



# ILO EVALUATION

- **Evaluation Title:** Better Work Vietnam, Phase II
- **ILO TC/SYMBOL:** VIE/12/06/MUL, VIE/13/07/IRL, VIE/13/06/AUS, VIE/11/50/USA, VIE/12/05/CAN
- **Type of Evaluation :** midterm independent evaluation
- **Country(ies) :** Vietnam
- **Date of the evaluation:** September 2015
- **Name of consultant(s):** Una Murray
- **ILO Administrative Office:** CO-Hanoi
- **ILO Technical Backstopping Office:** BETTERWORK
- **Date project ends:** December 2016
- **Donor: country and budget US\$** Ministry of Foreign Affairs of the Netherlands; Development Cooperation Directorate of the Department of Foreign Affairs and Trade of Ireland; Swiss State Secretariat for Economic Affairs; Australian government Department of Foreign Affairs and Trade; US Department of Labor; Canada Employment and Social Development – total budget: \$6,000,000
- **Evaluation Manager:** Rasha TABBARA
- **Evaluation Budget:** \$26,681
- **Key Words:** labour; employment; migration; health and safety; gender; social protection

This evaluation has been conducted according to ILO's evaluation policies and procedures. It has not been professionally edited, but has undergone quality control by the ILO Evaluation Unit.

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## Acknowledgements

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The Evaluator would like to sincerely thank the CTA of BWV Ha Nguyen and the Better Work Team in Vietnam, particularly Tien Mach Nhu for their support in conducting this evaluation, in particular for hosting and facilitated the visits to *Better Work* offices in Ho Chi Minh City and Hanoi, and efficiently organising meetings with project stakeholders, and visits to *Better Work* factories. Additionally thanks for their responses to the many queries throughout the mid-term evaluation process. The evaluator would also like to acknowledge and sincerely thank the evaluation manager Rasha Tabbara, the ILO BWG team particularly Arianna Rossi and Wamiq Umaira for their access and support in conducting this mid-term evaluation. A specific appreciation is due to the managers and workers in the two factories visited who took time off to meet the evaluator and answer a range of questions.

Una Murray, August 28<sup>th</sup> 2015

## Executive summary

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### BWV purpose and objectives

Vietnam, the focus of this mid-term evaluation, has a garment industry that is growing fast and set to expand. Workers interests need to be protected if growth is to be sustained. *Better Work Vietnam* (BWV) is part of the *Global Better Work* family, a partnership between ILO and IFC operating in Vietnam since 2009. BWV is a hybrid between a business-oriented programme and a development programme. It aims to contribute to improving the lives of garment workers in Vietnam, helping the apparel industry to ensure export oriented factories are competitive and workers are treated fairly and with respect.

Phase II, the focus of this mid-term evaluation began in July 2012 and runs for 48 months. With both a business-oriented and a development-oriented focus, BWV is concerned with assessing and advising on many aspects of labour standards in Vietnam. BWV has 5 objectives, in short:

- i) assessment, advisory and training services help factories adhere to labour standards, to show leadership in adhering to law, and help to drive change;
- ii) achieving impact by bringing lessons learned into public and private sector policy debates;
- iii) expanding the scope and depth of BWV services to increase its impacts;
- iv) strengthening the long-term viability of activities by increasing cost recovery, the capacity of national staff

- who take on greater management and ownership for the programme; and
- v) increasing the capacity and ownership of local social partners for sustainability.

BW operates under the umbrella of a Project Advisory Committee (PAC) made up of government, the Vietnamese trade union and the main employers' organisation. BWV interfaces with factories who register with the programme on many levels. BWV Enterprise Advisors (EAs) go into participating factories advising and assessing the labour situation around set criteria devised from *Better Work Global*.<sup>1</sup> *Better Work* staff help the factory set up a Performance Improvement Consultative Committee (PICC), consisting of workers, management and union members, to discuss/resolve issues arising from assessments. The *Better Work* team share good practices from other factories; provide training and produce assessment and compliance feedback. Regular public synthesis and thematic reports are produced to present findings from Vietnam factories and give an overview of garment sector progress and challenges. Apart from workers and factory management, BWV stakeholders also include buyers, and have partnerships and activities organised with, the Vietnamese trade union (VGCL), the national employer organisation (VCCI) and the government, in particular the Ministry of Labour, Invalids and Social Affairs (MOLISA).

### Methodology of mid-term review

The Evaluator obtained information about the progress of BWV towards reaching the immediate objectives, outputs and activities

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<sup>1</sup> This includes a focus on: occupational health and safety; working hours; human resources policies and practices; how to increase production efficiencies; and how to increase workers productivity.

over 30 days between May and June 2015. A short mission to Vietnam took place to meet BWV staff, stakeholders and visit factories. Using an evaluation matrix developed for the mid-term evaluation, primary sources of information included 57 opened-ended interviews with semi-structured questions. Secondary sources including qualitative and quantitative data were analysed using the BWV performance plan data and relevant reports. The draft report was shared with BWG and BWV to check for accuracy and subsequently circulated to a wider range of BWV stakeholders (including SECO).

## Findings

Phase II was designed based on stakeholder needs, built on the successes of Phase I and informed by lessons learned. BWV connects different stakeholders such as the trade union, factories, the government (MOLISA) with 51 buyers, including 29 buyer partners. When a factory participates in the *Better Work* (BW) programme, buyers realise the factory is serious about its workers and working conditions, which gives the factory an edge towards working with more international buyers, a key goal for garment factories. Impact research through long term studies provide strong evidence that improvement in factory workers conditions leads to improvements in factory competitiveness. BWV is supporting MOLISA in their labour inspection duties, equipping them with new tools and approaches, and working alongside an ILO Industrial relations project.

Progress is on schedule and ongoing with regard to the five objectives of BWV. Considerable efforts are in place to implement **Objective 1**, BWV's core services (assessment, advisory and training to factories). At present there are 356 factories

registered with BWV; over 50 from the North of the country joined since January 2015 and a new BWV office opened in Hanoi. A new (adjusted) model for assessment and advisory services has recently being introduced (May 2015). The new model for working with factories should eventually ensure factories take more responsibility for compliance with national labour standards themselves rather than standards being pushed by buyers.

A quality assurance mechanism is in place to help ensure all factories obtain consistent service from enterprise advisors, the foot soldiers of BWV. Although widely recognised that 80 percent of workers in the garment industry are female, clarity on what BWV is striving to achieve on gender related issues is needed.

Activities to ensure BWV has achieved greater impact by bringing lessons learned and knowledge of governance gaps in policy debates are also ongoing although may require more focus and stakeholder mapping for better targeting (**Objective 2**). Nearly all the activities around expanding the scope and depth of BWV services have been completed (**Objective 3**). E.g. the expansion to the north of the country and to the footwear industry). The expansion to include environmental criteria as a factory assessment has been delayed and may not be possible to include yet, with all the initiatives underway. With regard to **Objective 4**, and the long-term viability of BWV activities, many initiatives are in place, but are expected to accelerate in the coming year. Linked to this are activities to increase the commitment and revenue to BWV from participating factories. Specific actions to improve the management capacity of national staff have been completed but should continue for the remainder of Phase II. *Industrial relations* are a fundamental part of

improving the situation at the factory level. Acknowledging the importance of industrial relations in all its work, IR training for project staff has taken place. Nineteen BWV having completed the Basic IR course and six having completed the Advanced IR course. Project staff have widened and diversified their skill sets both in core service delivery and in supporting wider project activities, but this of course is an ongoing process, also important for more recently recruited staff.

The more challenging engagements relate to increasing the capacity and ownership of local social partners for the sustainability of BWV. These are also ongoing and making progress (**Objective 5**). For example provincial level PACs will probably be set up in the coming months, allowing the national PAC to focus more on strategic issues, allowing provincial PACs to concentrate on implementation issues. Considerable efforts is being placed on enhancing ownership and ensuring that the project services are institutionalised – which requires continued planning, management and a perseverance towards collaboration with the many BW Stakeholders during the remaining period of Phase II.

Outputs for objective 5 are not as easy to assess and monitor, but worth the effort to ensure BWV can in the long-term become a sustainable entity in Vietnam. Beyond financial sustainability, there is a focus on institutional aspects (capacity building of social partners) and human resource management issues. Building the capacities of national staff, to take more ownership of the programme, may require more intense focus for the remainder of Phase II. Donor encouragement and attendance at BWV events should help secure more commitment

from the government/social patterns and leverage the programme to higher levels nationally. The BWV country manager is Vietnamese which is considered good practice.

Overall performance targets and monitoring and evaluation indicators need to be streamlined, and work is ongoing with BWG to revise some indicators.

## Conclusions

During Phase II a significant number of new initiatives are being put in place (expansion North and from 3 to 13 provinces, new services model, expansion to footwear industry). Other than continuing to implement these changes, it would be inappropriate to introduce even more changes, including environmental assessments.

Impact research undertaken in collaboration with Tufts university indicates that BWV is contributing to the lives of almost half a million workers in Vietnam, by improving working conditions in registered factories (development oriented objectives). Impact studies are demonstrating that decent work actually improves competitiveness (business oriented objectives).

Resources appear to be allocated strategically to achieve BWV Phase II expected outcomes. Financial sustainability is on the agenda, but may not yet be achieved by the end of the Phase II, although many efforts have been made to improve the time and resource efficiency in the deliver of core services.

BWV appears to have an efficient management system in place, with an well respected competent CTA and sub-teams organised around thematic areas, and procedures following guidelines. More linkages with ILO Hanoi would be beneficial for communicating on policy related issues. BWV may need to provide more support on leadership skills amongst the social partners for the institutionalisation of the BWV approach, leveraging support via the tripartite Project Advisory Committee and BWV donors.

Impact at the factory levels depends considerably on factory management commitment, but is also linked to pressures from buyers, and the quality of services provided by EAs. Services provided by EAs is within the immediate control of BWV, and management have put in place a quality control system to ensure consistent service from EAs – who as a valuable resource, have to be cultivated so they remain with BWV once trained. Capacity building for staff should focus on being flexible and adapting to different worker/employer situations.

Clarify on what and who exactly BWV is trying to influence is also important. More work with regard to the media may help to energize stakeholders and get some messages through to target audiences. Partnerships are working well (with MOLISA, VCCI, VGCL, APHEDA) and all must continue to work together on consolidating key messages for change that may be required.

## Recommendations

Recommendations include careful work on revising the indicators such as:

- clarifying why and for whom indicators are being collated;
- considering the usefulness of each indicator to monitor BWV progress;
- ensuring indicators are up to date; and
- correlating all indicators across different reporting systems.

The 'adjusted' self diagnosis model in factories should be carefully monitored to gauge its effect, using the media to highlight factories that have demonstrated that they have done well. BWV should move beyond reporting on gender breakdowns in training and amongst PICC committees and consider what actually can be changed within the remaining period of the project with regard to the status of women.

More follow-up work on policy / research briefs is required, setting the right tone for different audiences and ensuring basic facts are at hand in each brief, so briefs can be quickly referred to and used easily. More consideration of how to actually influence what policy and what are the most appropriate methods should take place during the remainder of Phase II. For instance policy related issues could be raised more at Buyers Forums and through the PAC after a review of what exactly should change. Continue to assess EAs needs and workloads and assess whether BWV has the resources to continue expanding. Consider how any further expansion will mitigate against reducing the quality of service from BWV. At the administrative level, improve the automation of certain tasks to free up more time for strategic rather than administrative work.



