly those of unemployment, inadequate labour market services, and the mismatch between workforce skills and labour market needs. Importantly, all components also aim to address these challenges through the lens of the ILO's Decent Work Agenda and by employing principles and recommendations outlined in the recently devised Global Jobs Pact.</p> <p>These components are:⁷⁴</p> <ul style="list-style-type: none"> • Technical assistance to the Royal Government of Cambodia in the establishment of up to seven regional job centres. • Improving productivity and skills and addressing sustainability of garment industry enterprises through enhanced energy efficiency and improved environmental management • Improved social protection and local economic development for vulnerable groups and communities through employment intensive infrastructure works. 	2009-2010	Government of The Netherlands	398,113	No evaluation carried out
CMB/06/03M/MUL	Funds the project collected from IMS report subscriptions and training income.	2007-2011	IMS Report Subscriptions and Training Income	908,935	No evaluation carried out
CMB/10/50/MUL	Funds from the Australian government.	2011	AUSAID fund	54,930	No evaluation carried out

⁷⁴ BFC was not responsible for component 2

Project title/Code	Project description/goals	Duration	Donor/ Contributor	Funding (US\$)	Evaluation status
CMB/09/04/SPA	Un programa mejor para las fábricas: empresas sensible al género en Camboya (Social Protection and Gender)	2009-2012	AECID	1,324,675	Final Independent Evaluation will be carried out at the end of the year

Annex II a

Mission Schedule and List of persons Interviewed

Draft Meeting Schedule Round 1

BFC external evaluation

PROGRAMME FOR EVALUATION MEETINGS AND FIELD VISITS

8-February to 20-February 2013

Ms. Jane Haile, External Evaluator

Mr. Sok Somith, Local Evaluator Tel : 012 946425 or 789 173

Ms. Jill Tucker, CTA-BFC Tel: 012 012 788 128

Ms. Socheat, Admin-Assistant Tel : 012 529 232

Ms. Seyha, Driver Tel: 012 855 597

Date/Time	BFC Partners	Meeting Venues	Venues Address	People to meet	Contact
Friday 8, February 2013					
8: 00 - 9:00 AM	BFC	BFC Jill's Office	#9, Street 322, Sangkat Beoung Keng Kong, Chamkamorn, Phnom Penh	Ms. Jill Tucker	012 788 128
9:00 - 10:00 AM	GMAC	GMAC Office	No. 175, Jawaharlal Nehru (St. 215), Near Depo Market, Phnom Penh	Mr. Ken Loo	012 282 288
11:00 -12: 00 AM	ILO	JPO Office	Sothearos (St. 3), Corner of Sihanouk (St. 274), Phnom Penh Center, Building F, 2nd Floor, PP.	Mr. Tun Sophorn	012 854 771
Lunch Break					
2:00 - 5:00 PM	BFC	BFC Office, Resource Center	#9, Street 322, Sangkat Beoung Keng Kong, Chamkamorn, Phnom Penh	Ms. Jill Tucker, MTM members	023 212847

Saturday 9, February 2013					
10:30 - 11:30 AM	Ocean Garment		Phum Preytea, Sangkat Chomchao, Khan Dangkor, Phnom Penh	Mr. Mamunar Rashid Mr. Vichheka	023 890 335 012 714 233
Lunch Break					
Sunday 10, February 2013					
9:00 - 11:00 AM	Expert by Experience	BFC Office	#9, Street 322, Sangkat Beoung Keng Kong, Chamkamorn, Phnom Penh	Mr. Rong	012 524 490
	Supervisory College			Mr. Chi Rachana	017 56 18 62
	Open Garment			Mr. Koy Phearin	012 476 302
	Radio Com Winner			Ms. Sinoun Mr. Chhorn Thorn	092 188 201 016 626372
Lunch Break					
Monday 11, February 2013					
9:00 - 10:00 AM	MoC	H.E. Office	Russian Federation, Sangkat Teuk Thla, Khan Sen Sok, Phnom Penh, Cambodia.	H.E. Sok Sopheak	012 505197
10:30 - 11:30 AM		H.E. Office		H.E. Mean Sophea	016 613 888
Lunch Break					
Tuesday 12, February 2013					
08:30 - 09:30 AM	AECID		No. 138, Preah Norodom (St. 41), Paragon Building Gate, 3rd Floor, 12206 Phnom Penh	Dr. Juan Pita	023 211 082
10:00 - 11:00	BFC	BFC	#9, Street 322, Sangkat Beoung Keng	Mr. Dara nov	012 529232
11:00 - 12:00	BFC	BFC	#9, Street 322, Sangkat Beoung Keng	Mr. Sopal Chea Ms. Yim Pichmalika	012 529232