For the remainder of Phase II, considerable time should be spent strategising on how to scale out the programme, and how further expansion is for impact rather than numbers or geography (as the current model is still resource consuming) working with social partners. Continue exploring / considering different approaches. The effectiveness and impact of the programme should be demonstrated more clearly to an audience beyond the typical tripartite audience. Policy briefs should help in this regard if followed-up upon once distributed. The role of BWV within the ILO family may require a bit more integration at the country level.

upfront. For example learning from colleagues and learning from other country experiences.

In summary and conclusion, the apparel industry in Vietnam is a growing industry and production is expected to grow further. BWV is a very worthwhile project as it focuses on those who provide the labour, energy and management for this industry to thrive. Garment workers, often employed under relatively precarious circumstances in Vietnam, deserve decent employment in conditions of freedom, equity, security and human dignity.

### **Lessons learned and emerging good practices**

Having a national CTA in BWV was mentioned by nearly all interviewed as an emerging good practice. National leadership training for senior BW staff is also recognised as a good practice, allowing peer learning from senior management from other countries. In addition, collaboration with the ILO Industrial Relations project is also an emerging good practice with many synergies and mutual learning through this collaboration.

The need for attention to EAs by BWV is an important and ongoing issue, recognising that they make the whole system tick in terms of BW services to factories. Building their capacities and retaining them requires consideration of incentives beyond financial remuneration (such as giving them leadership roles; learning opportunities; travel abroad; team work). Maintaining an open work environment is also important. Different forms of training from EAs proves effective, beyond the intensive training required

## Acronyms

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APHEDA	Australian People for Health, Education and Development Abroad
BW	Better Work (referring to Better Work Programme)
BWG	Better Work Global (either in Bangkok or Geneva)
BWV	Better Work Vietnam
CAT	Compliance Assessment Tool
CEO	Chief Executive Officer
CTA	Chief Technical Advisor
DOLISA	Department of Labor, Invalids and Social Affairs
EA	Enterprise Advisors (staff in Better Work)
EU	European Union
FoL	Federations of Labour, Provincial level
FRKS	Financial Recording Keeping System
FTA	Free Trade Agreement
HCMC	Ho Chi Minh City
IFC	International Finance Corporation
ILO	International Labour Organization
IR	Industrial Relations (also IR is a ILO project based in Hanoi)
M&E	Monitoring and Evaluation
MOIT	Ministry of Industry and Trade (Vietnam)
MOLISA	Ministry of Labor, Invalids and Social Affairs
MoU	Memorandum of Understanding (describing roles and relationships)
No.	Number
PAC	Project Advisory Committee (in Better Work)
PICC	Performance Improvement Consultative Committees
PMP	Project Performance Management Plan
SCORE	Sustaining Competitive and Responsible Enterprises
SME	Small and Medium Enterprises
SST	Supervisory Skills Training
STAR	Computerised system/ database used by Better Work
ToRs	Terms of Reference
TPP	Trans-Pacific Partnership (trade agreement under negotiation)
TPR	Technical Progress Report
USDoL	United States Department of Labour
VCCI	Vietnam Chamber Of Commerce and Industry
VGCL	Vietnamese General Confederation of Labour
VITAS	The Vietnam Textile and Garment Association

## 1. Background and project description

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### 1.1 Introduction and context

The *Better Work* Programme arose from collaboration between the ILO and International Finance Corporation (IFC)<sup>2</sup> in 2007 to bring about improvements across the international garment industry's working conditions and increase competitiveness in the industry. The goal of *Better Work* is for garment workers' rights to be realised and for factories who uphold labour laws and standards to be profitable and productive. *Better Work* is an unique programme in that it combines the ILO's knowledge on labour standards/ tripartite partnership, with the IFC's expertise on private sector development. Covering almost 1,200,000 workers, BW is operational in eight countries, including Vietnam, the focus of this mid-term evaluation report.<sup>3</sup>

As part of the *Better Work* family, BWV is a hybrid between a business-oriented programme and a development programme. Overall BWV aims to contribute to improving the lives of garment workers in Vietnam, and increase their competitiveness in striving for more profitable relationships with international apparel companies. Garment workers for example, are often poorly paid, with long hours and unsafe conditions. Vietnam faces a gap in complying with international and national labour standards. Without compliance, individual factories can miss opportunities for beneficial contracts, and the economy risks constraints on exports. International brands do not wish to be associated with garments made in poorly paid, and unsafe conditions. Stressing that the best way to be competitive in an extremely competitive apparel industry, is to ensure good working conditions, BWV provides expertise in how to achieve better conditions. BW interfaces with factories via Enterprise Advisors (EAs) who go into participating factories advising and assessing the situation around set criteria.<sup>4</sup> EAs help the factory set up a Performance Improvement Consultative Committee (PICC), consisting of workers, management and enterprise union members, to discuss/resolve issues arising from assessments. EAs share good practices from other factories; provide training and produce assessment and compliance reports. Regular public synthesis and thematic reports are produced to present findings from Vietnam factories and give an overview of garment sector progress and challenges. Thus the uniqueness of BWV is that it services the private sector in a business oriented way, but also focuses on capacity building for social partners, and attempts to influence policy in Vietnam.

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<sup>2</sup> The IFC is a member of the World Bank Group, and is the largest global development institution focused exclusively on the private sector. Working with private enterprises in about 100 countries, IFC uses its capital, expertise, and influence to help eliminate extreme poverty and boost prosperity – including improving standards of performance in labour and working conditions.

<sup>3</sup> Cambodia, Haiti, Jordan, Lesotho, Indonesia, Vietnam, Nicaragua & Bangladesh

<sup>4</sup> This includes a focus on: occupational health and safety; working hours; human resources policies and practices; how to increase production efficiencies; and how to increase workers productivity.

An important component of *Better Work Global* is research towards a compelling business case for enterprises to invest in improving working conditions. Working with Tufts university<sup>5</sup>, research from Vietnam provides evidence of the impact of improved working conditions on workers, businesses and on broader social objectives. A key message of *Better Work* is that business benefits and good working conditions can go hand in hand. Research results are communicated through shared seminars, training and other interactions with country stakeholders, and the development of policy/ research briefs circulated to stakeholders. A further message disseminated by BW is that engagement with *Better Work* helps factories improve, while making them more appealing for 51 global buyers currently registered with *BW*.

*Better Work* has 'global' teams in Geneva and Bangkok who provide support to the eight country teams and promote findings on the global stage. Together with country teams and using their position as part of the ILO and the IFC, they attempt to influence policies so that garment workers rights are realised. *Better Work* intends to make each country programme sustainable. Whilst donor countries contribute funds to implement the more development oriented aspects of BWV, international garment buyers pay for factory audits and related activities themselves (the more business oriented aspects of BWV).

#### Box 1: The Apparel Industry and the Vietnam Context

A key purpose in Phase II of BWV was to help social partners in Vietnam's integration into the market economy. Vietnam has been moving towards a mixed economy since the late 1980s and 1990s, pursuing more economic growth and renovating its market economy. Vietnam's textile and garment sector plays an important role in national development. Apart from income for workers, the export of garment products contributes significantly to Vietnam's total export revenue and gross national product.<sup>6</sup> There 700 export factories out of 4000 apparel factories in total.<sup>7</sup> The US makes up nearly half the market for exports, worth \$17.9 billion per year, (15 and 13 percent to EU and Japan). By the end of 2014 the industry was rated as the second largest manufacturing sector in terms of export value, and accounted for almost 14 percent of total export turnover. The sector is expected to grow. The Vietnam Textile and Garment Association (VITAS) notes the following strategy for 2015-2020:

- production growth from 12-14% a year
- export growth at 15% a year
- employment to 2.75 million people in 2015 and 3.0 million people in 2020,

<sup>5</sup> Tufts University, USA have been collaborating with BW since the beginning of the programme 2009/10

<sup>6</sup> Source: Vietnam Trade Promotion Agency, who stated that there is a supportive government policy, allowing, for example, duty-free imports of raw materials on the condition they are re-exported as clothing products within 90-120 days. The Vietnamese industry has shown capacity to react quickly and flexibly to new orders.

[http://www.vietrade.gov.vn/en/index.php?option=com\\_content&view=article&id=1330:strengths-of-the-vietnam-textile-and-garment-industry&catid=270:vietnam-industry-news&Itemid=232](http://www.vietrade.gov.vn/en/index.php?option=com_content&view=article&id=1330:strengths-of-the-vietnam-textile-and-garment-industry&catid=270:vietnam-industry-news&Itemid=232)

<sup>7</sup> Up to October 2014. [http://betterwork.org/vietnam/wp-content/uploads/BWV-Factsheet\\_2014\\_English\\_V2.pdf](http://betterwork.org/vietnam/wp-content/uploads/BWV-Factsheet_2014_English_V2.pdf)

- export revenue attaining US \$18 billion dollars in 2015 and US \$25 billion dollars in 2020.<sup>8</sup>

With a large population (90 million), there are many young Vietnamese workers looking for minimum wage work. The garment industry contains 2.5 million workers, of which 80 percent are female. There can be high labour turnover in Vietnamese factories. Many different issues arise in the move to the market economy in Vietnam. Employers can take short cuts violating labour law, resulting in labour exploitation and job insecurity. Factory level challenges include overtime and rest time pay; health services and chemical handling; contract and work rules that comply with labour law; verifying workers' ages; and ensuring good industrial relations.<sup>9</sup> Worker in factories have a limited understanding of the law. Key institutions such as the trade union have difficulties in adjusting to the market economy. Between 1995-2008 there were more than 2700 strikes<sup>10</sup>. Undoubtedly social dialogue needs to be made more effective in Vietnam.

In 2012, influenced by ILO and BWV (Phase I), reforms of both the Trade Union Law and the Labor Code were made. These reforms provided stronger protection for workers' rights, in particular fundamental rights such as non-discrimination and equality, prohibiting forced and child labour, as well as the right to organise and collective bargaining. Reforms also facilitated workers and employers and their organisations to negotiate and determine their own terms and conditions of employment. From January 2015 Decree 103 approved region-based monthly minimum wages with minimum wages rising from \$90-128 per month to \$114-116. Another legal change (from January 2016) is that workers will be obliged to pay into a Social Insurance Fund, matched by their employers. From 2013, zero tariff opportunities that arise from Trans-Pacific Partnership (TPP) negotiations focused attention from buyers/investors on the apparel industry. Once signed, further amendments to the 2012 Labour Code may be required.

## 1.2 *Better Work Vietnam* project description

*Better Work Vietnam* (BWV) Phase I was initiated in July 2009 and ended in December 2012. Under the BWG umbrella, built on the results achieved in Phase I, and with a total budget of USD 6 million, Phase II of BWV began implementation in January 2013 and is due to end in December 2016.

Donors for Phase II include the United States Department of Labour (USDOL), the Employment and Social Development Canada; the Netherlands Ministry of Foreign Affairs, the State Secretariat for Economic Affairs, Switzerland (SECO) and Irish Aid (see Section 9.1 for contributions from donors).

Phase II of BWV has 5 immediate objectives, summarised as:

<sup>8</sup> Source: [http://www.vietrade.gov.vn/en/index.php?option=com\\_content&view=article&id=1330:strengths-of-the-vietnam-textile-and-garment-industry&catid=270:vietnam-industry-news&Itemid=232](http://www.vietrade.gov.vn/en/index.php?option=com_content&view=article&id=1330:strengths-of-the-vietnam-textile-and-garment-industry&catid=270:vietnam-industry-news&Itemid=232)

<sup>9</sup> [http://betterwork.org/vietnam/wp-content/uploads/BWV-Factsheet\\_2014\\_English\\_V2.pdf](http://betterwork.org/vietnam/wp-content/uploads/BWV-Factsheet_2014_English_V2.pdf)

<sup>10</sup> Source: presentation by Ms. Dang Thi Van Lam Vietnam General Confederation of Labor (VGCL) Feb, 2012 ITCILO and ACTRAV ILO.

1. Assessment, advisory and training services provided by BWV to help factories adhere to labour standards and this drives change in the industry;
2. Greater impact is achieved by bringing lessons learned into policy debates;
3. The scope and depth of BWV expands;
4. Long-term viability of BWV activities are strengthened by increasing cost recovery, improved capacity of national staff who will subsequently give better services and take on greater management and ownership of BWV;
5. Capacity and ownership of local social partners is increased for sustainability of BWV.

## 2. Purpose of evaluation

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The objective of this mid-term evaluation is to assess progress made towards achieving the planned objectives of the BWV Phase II Programme to date according to the log frame and respective monitoring indicators. The evaluation assessed the continued relevance of the BWV intervention, through discussion with stakeholders, and a review of progress in achieving the objectives. The evaluation considered modifications that could be made to ensure the achievement of the objectives. The monitoring and evaluation framework was examined in terms of suggesting adjustments to the log frame in line project implementation to date. A focus was also placed on improving the effectiveness of reporting results.

The scope of this evaluation includes all elements of the original *BWV* programme log frame. There was a particular focus on stakeholder engagement for sustainability; and influencing compliance and policy. Gender equality as a cross-cutting concern was integrated throughout the evaluation. The Terms of Reference (ToR), stressed that the evaluation should not seek to evaluate the efforts of the *Better Work* programme against the government's broader commitment to ratify core ILO conventions, particularly 87 (Freedom of Association and Protection of the Right to Organise) and 98 (Right to Organise and Collective Bargaining). Annex 1 contains the ToR for the mid-term evaluation.

The primary clients for the mid-term evaluation is the *Better Work* project management team, in Vietnam, as well as the *Better Work* team in Geneva and Bangkok, along with ILO Hanoi, IFC and the donor SECO. Other donors to *BWV* will also be interested in the mid-term evaluation report as will national stakeholders, particularly if the summary and recommendations are translated into Vietnamese. International buyer partners may be also interested in the evaluation summary.

## 3. Evaluation methodology

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The mid-term evaluation focused on assessing progress made towards achieving the planned objectives of BWV Phase II to date. The principles and approach adopted during the review were in

line with OECD/DAC criteria for international development evaluations, and the ILO's Evaluation Policy Guidelines.<sup>11</sup> The methodology drew from a range of tools available for use in social research, triangulating across data sources. Both primary and secondary sources of information were used. Primary sources included 57 opened-ended interviews with semi-structured questions (including 14 staff from BWV; 5 from BWG; 2 from ILO Hanoi; 11 social partners; 3 buyers; 2 factories were visited meeting 8 workers) Annex 2 contains a list of those interviewed. Quantitative data was analysed using the BWV performance plan figures. To triangulate data and verify accuracy, the same questions were asked to similar stakeholders (e.g. interviews with BWV factory managers were checked against synthesis reports of compliance data and views of factory workers). An evaluation matrix including questions (Annex 4, Tables 3-8) provided an evaluation instrument for the review.

The evaluation methodology encompassed:

- A desk review of relevant project documentation – Annex 3
- Preparation of an evaluation instrument for the mid-term evaluation inception report
- Interviews with key ILO personnel (Geneva, Bangkok, Ho Chi Minh City and Hanoi) -Annex 2.
- Visit to Ho Chi Minh City and Hanoi to meet and interview key BW stakeholders
- Visit to two BW factories for discussions with management and workers
- Telephone /Skype interviews with stakeholders not met in Vietnam - Annex 2.
- A validation workshop can be undertaken if requested following finalisation of this report.

The first draft of this report was shared with BWG and BWV for initial circulation to check accuracy. *Better Work* staff validated preliminary findings, initial conclusions and recommendations. The subsequent improved draft was sent to a wider range of stakeholders (including SECO). Consolidated feedback will be included in the final report.

## Limitations

- The time spent in Vietnam to interview stakeholders was too short.
- Time differences limited periods for Skype calls.
- One buyer mentioned that face-to-face interviews should have been organised for buyers who are not buyer 'partners'.
- Documents were located in a piecemeal manner rather than sent to evaluator early on.

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<sup>11</sup> ILO policy guidelines for results-based evaluation: principles, rationale, planning and managing for evaluations. Resource kit from ILO Evaluation Unit, 2<sup>nd</sup> edition, 2012.

## 4. Project status and findings

### 4.1 Innovations and initiatives introduced

During the period covered by this mid-term evaluation, BWV introduced quite a number of new initiatives and changes in line with the apparel context in Vietnam outlined in Box 1. For example when Phase II began in January 2013, the programme had to adjust its services to the newly introduced labour law.<sup>12</sup> There was an expansion of BW services to the North of Vietnam, and a second BWV office opened in Hanoi. There was also an expansion to the footwear industry, which entailed different assessment and advisory skills. Beginning in May 2015, all new factories joining BW, and those re-renewing their membership will begin their cycle with a period of advisory services, and a self-diagnosis process, the so called '*adjusted model*' of bundled services delivery (assessment is still done by BWV after 100 days). This is in contrast to the previous initial assessment by EAs, which was followed by advisory services. A forthcoming change is the update of the 35 monitoring and evaluation (M&E) indicators by BWG – these are used in all BW countries, which has implications for BWV staff. Table 1 illustrates seven of the current 35 indicators for the Vietnam country programme, which are key indicators used to inform the BWG Management Group, and are standard across all eight BW country programmes. Yearly targets are set by the country programmes. Of note here is the rapid increase in the total number of factories registered so far during Phase II of BWV.

**Table 1: Better Work Vietnam Key Performance Indicators**

	Actual at end of Phase I 2012	Target 2013 * (start of Phase II)	Actual 2013	Target 2014	Actual 2014	Target 2015	Data collected during evaluation June 2015
<b>Total registered factories</b>	181	231	202	260	300	75	356 (249 in the South; 56 in the North)
<b>Total number of workers</b>	205,776	262,620	244,847	286,000	384,228	400,000	456,558
<b>% of workers in Better Work factories over total workers in the sector</b>	0	10	12.2	11	15	15	18%
<b>Percentage of factories revisited that have improved compliance over the last visit</b>	99%	99%	79%	100%	58%	50%	
<b>Total programme</b>	\$952,057	\$872,172	\$1,159,608	\$831,767	\$814,553	800,000	

<sup>12</sup> BWV staff had to work to actively incorporate the new regulations into their assessments and advisory work.



<i>revenue</i>							
<i>Percentage of cost recovery</i>	42%	48%	50%	39%	31%	57%	
<i>Per worker cost</i>	\$7.96	\$7.26	\$6.14	\$7.16	\$2.58	\$7.95	

**Source:** Key Performance Indicators July-December 2014, BW Management Group

## 4.2 Current status of expected outputs

Table 2 lists the five objectives of BWV and the status of expected outputs for each activity. BWV have accomplished a lot to date, and as would be expected by mid-term of a programme, are engrossed in advancing activities not yet fully achieved. Nonetheless some activities for and with social partners have been delayed due to the availability and capacity of social partners.

Evidently activities to implement **Objective 1**, BWV's core services (assessment, advisory and training to factories) are ongoing. Activities to ensure BWV has achieved greater impact by bringing lessons learned and knowledge of governance gaps in policy debates are also continuing as would be expected by the mid-term period in the project (**Objective 2**). Nearly all the activities around expanding the scope and depth of BWV services have been completed (**Objective 3**). Also advancing are activities with regard to the viability of BWV activities strengthened by increasing cost recovery (**Objective 4**). Linked to this are activities to increase the commitment and revenue to BWV from participating factories. More challenging initiatives relate to increasing the capacity and ownership of local social partners for the sustainability of BWV (**Objective 5**). Activities are also ongoing but are expected to accelerated during the remainder of Phase II once overall strategy with regard to focusing resources on this has been delineated. Detailed findings according to the questions set in the evaluation ToR are outlined in the following sections.

**Table 2: Status of Project Outputs for BWV**

	Status
<b>Objective 1. BWV's assessment, advisory &amp; training services allow participating factories to show leadership in adhering to national labour law and international labour standards and help drive change throughout the industry.</b>	
1.1. BWV core services are maintained /effective in influencing compliance with national & international labour standards.	Ongoing
1.2. A new assessment services model is implemented.	Ongoing
1.3 A new advisory services model is implemented	Ongoing
1.4. Training services are adjusted and strengthened to include implementation in collaboration with local training partners as part of a service package that includes assessment, advisory and training.	Ongoing
1.5. Quality assurance mechanisms are strengthened and handed over to national staff.	Ongoing
<b>Objective 2. BWV has achieved greater impact by bringing lessons learned &amp; knowledge of governance gaps into public &amp; private sector policy debates, including those involving business operating practices.</b>	
2.1. Lessons learned are used for influencing policy debates.	Ongoing
2.2. Communication methods outside of core services are used to access and engage workers more directly.	Ongoing
2.3. Collaboration with other ILO & IFC project activities and other stakeholders to help inform policy discussions.	Ongoing
<b>Objective 3. BWV expands the scope and depth of its services to increase its positive developmental and business impacts on workers, the industry, and the country</b>	
3.1. The possibility of expanding BW services to the north of the country is explored.	Completed
3.2. BWV services are adapted & piloted with view to identifying the size of factories in which BWV services are most likely to have effect that optimizes overall impact.	Completed
3.3. The possibility of expanding assessment, advisory & training services to footwear industry is explored.	Completed
3.4. The possibility of expanding factory services to include environmental criteria explored.	Delayed
<b>Objective 4. The long-term viability of BWV activities is strengthened by, increasing cost recovery &amp; the capacity of national staff to give broader &amp; improved services, &amp; take on greater management responsibilities &amp; ownership for BWV</b>	
4.1. The commitment, engagement & revenue to programme from buyers participating is increased.	Ongoing
4.2. The commitment, engagement & revenue to programme from participating factories is increased.	Ongoing
4.3. Capacity of the staff to take on broader and improved services in the area of industrial relations and social dialogue, as well as other substantive areas, is strengthened.	Completed
4.4. Management capacity of national staff is strengthened.	Completed
<b>Objective 5. The sustainability of Better Work Vietnam operations and programme results is achieved by increasing the capacity and ownership of local social partners</b>	
5.1. The labour inspectorate of MOLISA and DOLISA is engaged and collaborating BWV, sharing experiences and know how.	Ongoing
5.2. VGCL and FoLs are strengthened to support their collaboration with pilot initiatives that develop the abilities of enterprise, district & provincial & their officials to communicate, organize & collectively bargain.	Ongoing
5.3. The capacity of VCCI & other organizations of employers and business, & their members, are strengthened so as to have a greater impact on working conditions improvements in enterprises both within BWV and on a broader scale.	Ongoing

	Status
5.4 The governance of BWV continues to be strengthened and gradually transferred to a local entity to ensure local ownership and program sustainability.	Ongoing

## 5. Validity of Project Design

This section examines how the BWV Phase II was designed, whether and how it address stakeholders' needs and the appropriateness of the project design.