Lunch Break					
2:00 - 3:00 PM	MDG	BFC	#9, Street 322, Sangkat Beoung Keng Kong, Chamkamorn, Phnom Penh	Ms. Sophal Chea	023 21 28 47
3:00 - 4:00 PM	BFC	BFC	#9, Street 322, Sangkat Beoung Keng Kong, Chamkamorn, Phnom Penh	Ms. Nou Pheary	012 529232
Wednesday 13, February 2013					
9:00 - 10:00 AM	ILO-WEP and Unions	ACILS's Office	# 06 Street 580 , Sangkat Bueong Kok 2 , Khan Toul Kork , Phnom Penh	Mr. Yim Serey Vathanak Union Confederations	092 233 163
10:00 - 11:00 AM	ACILS			Mr. David Welsh	023 881 202
Lunch Break					
2:00 - 3:00 PM	CLEC	CLEC's Office	# 237, Street 68D, Sangkat Doung Kao, Khan Doung Kao, Phnom Penh.	Mr. Moun Tola	023 211 723
4:00 - 5:00 PM	H & M	H & M's Office	7th Floor, Phnom Penh Tower, #445 Monivong Blvd, Phnom Penh Cambodia	Mr. Basirun Nabi	
Thursday 14, February 2013					
9:00 - 10:00 AM	MOSA	MOSA	No. 788B, Preah Monivong (St. 93), Phnom Penh	H.E. Khuon Ranine HE. Prak Chan Thoeun Mr. Heng Boros	023 726 085
10:00 - 11:00 AM	MOWA	MOWA	No. 3, Preah Norodom (St. 41), Phnom Penh	Ms. Nheam Sochetra	012758986
Lunch Break					
3:30 - 4:30 PM	Yak Jin Gament	Yak Jin Gament	Psar Kombol Prey Kod, Kombol Commune, Angsnoul District, Kandal Province	Mr. You Bora	012 970 289
Friday 15, February 2013					
8:30 - 9:30 AM	CAMFEBA	CAMFEBA	#44, Street 320, Sangkat BKK3, Phnom Penh	- Sandra Dámico	023 222 186

Lunch Break					
1:30 - 2:30 PM	In Kyung Gament	In Kyung Gament	Chamcar O vleuk Village, Sangkat Kakab, Khan Dangkor, Phnom Penh	Mr. Chung Choon Young	098 599 164 011 958 383
3:30 - 4:30 PM	Zhen Tai Garment	Zhen Tai Garment	Sangkat Phnom Penh Thmey, Khan Russey Keo, Phnom Penh	Ms. Chea Chea	016 911 119
Saturday 16, February 2013					
Sunday 17, February 2013					
Monday 18, February 2013					
9:00 - 10:00 AM	Medcrest Garment	Medcrest Garment	Kontork Village Kontork Commune, Ang Snoul District, Kandal Province, Cambodia	Mr. Jack Tsai	<u>012 607 989</u>
10:30 - 11:30 AM	MoLVT	H.E. Office	#3, Russian Federation Blvd, Phnom Penh, Cambodia	H.E Sath Samouth	
Lunch					
2:00 - 3:00 PM	Suntex Garment	Suntex Garment	No.8, Street Choam Chao, Sangkat Choam Chao, Khan Dangkor, Phnom Penh	Mr. Ken	<u>012 913 089</u>
4:00 - 5:00 PM	WORLD BANK	WB's Office	No. 113, Preah Norodom (St. 41), corner of St. 240, Phnom Penh	Mr. Julian Clarke	023 217 304
5:00 - 6:00 PM	Green Palace Hotel	Green Palace Hotel	No. 61, St. 111 Corner 232, Boeung Prol ,7 Makara District, Phnom Penh, Cambodia	Mr. Pong-Sul Ahn	
Tuesday 19, February 2013					
7:30 - 8:30 AM	IFC	Himawari	313, Sisowath Quay, Phnom Penh,	Eleonore Richardson	
9:00 - 10:00 AM	Media TCD	Media TCD	No. 129, St. 228, Phnom Penh	Ms. Denise Hruby	<u>092 990210</u>