### 5.1 How Phase II was designed

The project document for Phase II clearly outlined lessons learned from Phase I and these informed the design of Phase II. Phase II of BWV was designed in close coordination with the Vietnamese social partners and is aligned with the BW global programme and ILO's strategic framework objectives.<sup>13</sup> The design of the project was overseen by the Vietnamese tripartite project advisory committee (PAC). How BWV stakeholders' needs are addressed is outlined in the following sections.

A key challenge in Vietnam is the enforcement of labour law. An official from MOLISA confirmed that the **project objectives and activities correspond to the government strategies and policies**, particularly because they are demonstrating how national labour law can be implemented. Phase II of BWV was aligned with the direction the government wish to go. For example, BWV addresses the needs of the **government of Vietnam** by helping to improve the inspection of factories and the reputation of those factories who are registered with BWV and who comply with labour standards. With only 450 labour inspectors to cover the entire country (including 4000 garment factories alone), the Ministry of Labor, Invalids and Social Affairs (MOLISA) does not have the capacity to inspect and enforce labour law, nor advise on improving working conditions.<sup>14</sup> Sharing information on how to comply and implement labour laws is particularly helpful and positive according to government officials interviewed. With negotiations on EU trade and TPP<sup>15</sup>, the government of Vietnam have had a heightened interest in BWV, as negotiations include some provisions around international labour standards.

<sup>13</sup> Under ILO Strategic Framework Outcome 13, a sector-specific approach to decent work must be applied. ILO BWV is helping to improve working conditions of garment workers and competitiveness of the garment sector, by assisting tripartite constituents in complying with international labour standards in line with national labour legislations. This includes helping factories in setting up and facilitating effective enterprise level bipartite committees (PICCs) that play a key role in the development, implementation and monitoring of compliance improvement measures and in improving social dialogue in the workplace.

<sup>14</sup> An ILO representative felt that labour inspection alone (without advisory plans or a roadmap for improvement), encourages factories to pay fines for non-compliance of labour standards, rather than tackle improvements.

<sup>15</sup> A regional regulatory and investment treaty which aims to enhance trade and investment among the TPP partner countries, to promote economic growth and development, and to support the creation and retention of jobs

## 5.2 Addressing stakeholders needs

By design BW reduces the number of overall audits/assessments a **factory** must go through. After a buyer audit, factories find it difficult to know where to start to correct and improve the working conditions. With BW they receive advice and together with the *Performance Improvement Consultative Committee (PICC)* that is set up, they come up with a plan on how to improve the working conditions in line with labour regulations. However, only when factories are aware and see the added benefit of increased productivity with better labour standards, are they inclined to join BWV. Research has been able to demonstrate the added benefit.<sup>16</sup> All participating BWV factories are listed on the BW website. It is assumed that by virtue of joining BWV, factories are committed to improving working conditions, which in turn makes them attractive for buyers.<sup>17</sup>

PICCs aim to improve workplace cooperation and address **workers** issues. Apart from helping to improve working conditions for garment workers, linking with the national trade union **Vietnam General Confederation of Labour (VGCL)** or the Federation of Labour (FoL) at the provincial level, BWV is helping improve direct worker representation in the trade union. Through BWV, specific activities to strengthen the capacity of the union members of PICCs are in place, as well as to increase capacity of FoL so they better represent workers.<sup>18</sup> Representatives from VGCL felt that BWV encourages workers to join the trade union, which historically been part of a state institutional system.<sup>19</sup> BWV in many ways is a laboratory to test and adjust industry-government-workers relations.

BWV helps to ensure the reputation of Vietnamese suppliers with regard to labour standard compliance. The Vietnam Chamber of Commerce and Industry (VCCI) represents **employers** in Vietnam. BWV works closely with VCCI to provide industry seminars to BWV factories on key issues facing apparel factories, and VCCI facilitate forums amongst employers which are fed back to BWV. With working conditions in garment supply chains under public scrutiny, many **international buyers** with global brands are faced with a growing demand for accountability to workers who produce products for sale in their outlets. BWV also provides buyers with a link to MOLISA to comprehend regulations, particularly around gray legal areas (e.g. compensation, occupation safety and health).

## 5.3 Appropriateness of design

The overall approach in the project is appropriate to what needs to be done in Vietnam, albeit challenging, a view point highlighted by many interviewed. Involving the range of stakeholders will eventually allow BW to reach a much larger scale than for instance projects that only work with

<sup>16</sup> Policy Brief: The Business Case for Quality Jobs, Evidence from Better Work (not dated). Available at: [http://betterwork.org/global/wp-content/uploads/Quality-jobs-policy-brief-V2-print\\_1.pdf](http://betterwork.org/global/wp-content/uploads/Quality-jobs-policy-brief-V2-print_1.pdf)

<sup>17</sup> In the future factories will be graded into Stage 1 or Stage 2, and this has started to act as an incentive for factories and for Buyers.

<sup>18</sup> Activities are designed with the ILO Bureau for Workers and APHEDA including a capacity building project to improve the skills of the union representatives in the PICCS and to trade union training for factory level trade union representatives.

<sup>19</sup> Workplace unions link to local sector unions /district sector unions which links to the Provincial or City FoL and to the central office.

trade unions; individual factories; or NGOs monitoring factory standards. The approach adopted by BWV will result in a more systematic institutionalised approach to garment workers labour standards, provided a strategy is in place for a *domino* effect, reaching more factories, even those not registered with BWV.

Overall the approach undertaken by BWV is effective because it is narrow but clear, even though there is a demand for more focus in some areas (e.g. environmental assessments, discussed later). Five interviewed (1 buyer, 3 BW staff, 1 donor representative) felt that the narrower focus on labour standards is precisely why BWV is achieving success to date. Some specific comments on project activities and/or objectives included:

- One BWV official stated that more training for TU representatives and workers is required.
- A representative from DOLISA felt that more capacity building for inspectors would be helpful (e.g. soft skills)
- Some would like to see BWV expanded to other industrial sectors (e.g. the furniture sector), Wishing to expand is a testament to the effectiveness of the BW approach.
- The distinct roles of the factory trade union and the PICC may require further clarification to some stakeholders.
- Gender equality issues in the workplace are not yet comprehensively tackled. More focus on gender equality issues /sexual harassment is required. Points related to gender are outlined in Annex 6.

During this phase of BWV, a number of significant and challenging major changes in approach are being put in place, along with a set of new activities (outlined in 4.1). With so many new initiatives, activities and existing modifications in place, **it would seem inappropriate to introduce even further changes during the second half of the project.** However, considerable focus for the rest of Phase II should be on developing further the strategy to scale out BWV.

The BW Global Operations manager reported that having a mix of strategies is important in achieving BW objectives, ranging from EAs work in factories, to buyers pressurising factories to join BWV, to collaboration with social partners on improving industrial relations. Some **further strategies to reach objectives** suggested by stakeholder interviewed included:

- Two buyers reported that BWV should, in so far as is possible make more efforts to link with the directors/owners of factories rather than with middle management, outlining that that it is up to the EAs to make the first meeting with top management extremely useful, so they will continue to engage. Stronger guidelines on reaching factory owners may be required.
- A challenge reported by a buyer (1) and a social partner (VCCI) is the schedule and timing for factory assessments and subsequent reports. Factories should have optimal time to improve, and buyers should be made aware that this space is legitimate and required for the changes to be made. This is currently being addressed through putting in place quality assurance measures.
- BWV could provide further inputs into influencing government with regard to strategies that may help alleviate apparel factories pressures (suggested by factory managers– see Box 2

## Section 6.4 ).

With regard to the **appropriateness of indicators** for BWV, there are two sets of indicators that need to be discussed. One set are the BWV Project Performance Management Plan (PMP) indicators used for project management; the second set are the 35 monitoring and evaluation (M&E) indicators common across all BW country programmes, used for reporting impact to donors and reporting to the wider world. Table 2 in Annex 4 lists the current status of the Performance Plan Indicators for BWV. Table 8 in Annex 5 lists the current status of the 35 BWV M&E impact indicators, which are discussed in Section 8.1 of this report. Both sets have common indicators (although the evaluation noted discrepancies in results for the same indicators across data sets), but do not overlap for all indicators. Evidently some are immediately more useful than others for day-to-day operations and resource planning; whereas some provide a long term 'picture' of the industry. BWV staff when asked which indicators were the most valuable to them in their jobs, mentioned indicators on compliance - as these are the 'best bet' for factory level outcome indicators.

Some activities and outputs are not covered by indicators. For example the PICC training, organised for both management and PICC members or life skills training<sup>20</sup> delivered by EAs at the factory level; or indicators that measure the performance of BWV staff. Some but not all of these activities are measured and reported in donor Technical Progress Reports (TPRs). Indicators that calculate progress in gender equality issues should be improved (discussed in Section 6.1).

In summary, more clarity is required around who are the target audience of different indicators, many should be revised and their usefulness judiciously reviewed (See Section 12.2).

## 6. Effectiveness- verifying indicators

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BWV is generally on track to complete all project activities according to schedule, although it was reported by BWV management that several activities have been delayed due to the availability and capacity of social partners. The next Sections look in more detail at the five BWV objectives and progress on outputs based on their performance indicators. These findings are supplemented by results from interviews undertaken for this evaluation.

### 6.1 Assessment, advisory and training services (objective 1)

The first BWV objective is to ensure that BWV's assessment, advisory and training services allow factories participating in the programme to show leadership in adhering to national labour law and international labour standards and help drive change throughout the industry. Table 3 in Annex 4 outlines mid-term evaluation findings for this objective. The numbers of BWV registered factories

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<sup>20</sup> For example in the 2<sup>nd</sup> half of 2013, 8 courses were held for 166 workers on life skills

has been incrementally increasing, with 356 factories to date exceeding the 2015 target of 300 factories. BWV staff capacity is at its full, and more factories registering would require more EAs to be recruited, plus more management to implement quality assurance mechanisms.

All activities under Objective 1 are ongoing and related to the core day to day tasks of BWV teams (such as assessment, advisory and training). Outputs expected relate to an increase in coverage (workers and factories) and advisory or assessment visits, with shorter time periods towards compliance and assessment report completion. Other outputs expected are having a 'functioning' PICC in place, and a large number of persons trained.

Labour law changes introduced at the beginning of BWV Phase II (see Box 1) presented BW staff with the challenges of interpretation (whilst waiting for guidance via decrees and circulars), and assessments, advisory and training services had to be updated.<sup>21</sup> By mid 2014, BWV had rolled out training courses on the revised labour law, and had published a new Labour Law Guide for use by all BWV stakeholders. PICCs guidelines for participating factories were aligned with the new decrees and guidance. Thus the mid-term evaluation concluded that BWV reacts well and is apt at adjusting to the national situation.

A number of performance indicators under Objective 1 of the BWV log frame, (outputs 1.1 and 1.2) are concerned with compliance at the factory level, and ensuring EAs follow procedures in time.

Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul- Dec 2013	Target 2014	Actual Jan-Jun 14	Actual Jul- Dec 2014	Target 2015	Actual 6.2015
Output 1.1.										
No. of compliance assessment reports completed in reporting period	135	759		208	63	80	221	93	60	80
Average No. of days between an assessment visit and factory's receipt of final report	29	20		29	27	21	22	24	24	26
No. of advisory visits in the reporting period	-	2,000	1,620	258	344	1,620	278	348	800	
Average factory non-compliance rate calculated by BWG	24%	n/a	-	0	35	30	34	35		

<sup>21</sup> BWV training materials have been adjusted to reflect the 2012 labour law and are appropriate for the market and fit within the time and resource constraints of participating factories. From May 2013 BWV began assessing and advising factories against this new Labor Code after Decree 60 was promulgated by MOLISA in the second half of 2013, along with guidance (no. 1775) regarding trade union participation in implementing democracy principles at workplaces.

Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul- Dec 2013	Target 2014	Actual Jan-Jun 14	Actual Jul- Dec 2014	Target 2015	Actual 6.2015
Output 1.2.										
No. of days per EA dedicated to factory assessments	4	3.5		8	13	13	33	62	30	
Output 1.3.										
No. of days per EA dedicated to advisory services	12	8		8	13	13	12	62	60	

The target number of compliance assessment reports completed in the reporting period was not reached in 2013, but the target was reached in 2014. The 2015 has nearly been reached by May 2015. This indicator is also a reflection of the number of factories assigned to each EA. Targets for the number of advisory visits were reached in 2013, but not in 2014. The target was reduced for 2015. Of note here is that the new adjusted model will require a different set of indicators with regard to advisory visits. By August 2016 those factories implementing the adjusted models will be graded into stage 1 or 2.<sup>22</sup> It is too early to assess the success of this adjusted model yet. EAs when asked about the adjusted model say they are just beginning to apply it, and are not sure how it will pan out yet.

The average factory non-compliance rate is the percentage of factories assessed in the reporting period that had at least one violation under a compliance point. This percentage remained steady in 2013 and 2014, averaging at 33 percent. Indicators around compliance are considered reasonable challenging to report on and the hardest to improve.<sup>23</sup> Improvement at the factory level is a long process, requires a lot of BWV support, with much dialogue and hard work for all involved. Improvements for non-compliance can be marginally smaller as compliance increases. Compliance measurements assume EAs judgement is consistent with regard to the Compliance Assessment Tool (CAT). Yet guidance by EAs to factories may not have been equally given for all 8 compliance clusters or some EAs may have a stricter interpretation. BWV are working hard on ensuring all EAs are at the same level with regard to non compliance standards (more details on quality standards are outlined at the end 6.1).

Through BWV, a Performance Improvement Consultative Committee (PICC), consisting of workers, management and union members is set up to discuss/resolve issues arising from labour assessments. The PICC meets monthly. Output 1.4 measures what is called a 'functioning PICC' – which is challenging as defining 'functioning' can be equivocal/subjective. This indicator was reached in the first half of 2013 and nearly reached for other reporting periods. The PICC related indicator is likely to be altered in the revision of indicators taking place at the global level.

<sup>22</sup> Stage 1 will get 8 advisory visits; but when the factory reaches the second cycle, they will get 6 advisory visits. Factories at stage 1 must focus more on compliance and workers conditions. Stage 2 factories will be at a stage where they can concentrate more on social dialogue, improved management systems and the like.

<sup>23</sup> This figure is calculated by BWG looking at the changes in compliances over six months.



Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul- Dec 2013	Target 2014	Actual Jan- Jun 14	Actual Jul- Dec 2014	Target 2015
Output 1.3.									
Number of factories with a functioning PICC	54	231	107	181	90	107	90	96	
% of factories facilitating their PICC meetings	10%	70%	40%	52	60		47%	40%	50

All workers interviewed during this review agreed that the PICC was an effective bridge between management and workers. The PICC is effective in resolving the issues highlighted during the BWV assessment, although not always fast enough.<sup>24</sup> Depending on the factory, **the nature of social dialogue in the participating factories in the project has changed** according to those interviewed. One worker for instance stressed that PICC representatives gathered opinions from workers and brought them to the PICC meetings, which does not happen in other factories where she worked.

The process of electing 50 percent of PICC worker representatives is particularly important, and is a rare example of elected representation outside the trade union model. In essence PICC can be a good training ground for union representatives, who begin to see their role as workers representatives rather than bridging manager and workers. The eight workers interviewed stressed that since the PICC began, workers voices are definitely heard more and they can see improvements<sup>25</sup>, a view echoed by VGCL. One factory manager interviewed explained that through the PICC the relationships between management, workers and the union has improved considerably over the four years they have been members of BWV. Managers in both factories visited mentioned that the PICC helps workers understand the broader economic picture and their reliance on international orders. Issues get solved through the PICC before they become bigger issues. Many challenges were reported however, for example negotiation and communications skills is a considerable challenge for young female workers with low education. How PICC converges with a trade union, to continue to monitor compliance and to represent workers through a social dialogue process must be kept on the agenda. In terms of revising indicators:

- It might be interesting to measure how the PICC as a 'body' takes on responsibility. For example the extent to which a PICC develops and implements a roadmap for the improvement /monitoring labour conditions could be ranked from: completely; to a limited extent; or not at all.
- With the new adjusted model, it might be assumed that all newly registered factories will

<sup>24</sup> Two PICC worker participants outlined that some issues can take a long time to be handled by management.

<sup>25</sup> Those who are elected to the PICC gather workers opinions prior to PICC meetings which are used along with the results of the EA assessment to plan. Keeping 50% of the PICC elected is thus important and PICC training for employers may be necessary. The eight workers interviewed for this review mentioned salary, overtime, benefits as the biggest issues they face, and also health and safety issues.

facilitate their own PICC meetings rather than EAs. This should be easy to measure although assessing the quality of the PICC is more challenging.

The PMP indicators on training only refer to training provided through BWV in-house and public courses.<sup>26</sup> Another tracking system is used for other seminars and PICC training. Overall collaboration with specialized training partners such as APHEDA has been working well for BWV (see Annex 4, Table 3). On the whole, training indicators under Output 1.4 do not appear to be particularly useful, other than as input/output indicators, although BW assert that they are in the process of including more outcome-related indicators. Presumably more important information on the result of training can be obtained from BWV if required. Indeed BW Global are currently in the process of reviewing the effectiveness of *Better Work* training including from Vietnam. A brief (dated May 2015) outlines recent research that has been completed which asked 266 participants to evaluate their overall perception of training.

Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul- Dec 2013	Target 2014	Actual Jan- Jun 14	Actual Jul- Dec 2014	Target 2015	Actual 6.2015
Output 1.4.										
No. of participants in Better Work training in the reporting period	-	17,708		4,750	1,352	1,006	4,253	683	683	4,817
% of women in training	-	n/a	n/a	-	67	68	69	77	77	60

In 2014, particularly in the second half of the year, the actual number of participants trained was low relative to what was planned. On the other hand, the unofficial estimate of participants in BW training for the first 5 months of 2015 is very high and exceeds the target. Training topics in 2015 include:

- 5S Workplace Organisation
- Compensation and Benefits
- Supervisory Skills Training (SST)
- ToT Induction for Workers
- Workplace Cooperation
- Labour Law Guide
- Negotiation
- Occupational Health and Safety
- Quality
- Productivity

<sup>26</sup> The indicator on BW training does not incorporate other training that staff may have attended (i.e. training offered through buyers, or paid for independently).

The BWV Newsletter from January 2015 reported that SST and negotiation skills are rated the most popular by trainees, with one buyer reporting very positive feedback from factories. The number of participants trained does not indicate the type of participants, nor what the outcome of the training was. BW is in the process of requesting and producing data that allows a better analysis of the impact of training (from training evaluation forms). For example BW intend to report on the percentage of participants who indicated that they gained valuable knowledge from training sessions. It may be also interesting to follow up later, and ask trainees what they were actually able to implement as a result of training. For example the number of trainees who reported that they changed their practices as a result of training.

If not already being done, it would be useful to keep a database of all trained through BWV, to share with other ILO Vietnam projects. Factories who are in their 4<sup>th</sup>, 5<sup>th</sup> or 6<sup>th</sup> year of participating in BWV require particular training, and indicators may need to address the number of years a factory is with BWV in relation to more tailored services and training. For example they may require more training related to management, lean systems of production, or quality control. Training indicators for 'advanced' factories thus need to be developed.

With regard to the percentage of women participants in training, as it stands, it would appear to be low, if 80% of garment workers are female in Vietnam. In any case, this indicator is irrelevant unless BWG consider why they are tracking the percentage of women who participated in training. The "so what" of this indicator is unclear. For gender related indicators, BWG should consider whether they wish to:

- track the impact of training on men and women (e.g. track whether women who attend training state that such training boosted their confidence to participate more meaningful in their specific work);
- plot equality progress in relation to the situation of female workers relative to male workers (e.g. progress in addressing systemic gender barriers, or occupational segregation, or the percentage of women that vocalize that they can actually realize their violated rights, as opposed to no. of women who feel it is beyond their control); or
- merely maintain a 80:20 ratio, trying to increase enrolment of participants from the less represented sex.

BWV is making progress in ensuring the quality of services is maintained in its service delivery and ensure staff especially EA and trainers provide consistent quality services to factories. Indicators and progress under output 5.1 are not detectable in the data obtained during the mid-term evaluation.

Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul- Dec 2013	Target 2014	Actual Jan- Jun 14	Actual Jul- Dec 2014	Target 2015
Output 1.5.									
No. of assessment visits subject to quality	-	108	17	10	9	44		22	44

Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul- Dec 2013	Target 2014	Actual Jan- Jun 14	Actual Jul- Dec 2014	Target 2015
assurance									
No. of advisory visits subject to quality assurance	-	129	41	21	20	44		22	44
No. of assessment QA visits by national staff	-	108	14	10	9	44		22	44
No. of advisory visits by national staff	-	129	35	8	10	44		22	44

When EAs produce a report, the reports go through two review steps (the draft is sent to a first reviewer for feedback and comments; then revised draft is sent to a second reviewer to cross check). Following approval, the factory can provide their feedback within seven days. Each factory progress report (produced twice a year) is also reviewed in this manner. The process is intensive for BWV managers. Introducing a short report writing course for EAs might be a useful investment. Other quality assurance mechanisms in place include:

1. EAs are shadowed four times by experienced EAs before they can work independently
2. EAs are strongly encouraged to use the guidance produced by BW
3. EAs share issues together through a BWV sharing and feedback mechanism, twice a month.