11:00 - 12:00 PM	Media PPP	Media PPP	Will do skype call vince_macisaac@yahoo.com	Mr. Vince Macisaac	
Lunch Break					
2:00 PM - 5:00 PM	PAC Evaluation Meeting	BFC Office	#9, 322, Sangkat Boueng Keng Kong I, Chamkamorn, Phnom Penh	BFC-PAC members	012 52 92 32
Wednesday 20, February 2013					
8:00 AM - 12:00 PM	Stakeholders Workshop	Tonle Bassac Resturant	No. 313, Preah Sisowath Quay, 12207 Phnom Penh	BFC stakeholders	012 529232
Lunch Break					

Note :

	Confirm meeting
	To be confirm
	Cancel meeting

Annex II b

List of Contacts:

Ahn, Pong-Sul	Senior Specialist on Worker's Activities, ILO/DW Technical Support Team
Artuso, Fabio	Trade & Regional Integration Specialist, The World Bank
Bhadasiri, Suradee	Programme Officer Cambodia, ILO Country Office Laos, Thailand, Cambodia
Bora, You	Compliance, Yakjin, Cambodia Inc
Brown, Larry	Esprit Contact Person
Bussi, Maurizio	Director, ILO, Decent Work Technical Support Team for East and Southeast Asia and the Pacific
Chang, Jae-Hee	Specialist on Employer's Activities (for South-East Asia & Pacific Islands)
Chea, Chea	Zhen Tai Garment
Chen, Dene-Herne	Associate Editor, The Cambodia Daily
Christensen, Ingrid	Senior Specialist on OSH, ILO
Clarke, Julian	Trade Economist, The World Bank
D'Amico, Sandra	Vice President, Cambodian Federation of Employers & Business Associations
De Meyer, Tim	Senior Specialist on International Labour Standards and Labour Law, ILO
Girtle, Glenna	Nike Contact Person
H.E Khuon Ranine	Ministry of Social Affairs
H.E PrakChan Thoeun	Ministry of Social Affairs
H.E Sat Samoth	Under Secretary of State, Advisor to the State President, Ministry of Labor and Vocational Training
Haspels, Nelien	Senior Specialist on Gender and Women Worker Issues, ILO Decent Work Technical Support Team, Bangkok
Heng, Ros Sok	Finance & Admin Manager, Better Factories Cambodia
Khan, Basirun Nabi	H&M Sustainability Project Leader, Puls Trading
Klotzbuecher, Karin	Chief, Regional Programming Services, ILO/ROAP
Kyeng, Leeu Eun	General Manager, Yakjin Inc.
Lacno, Bril	Levi-Strauss
Loo, Ken	Secretary General, Garment Manufacturers Association in Cambodia
Maclsaac, Vince	Media PPP
Mamunar, Rashid	Ocean Garment
Mangahas, Thetis	Deputy Regional Director, ILO/ROAP, Bangkok

Moeun, Tola	Unit Head, Labour Rights Program, Community Legal Education Centre
Mr. Pheng	KaoWay Sport
Mr. Rong	Expert by Experience
Nathan, Christine	Regional Specialist in Worker's Education, ILO/ROAP
Nhim, Morm	President, National Independent Federation Textile Union of Cambodia
Nou, Pheary	Training Officer, Better Work
Nov, Dara	Training Officer, Better Factories ,Cambodia
Pasaribu, Oktavianto	Regional Programme Analyst, ILO/ROAP
Phearin, Koy	Open Garment
Phen, Sothea	Sustainability Senior Auditor H&M
Pita, Juan	General Coordinator, Spanish Cooperation in Cambodia, Embassy of Spain
Poutianen, Tuomo	Programme Manager, Combating the Worst Forms of Child Labour in Shrimp and Seafood Processing in Thailand, ILO
Pringsulaka, Pamornrat	Evaluation Officer, ILO Regional Office, Bangkok
Rachana, Chi	Supervisory College
Raja, Hanim	Gap Contact Person
Rees, Dan	Director, BW Programme, ILO
Richardson, Eleonore	IFC
Ritchotte, John	Senior Specialist in Labour Administration, ILO
Rynhart, Gary	Senior Specialist in Employer's Activities, ILO
Singh, Simrin	Senior Specialist on Child Labour, ILO
Sochetra, Nhean	Director, Gender Equality Dept, Ministry of Women's Affairs, Cambodia
Sok, Sopheak	Director General, Ministry of Commerce
Sophally, Long	Deputy Director, Ministry of Women's Affairs
Sophal, Chea	Senior Monitoring Officer, Better Factories Cambodia
Sopheha, Mean	Advisor to the Ministry of Commerce, Director of Trade Preferences System Department
Srinopnikom, Sutida	ILO Regional Office, Program Officer, Regional Programming Services
Tai, Ken	Director, Sustainability & Social Responsibility, Ocean Sky Global
Thorn, Chhorn	Radio Com Winner
Tola, Moun	Community Legal Education Centre
Tsai, Jack	Senior Vice President, Medcrest Textiles
Tucker, Jill	Chief Technical Adviser BFC
Tun, Sophorn	National Coordinator, ILO-Joint Projects Office
Vathanak, Yim Serey	National Project Coordinator, Worker Education Project, ILO

Wang, Jiyuan	ex-Director CO-Bangkok
Welsh, David John	Country Director-Lawyer, Solidarity Centre Cambodia ACILS
Yim, Pichmalika	Senior Programme Officer, Better Factories Cambodia
Young, Chung Choon	Director, InkYoung Cambodia

Annex III

Reference Documents

BFC (2009) Monitoring: Outcome Report 2009

BFC (undated) Public Reporting for Improvement Initiative: A Discussion Paper

BFC website and individual sources: Synthesis Reports, Fact Sheets, Progress Reports, Technical Progress Reports, Brochures, Advocacy and Information materials, Terms of Reference, Guidelines, Best Practice Sheets, Aide Memoires, Circulars, Drafts, Correspondence, Minutes, MoUs, spreadsheets, monitoring checklists.

Better Work (2009) The Better Work Programme Stage II July 2009-June 2012 (draft)

Better Work (2011) Supervisors College 2011: Better Work Innovation Fund Activity Report

Better Work (2012) Better Work Buyer Partnership: A new model for engagement

CLEC & CCC (2012) 10 Years of the Better Factories Cambodia Project: a critical evaluation

HRInc. Cambodia (2007) BFC Change Management Review (draft)

IFC (2009) ideas42Harvard; Supervisory Skills Training in the Cambodian Garment Industry: A Randomized Impact Evaluation

ILO (2007) Evaluation of Better Factories Cambodia Modular Training Programme 2007

ILO(2007)Better Factories Cambodia :Independent Final Evaluation for the period 2003-2005

ILO (2010) Decent Work Country Programme 2008-2010

ILO (2011) Report on the review of the ILO Decent Work Country Programme,Cambodia 2008-2010

ILO (2011) Chea Sophal; ILO:Report on MDG-F Joint Programme's Achievements and Challenges

ILO (2012) Independent Final Evaluation Social Protection and Gender Project (CMB/09/04M/SPA)

ILO (undated draft) Decent Work Country Programme 2011-2015

ILO/CIDS/UNDP (2010) Tracking Study of Cambodian Garment Sector Workers Affected by the Global Economic Crisis

ILO (2011) Dasgupta S.; Poutiainen T.; Williams D.; From downturn to recovery: Cambodia's garment sector in transition

ILO (2012) Action-oriented research on gender equality and the working and living conditions of garment factory workers in Cambodia

ILO (2012) Better Factories Cambodia 2013-15; draft project document

ILO (2012) Practical challenges for maternity protection in the Cambodian garment industry

USAID Cambodia (2009) Labour/Industrial Productivity Activity Evaluations

Annex IV

Income donor & non donor 2009 - 2012

International Labor Organization (ILO)

Better Factories Cambodia (BFC)

BFC Funding Sources for 2009 – 2012

Funding Sources (BFC)	2009	2010
Non-donor funding	547.071	562.705
(% of non-donor funding)	36%	41%
Income generation	231.571	247.205
RGC	180.000	180.000
GMAC	135.000	135.000
Trade Union	500	500
Donor funding	959.139	815.887
(% of donor funding)	64%	59%
AFD	455.852	627.923
World Bank	253.440	33.611
Ducth	243.858	154.255
NZAID	5.989	98
Total	1.506.210	1.378.592
(% of total funding)	100%	100%

Funding Sources (BFC)	2011
Non-donor funding	704.122
(% of non-donor funding)	57%
Income generation	349.122
RGC	180.000
GMAC	175.000
Donor funding	528.831
(% of donor funding)	43%
World Bank	463.373
Ausaid	65.458
Total	1.232.953
(% of total funding)	100%

Funding Sources (BFC)	2012
Non-donor funding	937.626
(% of non-donor funding)	64%
Buyers' subscription	353.869
Assessment/Investigation	38.050
Training income	71.879
Special event/Sponsorship	75.838
Other income	41.991
RGC	180.000
GMAC	175.000
Trade Union	1.000
Donor funding	537.344
(% of donor funding)	36%
AusAID	54.372
USDOL Strengthening	318.940
USDOL expansion	164.032
Total	1.474.970
(% of total funding)	100%