It is commendable that these quality assurance systems are in place and they must help to develop the skills of EAs (linking to Objective 4 around building national capacity). Quality assurance aside, EAs and BWV Team leaders themselves report that getting the commitment of the factories is the biggest challenge and the relationship with the factory is pivotal. Evidently as recognised by all EAs interviewed, getting higher levels of management to agree and commit is a priority. EAs have found that involving different stakeholders at the provincial level helps in this regard (e.g. FoL and VCCI). Nevertheless as outlined above, some changes in indicators may be required to better monitor progress. These are summarised in Section 12.

## 6.2 Greater impact by bringing lessons learned into policy debates (Objective 2)

Table 4 in Annex 4 outlines activities and progress towards Objective 2. Interviews revealed that different stakeholders view the programme's influence as very positive, on both industry compliance and wider policymaking in the area of decent work. In Phase II BWV continues to work closely with trade unions and the ILO Industrial Relations project<sup>27</sup> to build on the advances made during Phase I. Results are channelled into policy discussions. A representative from VCCI stated that BWV has been able to influence policy debates, as they work closely with MOLISA inspectors - VCCI and VGCL and are able to make recommendations on behalf of the 350 registered factories. A representative from ICD MOLISA reported that the project has been able to influence policy through the PAC. No major policy changes are yet evident in Phase II (according to some interviewed), but work towards the implementation of the 2012 labour law is ongoing. One particularly complicated issue for the

<sup>27</sup> BWV provides the IR project with venues for piloting trade union organising innovations and the IR project provides technical expertise.

apparel industry is that of compensation and overtime. Vietnamese labour law does not allow for more than 200-300 hours overtime a year, whereas the demands of the garment industry requires overtime to meet short deadlines. A few interviewees felt that BWV must make more impact on influencing policy (in areas such as overtime), as employment law does not apply in the same way to the garment industry as to other industries.<sup>28</sup>

The BW programme has developed an impact assessment methodology with Tufts University, USA (see below) demonstrating the impact of improved labour standards on workers. ILO are using these results and other information from factory floor experience to inform upstream policy and find evidence based solutions relevant to supply chains. BWV has produced a range of reports such as synthesis reports (see Box 2), thematic reports, newsletters, industry updates and research briefs. Discussion are underway at BWG on making the flagship synthesis report more accessible for a wider audience.

**Box 2: Synthesis reports produced by BWV during Phase II**

Sept 2013	1 <sup>st</sup> Thematic Synthesis Reference Report: Fire Safety
May 2014	Synthesis report focused on general compliance trends
Nov 2014	2 <sup>nd</sup> annual Thematic Report on Fire Safety
May 2015	Synthesis report focused on general compliance trends currently being drafted

Some reported that BWV could be more vocal in various seminars with government and other social partners or link more with ILO Hanoi in this regard. One interviewee (DOLISA) stated that much of BWV's influence comes forth in the conferences organised by BW (rather than through policy briefs). A number of people interviewed (5) felt that although the research results from BWV are extremely useful, BW will have to consider more carefully how to package this data for wider audiences. Thus the challenge is to capture the essence of research and results from BWV experiences and move it a step further into different formats for various audiences. Another important issue raised by a BWV staff member was the need for policy related issues for garment workers to be translated down to the provincial and district levels. This requires VGCL and MOLISA to ensure messages are linked to their constituents (provincial-level bodies) to further BWV principles in suitable factories.<sup>29</sup>

<sup>28</sup> It is acknowledged that 'overtime' is much more complicated than suggested here, with some workers wanting more overtime and others not wishing to be pressurised into overtime.

<sup>29</sup> Provinces and municipalities are centrally controlled by the national government. At the provincial level, the People's Council decides the plans for socio-economic development, and decides the budget. The People's Council and the People's Committee make regular

M&E officers (BWV and Global) reported that indicators related to country policies change are difficult to define - there is a lack of clarity on how to collect this data, (see more comments with regard to this later).

Indicators	End Target	Target 2013	Actual Jan-Jun 13	Actual Jul-Dec 2013	Target 2014	Actual Jan-Jun 14	Actual Jul-Dec 2014	Target 2015
Output 2.1.								
No. of press releases/similar communications issued designed to influence policy debates	12	4/year	3	1	4		-	1
No. of country policies changed as a result of BW activities and facilitation	3		1	1	1	-	-	-

This evaluation did not locate the number of press releases or similar communications issued by BWV designed to influence policy debates, but it is important that the BWV team keep track of these. The second indicator - assessing the number of country policies changed as a result of BW's activities and facilitation is complex as discussed above.

Targets for country policies changed as a result of BW's activities was reached for 2013, but not reached in 2014 (or not reported on). Policy does not change often, and there are many issues related to attribution for policy change. Even if BWV contributes to policy change as indicated by many interviewed, it is difficult to say what exactly acted as a catalyst.<sup>30</sup> ILO have other programmes in Vietnam that are linked directly to MOLISA with policy related outcomes expected. Indeed some ILO Programmes have been running for over a decade, and have incrementally and gradually influenced policy change. How to improve policy influencing indicators is currently being discussed by BWG. The resources in **Box 3** for measuring policy influence may help discussions on how to improve how the range of tools available are used (dialogue, policy advice, influencing strategies, studies, statistics) and with whom. **Annex 10** contains further resources for review. It would appear that more collaborative work on how to influence policy in Vietnam is required, in particular who needs to be influenced (national or provincial level, which bodies etc.).

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reports on the local situation in all fields to the central government, who in theory listen to their opinions and proposals on local socio-economic development.

<sup>30</sup> For example, buyers also have influence. In fact at the 2014 Buyers Forum some buyers expressed their interest in working more closely with BW in the influencing areas and agenda.

**Box 3: Resources for measuring policy influence**

- Jones, H. (February 2011) provides a useful note/guide to *monitoring and evaluating policy influence*.<sup>31</sup>
- Reisman, J., A. Gienapp, et al. (2007) also have a useful guide to measuring advocacy and policy<sup>32</sup>

More resources are suggested in **Annex 10**

As mentioned Tufts University have been working with BWG to conduct impact assessments of *Better Work* in order to identify the *BW* Programme impact on: factory productivity; profitability; business opportunities and supply chain position; economic growth in Vietnam; factory organisation and business practice; and the wellbeing of workers and their families. Annex 8 outlines the extent of the work undertaken by Tufts university for *BW* and lists some of the Vietnamese reports. Overall the impact studies conducted through Tufts university are providing rigorous and compelling evidence that high labour standard compliance gives a competitive advantage to factories in attracting and retaining reputation-sensitive buyers.

Translating Tufts academic results into policy briefs can be challenging, and BW has worked hard to get the balance right between detailed and lighter research results.<sup>33</sup> The mid-term evaluation found that the existing research and policy briefs contain very clear messages. For example the March 2015 Research Brief summarises key findings around BW impact assessment in Vietnam and clearly states that profitability of garment factories increases as working conditions improve.<sup>34</sup> Whilst key messages are summarised in a very useable format in four pages, a few observations were noted summarised below, with more elaboration in Annex 9.

- Ensure the date of publication is visible clearly on the front page.<sup>35</sup>
- The research briefs should aim for a wider audience beyond ILO constituents
- Research briefs are currently easier to read if the reader knows *Better Work* is a programme.
- Explanations for readers not familiar with BW/ILO jargon are required.
- Include the year(s) during which the research took place on page 1 of the brief.
- Make it easier to locate the number of factories/workers/managers included in the research
- The ILO, IFC and Tufts university logo should be on page 1 to provide authenticity.
- Some titles of the research briefs could be shortened.

<sup>31</sup> <http://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/6453.pdf>

<sup>32</sup> <http://www.hfrp.org/evaluation/the-evaluation-exchange/issue-archive/advocacy-and-policy-change/a-guide-to-measuring-advocacy-and-policy>

<sup>33</sup> IFC, BWG and BWV are responsible for translating the globally managed research, to ensure the right tone for the right audience.

<sup>34</sup> Research Brief: Working Conditions, Productivity and Profitability. Evidence from Better Work Vietnam

<sup>35</sup> Not all have the date on the cover e.g. *The Business Case for Quality Jobs, Evidence from BW*; or *Gender equality at the workplace*

Discussion between BWG and the BWV team (who ultimately translate the briefs for their stakeholders) will help to ensure the right pitch is taken for Vietnam policy /research briefs. It was noted that a new BWG appointment will lead stakeholder engagement including streamlining the BW influencing agenda, which should help BWV during the remainder of Phase II.

Significant efforts on dissemination research results is extremely important with follow up required once results are disseminated, as well as use of the most appropriate means of communicating findings or advocacy messages (e.g. use of digital communication tools). Stakeholder mapping will help ensure different communication tools are used to engage different policy audiences. Many assume that once the policy brief has been disseminated, the goal has been reached. The brief is only the starting point and even a four page brief can act as an instrument, if considerable follow up takes place. Annex 10 provides useful resources for linking research to policy.

Shared learning seminars are also a way of communicating policy changes required. Seminars are popular with stakeholders, demonstrated by the willingness of many to pay. In 2013 themes included labour law updates; prevention of sexual harassment; and fire safety. In 2014, some seminars were held focused on improving industrial relations and social dialogue; young labour management systems; and lean production.

Some interviewed outlined how donors can clearly help in policy influencing and in enhancing social partners commitment for the programme (ensuring that social partners take activities seriously). For example apart from much welcome funds for development oriented initiatives, donor engagement with BWV through their presence at programme events, inviting national partners to share lessons learned etc. raises the profile of BWV considerably, and will help secure more commitment from the government and social partners and leverage BWV to more strategic level within Vietnam.

The second output under Objective 2 is that communication methods are used to engage workers more directly. BWV are currently exploring strategies and piloting some workers communications projects. SMS messaging was initially tried, but because workers change phones frequently (with phone promotions) this approach was not always suitable. BWV is investigating whether Interactive Voice Response (IVR) may be appropriate for reaching workers in some factories that have access to such equipment. A Workers *Fun Run* is held annually in May drawing 1000s of workers, with a particular theme each year<sup>36</sup> and is a good communications mechanism with workers.

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<sup>36</sup> e.g. fire safety in 2013; focus on Personal Protection Equipment in 2014; Worker's Health with the aim to promote healthy living and good nutrition through practical education and guidance in 2015



Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul- Dec 2013	Target 2014	Actual Jan- Jun 14	Actual Jul- Dec 14	Target 2015	Actual 2015
Output 2.2.										
No. of workers who receive direct communication from the programme via SMS	1,500	7,600	3,500	1,401	115		-	-	20,000	
No. of workers who participated in annual BWV Safety event	-	12,400	3,000	3,400	n/a		3,800	-	3,200	4500?

BWV is striving to be fashionably innovative in how it reaches workers with regard to OSH modules. A Rap Song on “Work Safety” for garment and footwear workers was released in November 2014, which is proving popular. Messaging to workers has recently been on workers responsibility to adopt safe behaviour (protective equipment like gloves and masks). The Rap Song is a fun way to remind workers that a safe workforce is a happy and productive one.

Objective 2 also has outputs with regard to collaboration with other ILO and IFC projects (see Box 4 below). Of significance here, is ongoing collaboration with the ILO Industrial Relations (IR) initiative and ILO Hanoi, which is regular and progressing smoothly and proving to be an important part of addressing the situation at the factory floor and raising social dialogue at national levels. BWV works with the IR project on promoting social dialogue in the workplace, collaborating on practical guidelines with regard to what social dialogue requires. This is considered an emerging good practice outlined at the end of this report.

ILO Vietnam in collaboration with BWG are considering how BW can be part of broader coalitions to support new trade agreements, institutionalising response to labour conditions. Vietnam Textile and Garment Association (VITAS) are invited to networking events and industrial seminars, and have provided inputs to seminars. For instance VITAS has explained the significance of the TPP to buyers or have outlined the garment industry value chain in Vietnam. According to one BWV official, BWV could take an even more rigorous approach to collaborating with VITAS through VCCI. There have been some discussions through VCCI on adapting some of the ILO SCORE methodologies to BWV, although BWV’s focus is on larger factories than SCORES.<sup>37</sup> Yet synergies are possible. BWV and SCORE use the same pool of independent qualified trainers.

#### Box 4: International Finance Corporation (IFC) and *Better Work*

*Better Work* is a partnership between and jointly governed by ILO and IFC. The ILO–IFC partnership provides opportunities for bringing together national constituents and private enterprises. This partnership allows for additional resources to be mobilized and used to promote compliance. Access to IFC loans is an additional incentive for some factories. IFC’s contributions include its investment networks and expertise in private sector development, experience in the development and implementation of social and environmental standards and its ability to scale up sustainable programmes. A representative from VCCI felt that having IFC behind the project was significant in terms of factories building their reputation.<sup>38</sup> In Vietnam, during the first two years (Phase I), BWV were housed and funded by IFC in HCMC. A Team Leader from BWV outlined how IFC were very

<sup>37</sup> The ILO *Sustaining Competitive and Responsible Enterprises* (SCORE) is a training and in-factory counseling programme to improve productivity/working conditions in SMEs, in Vietnam mainly targeting the furniture sector.

<sup>38</sup> However in Vietnam not many factories have availed of IFCs credit programme, as they do not yet meet IFC standards or because IFC only work with some international buyers. It was reported that less than 5 factories applied for the IFCs credit programme during Phase II.

involved in helping set fire and building safety issues. Officials from BWV and BWG stated that IFC are not so involved on the ground in Vietnam since 2011, and more involved at the regional/global level (e.g. IFC are involved in developing a pilot environmental services in Indonesia). However IFC attend BWV events when invited.

With the arrival of a new Vietnam IFC country director, BWV hope to engage more with IFC at the country level, particularly as IFC work with the Ministry of Industry and Trade (MOIT) who cover import and export, external market expansion, international economic-trade integration, and industry technical safety and environmental protection amongst other tasks.<sup>39</sup> In summary, currently the IFC/ILO relationship is more via *BWG*, than at the BWV level.

### 6.3 The scope and depth of BWV expands (Objective 3)

This third objective of BWV centres around expanding its scope and the depth of its services to increase its impacts on workers, the industry, and Vietnam. All outputs have been achieved for Objective 3 except expanding services to include environmental criteria. Table 5 in Annex 4 outlines details of progress against activities.

Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul-Dec 2013	Target 2014	Actual Jan-Jun 14	Actual Jul-Dec 2014	Target 2015
Output 3.1.									
No. of factories in the North registered in BWV	-	10	n/a	n/a	n/a	40	25	23	N/A
Output 3.2.									
No. of factories that pilot new service model	n/a	n/a	n/a	n/a	n/a		-	-	3
Output 3.3.									
No. of footwear factories registered in BWV	-	n/a	10	3	n/a		4	1	7
No. of assessments carried out in footwear factories	-	n/a	3	n/a	3		4	1	7
Output 3.4.									
No. of environmental assessments carried out	-	n/a	n/a	n/a	-		-	-	-

For **Output 3.1**, the expansion to the North of Vietnam took time, and BWV had to await the approval of the government. Currently 56 factories are registered in North Vietnam. Whether

<sup>39</sup> MOIT cover legal provisions on technical-industrial safety and environment protection (with Ministry of Natural Resources and Environment), providing guidance for development of environmental industries in accordance to the Laws. For example MOIT proposes a list of machines, equipment and supplies subject to labor safety requirements for promulgating by MOLISA

further expansion can be serviced is an important question, as BWV staff seem to be working to their full capacity at present. The new assessment services model (**Output 3.2**) has been designed and tested with 12 factories. At least ten factories have already started with the new adjusted model for assessment, which was launched on May 1<sup>st</sup> 2015. With the new model, assessment is not undertaken until 100 days after the factory registers with BWV. Instead advisory services are provided upon initial sign up, giving factories more decision making with regard to the process, expected to lead to more ownership.

Expansion to the footwear industry (**Output 3.3.**) has taken place following the sharing of the lessons learned from the *Better Factories Cambodia* three footwear pilots. Currently 8 footwear factories are registered with BWV. Similarities between the garment and footwear factories were documented.<sup>40</sup> Although footwear factories may require less information on compliance with the law, they may require considerable advice on cooperation between staff and management, and how to strengthen the capacity of staff in areas of soft skills and supervision. All EAs received some training on the footwear industry. More expansion (if staff capacity is available) may be required as buyers demand for BW services in the footwear industry is high.

Discussions are on-going about how best to expand to the environmental compliance area (**Output 3.4**) and whether it is really within the realm of ILO's areas of expertise - in essence it is an IFC/ILO strategic decision. If the go ahead is obtained, linkages will be forged with Vietnamese agencies such as the Environmental Protection Agency. An environmental assessment for factories is being piloted in Indonesia. Indonesia was chosen as Vietnam already has adequate changes taking place. Although industry tools exist for environmentally assessments, a lot of training and specialisation amongst EAs is required, and EAs are already overstretched in Vietnam. There is however some pressure on BW from Buyers to offer this service. BWV staff felt that it would only be possible to audit environmental concerns as they relate to OSH rather than related to effluent waste or environmental impacts that require specialist environmental scientists. The mid-term evaluation concluded that this activity will be unlikely to occur before the end of Phase II.

#### **6.4 Long-term viability of BWV activities are strengthened (Objective 4)**

Objective 4 aims to strengthen the long-term viability of BWV activities, through increasing cost recovery and improved capacity of national staff to give broader and improved services, and take on greater management responsibilities and ownership for the programme. Table 6 in Annex 4 summarised findings. The first set of indicators for objective 5 relate to financial sustainability.

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<sup>40</sup> With footwear industry, there is more machinery; more skilled workers are required; more chemicals involved in production, and thus different OSH issues

Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul- Dec 2013	Target 2014	Actual Jan-Jun 14	Actual Jul- Dec 2014	Target 2015
Percentage of cost recovery	38	40		48	N/A	50	39	31	35
Total programme revenue in the reporting period	577,616	-		872,172	360,838	329,608	830,000	\$814,553	702,376
Per worker cost of the programme	7.96	7.16		7.26	3.28	6.14	7.16	\$2.58	2.58

The percentage of cost recovery fell from 50 percent at the end of 2013 to 35 percent at the end of 2014. There is much discussion about reaching this indicator amongst BWG and BWV staff. Of the eight BW country programmes, Vietnam fares the second highest in cost recovery. The target for the total revenue in the reporting period was nearly reached for 2014, but was not reached for 2013.<sup>41</sup> The per worker cost of the programme reduced towards the end of 2014. Section 7 discusses findings on sustainability issues in more detail.

The number of Buyers has increased, although details on the percentage of buyers not duplicating BW assessments was not located during this evaluation (**Output 4.1**)<sup>42</sup>. There are currently 51 Buyers in BWV, of which 29 are considered buyer partners. The indicator for Output 4.1 would not appear to be an easy indicator to locate data on, as suppliers/ orders change frequently. Generally it is believed that comparing *BWV* assessments with third part auditors are not really comparable, because of the additional services provided by *BW*. Tufts impact research asks factories about the frequency of audits.

Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul- Dec 2013	Target 2014	Actual Jan- Jun 14	Actual Jul- Dec 2014	Target 2015
Output 4.1.									
% of international buyers registered with BWV not duplicating BW assessments	n/a	n/a	n/a	41	40			N/A	N/A

BWG and BWG state they are making progress on improving buyers understanding of ILO and BWV's role. Guidance for buyer on their partnership with BW is presented on the BWG website. For

<sup>41</sup> It should be noted that there was a change in internal processes to calculate this indicator - calculation is now centralized through the Buyer Portal in BWG. The programme revenue figure does not include donor funds, but includes funds from the reports buyers purchase; as well as factory and buyer subscriptions. BWG are now separating BW operational costs from institutional capacity building costs.

<sup>42</sup> The M&E framework has 2 indicators (25 and 26) with regard to buyer participants and partners, there can be changes from year to year, some new buyers join, some leave. Buyers are managed at the global level. The numbers who leave BW are tracked also, but not mentioned in this indicator. Some buyers register to see report from BW country programmes and pay the global lump sum. Other buyers also register for a country programme. It is difficult to track the number of buyers for Vietnam (or any particular BW country). M&E indicators on buyers will probably be merged.

example after assessment, buyers are expected to give factories time to follow their PICC improvement plan. Further issues that emerged from interviews with buyers themselves are outlined in Section 8.3.

Strengthening the long term viability of BWV centers on the engagement of participating factories is another key focus of BWV (**Output 4.2**). BWV are aware that they cannot keep expanding, or hiring EAs to cover all the factories in Vietnam. BWV are currently exploring / considering different approaches, including the adjusted model and encouraging factories to develop a 4-5 year roadmap for the improvement of their businesses, without having to report to BW.

The number of factories that have un-enrolled from the programme is zero so far in 2015. However it would appear that 8 factories un-enrolled in 2013 and 2014 respectively. Factories face considerable pressures to react quickly and flexible in the Vietnamese apparel industry – some garment factory pressures reported during this evaluation are summarized in Box 5.

Indicators	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul- Dec 2013	Target 2014	Actual Jan- Jun 14	Actual Jul- Dec 2014	Target 2015	Actual 6.2015
Output 4.2.									
No. of factories that unenrolled from BWV	not more than 1% per year	1	3	5	1	1	1	1	0

BWV are keen to keep working closely with factories committed to the programme to ensure resources are used most efficiently. BWV plan to offer another package for factories that appear to be less committed. For example, less committed factories will be required to work more with social partners to improve and show a certain level of commitment before they can resume back to the normal of package service from BWV. From 2016, a new public disclosure policy will be put in place to help achieve compliance. More compliance is expected if results are disclosed to the general public, rather than buyers who purchase the reports. A representative from VCCI reported that although necessary, BWV will face a reaction to public disclosure. BW staff themselves reported that it is too early to know how factories and buyers will react to this change.

**Box 5: Garment factory pressures**

Many interviewed (3 factory managers and 3 EAs as well as other BWV staff) stated that BW factories face considerable pressures to survive in the competitive apparel industry. For example:

- Order time constraints (and being unable to hire workers to do enough overtime due to the current labour law);
- Competition from non BW factories who do not have good standards, but win contracts
- The fast expansion of the garment industry, often resulting in high turnover of staff<sup>43</sup>
- The level and quality of workers, in particular their education levels. This view was reported in the June 2013 TUFTS Manager Impact Assessment report as Finding 5: “... *The biggest obstacles relate to human resource management, with low skills of workers, shortage of skilled workers, high turnover, and low efficiency consistently the top concerns among managers*”
- In HCMC the standard of living is too high in comparison to workers wages and the *Consumer Price Index CPI* in Vietnam, so retaining workers is challenging

In summary some interviewed for the mid-term evaluation suggested that Vietnam requires overall stronger SME support from government. Some suggested that donors can help in this regard, bring lessons learned from elsewhere. ILO also has extensive knowledge on building an SME strategy and further expertise /advise from ILO could be levered.

Another set of activities concerns improved capacity of national staff to give broader and improved services (**Output 4.3**). At the beginning of Phase I, a knowledge gap around industrial relations was identified, thus training materials have been developed and validated by BWG. Training is offered on-line to BWV staff and strongly emphasises that sound industrial relations in factories are essential to the success of BWV. Led by BWG in an interactive way, participants were encouraged to put into practice what they have covered. Since April 2013, nineteen BWV staff have completed the Basic IR course, obtaining very high grades. Six BWV staff have completed the *Advanced IR* course, which has an on-line working group platform that allowed BWV suggest case studies for a guidebook on *Productivity Quality and Sound Industrial Relations*.

<sup>43</sup> The turnover of workers is very high, particularly after Tết or Vietnamese New Year. Depending on the factory location, it can be easy to get new workers (outside HCMC there can be 10-20 applications per day).

Indicators for Output 4.3 track staff participating in EA training sessions, and management positions held by national staff. An increase in national staff in management position would appear to be still required.

Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul- Dec 2013	Target 2014	Actual Jan-Jun 14	Actual Jul- Dec 2014	Target 2015
Output 4.3.									
No. of staff participating in EA training sessions	18	n/a	21	18	17			17	22
Output 4.4.									
% of management positions held by national staff	73	78	73	73	73			8	10

Every year EAs and Training Officers from all BW programmes meet to share ideas and exchange experiences, providing information to deepen ability to respond to social partners. Many EAs interviewed reported that they learned a lot at an EA summit in Bangkok.<sup>44</sup> Learning about how to implement the 'adjusted' services model, and sharing experiences of pilots was reported by EAs to be particularly beneficial. Any staff interviewed reported that they have widened and diversified their skill sets both in terms of core service delivery and in supporting wider project activities. It was reported that more on the ground support and coaching may be still required for BWV staff, particularly around quality assurance methods for assessment and compliance reports. Furthermore a deeper understanding that IR are not a prescription, but requires the wherewithal/ability to carefully read a worker/employer situation.

## 7. Sustainability

### 7.1 Different aspects of sustainability

Discussion on sustainability issues is currently taking place at different levels of BW. With an initial focus only on financial sustainability, discussion has evolved over time. How services provided by BW can be institutionalised is evidently a demanding question. The **exit strategy** is for BWV services to become financially sustainable, and a move towards an independent entity, linked to the ILO/IFC for authenticity. The current model of EA advisory, assessment and training service delivery is human resource cumbersome, particularly with regard to enterprise advisors time. This is why, following 2-3 years of discussion and piloting, the adjusted model was introduced in May 2015. Moreover the new adjusted model is expected to facilitate more ownership on the part of factories themselves.<sup>45</sup> In the

<sup>44</sup> BW Bangladesh are implementing the adjusted model from the start of their operations, and this allowed EAs from Vietnam to see that it is not as complicated as initially thought.

<sup>45</sup> Previously the assessment was first done by EAs, sometimes creating tension between BWV and the factories. With the adjusted model, the focus is more on building a relationship with the factories to encourage the factories themselves to lead on self-improvement.

future it is envisaged that factories can complete much of this process on-line.<sup>46</sup> In addition, many stakeholders recognise that the sustainability of the BW program depends on the degree of and levels of participation in industrial relations at the factory level.

Moving towards a stage of financial independence is ambitious and how to reach it during this Phase, is less than clear. Cost recovery is currently at 50 to 53 percent, but ideally should reach 70 to 80 percent to move towards financial sustainability. BW are striving to increase the cost recovery and in the process of developing and increasing the pricing strategy for buyers and factories, which will be introduced in 2016. BWG is carefully separating operational costs from institutional capacity building costs so that capacity building of social partners is not paid for through the value chain. It is argued that capacity development should be channelled through donor or government training budget funding mechanisms i.e. the development oriented objectives ; and assessment, advisory and training services should be self financing – the business oriented aspects of BWV.

Clearly BWV management are in the process of planning for sustainability. In line with BWG, they are strategizing on the most appropriate models of service. They are considering where they should focus for maximum impact, and how to tailor services to different types of factories.<sup>47</sup> Some BWV officials interviewed did not seem to think ‘sustainability’ could be achieved by the end of this phase (December 2016). However BWV may be much closer to the target, if along with the new pricing structure, the adjusted model takes off.

With over 4000 factories in Vietnam, evidently not all garment factories can be serviced by BWV. A representative from ICD MOLISA reported that more can be done to ensure that non-registered factories learn from the example of factories participating. This requires more sharing of good practice beyond participating factories. For example demonstrating the economic benefits of being part of BWV – such as increased exports and more international buyer interest. Continued emphasis could be placed on creating awareness of the benefits of registering and working with BWV. The increased profits made by participating factories must be thoroughly emphasised. This may require better media coverage or more collaboration with VITAS. Donors can help in this regard too, by showcasing aspects of BW they fund which will help to maintain BWV’s profile at a higher level.

Not all stakeholders interviewed understood questions around sustainability of BWV.<sup>48</sup> Many mentioned that it would be important to keep the project going, particularly in light of forthcoming trade agreements which will result in an expansion of the apparel industry in Vietnam. An official from MOLISA felt that no organisation in Vietnam could function as well and cover the work that

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<sup>46</sup> Technical aspects with regard to installing MS Access (rather than Excel) have to be worked out

<sup>47</sup> For example some factories have good labour standards, and only join so they can increase their reputation. These do not require a lot of core support from BWV, but require different types of support.

<sup>48</sup> One stakeholder felt that BWV should reduce their pricing system, but when asked about how BWV could become sustainable, was unable to link the two issues



BWV is undertaking. At present he thought that the fees collected from different stakeholders were inadequate to cover the expansion of the programme. Yet officials in MOLISA felt that the sector itself must become inherently more responsible and active. More sharing and learning from experiences of other BW countries was suggested as well.

One buyer felt that it is the international buyers who are really driving factories to improve their standards, factories will not improve compliance without a 'push'. To expand and sustain the principles behind BWV, the suggestion was to focus on high level capacity building, changing factory owners mentality. However factories are often more concerned with day to day survival in business. See Box 5 for some garment factory pressures conveyed during the evaluation. EAs also mentioned that although some factory managers are very cooperative, others are reluctant to cooperate, which is challenging for EAs work. Changing mindsets in factories is a long process according to one factory manager. Factories must sustain the new practices they introduce and learn from BW. Another factory manager reported that they must become more prosperous before they can sustain improved working conditions. This manager also reported that more supportive SME economic policy from government is required for sustainability. What exactly this is could be explored and discussed with government. The IFC and the ILO enterprise department could help in this regard, as could donors.

## **7.2 The role of the PAC (for sustainability aspects)**

Composed of the three social partners, MOLISA, VCCI and VGCL, the **Project Advisory Committee (PAC)** is the key forum for considering the sustainability of BWV. BWV and BWG staff reported that this is the place for deepening relationships and trust, and where BWV activities, successes and challenges can be discussed. In Phase I, one of the key turning points was the approval of workers elections in factories. During Phase II (so far) the government and other social partners demonstrated their strong support for sustaining BWV by approving the expansion to the north.

The expansion from 3 provinces to 13 during Phase II is a challenge for PAC composition. With this expansion provincial level social partners are invited as observers, resulting in up to 40 members at the biannual PAC meetings. If all provincial representatives wish to articulate their particular regional concerns, the PAC can become unmanageable.<sup>49</sup> The PAC essentially should be a space to discuss national strategies for the garment industry and move beyond implementation details alone. Thus recently the PAC has agreed to establishing provincial level PACs in the geographical area where BW is operating (for example a PAC for the North of Vietnam) so that provincial level operational issues can be discussed at more length (for example which factories in the province require more support or how to involve FoL in service delivery). This will not replace the main PAC, where strategic issues (such as the expansion to other industries or the country synthesis report) will be discussed. Currently in collaboration with MOLISA guidelines on the distinct roles of the national

<sup>49</sup> At the 10<sup>th</sup> PAC meeting (October 7<sup>th</sup> 2014), members agreed to strengthen collaboration with BWV at the provincial level to provide more support to participating factories.

PAC and the provincial PACs are being drafted. This process demonstrates a solid commitment to BWV, but these provincial PACs will have to become self-sustaining.

Thus the PAC structure has been reviewed and MOLISA are in the process of establishing new guidelines for PAC membership and responsibilities. The coming months will require government, employers and VGCL to further establish a sustainability plan at the PAC. Progress towards Objective 5 against indicators is outlined below with details in Table 7 in Annex 4.

### 7.3 Capacity and ownership increased for sustainability (Objective 2)

As outlined in 7.1 & 7.2 above, the government in Vietnam is demonstrating support for BWV, in particularly through the PAC. Ownership (and capacity building) for government partners, principally the labour inspectorate of MOLISA, is essential for sustainability of BWV. Indicators under outputs 5.1 are binary but appear to have been achieved. The first output (**Output 5.1**) concerns the labour inspectorate of the MOLISA and DOLISA being engaged and collaborating with BWV, sharing experiences and know how. A good example of this output is the capacity building activities of the labour inspectorate by BWV. MOLISA has also reciprocated and provided training to BWV EAs on the revised Labour Code (July 2013). Overall MOLISA are considered to be quite supportive of the BWV programme, with MoUs in place that describe the nature and scale of cooperation. Working down the line to DOLISA can be much more challenging. This level require more information and communication on BWV objectives.

Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul-Dec 2013	Target 2014	Actual Jan-Jun 14	Actual Jul-Dec 2014	Target 2015
Output 5.1.									
Government demonstrates active support for encouraging industry participation (incentives or subsidies, legislation) and/or promotes BWV in government strategy (competitiveness, labour inspection policy, etc) (yes/no)	no	yes	no	no	ongoing			yes	yes
MOUs in place that describe the nature and scale of cooperation (could include zero tolerance protocol and cap building activities) (yes/no)	yes	yes	yes	yes	yes	yes		yes	yes
MOLISA inspectors receive additional cap building from BWV aligned and coordinated with the ILO ILAB MOLISA needs assessment (yes/no)	no	yes	yes	No	In discussion	yes		yes	yes

A representative from MOLISA stated that the biggest strength of BWV is that trust has been created between MOLISA and other social partners, which is not always automatic in Vietnam. BWV objectives are aligned with national objectives, which helps in this regard. He further stated that the

creation of the PAC along with the involvement of the buyers was effective in ensuring ownership. This view was echoed by a representative from ICD MOLISA who felt that BWV strengthened tripartite mechanisms.

Output 5.2 relates to strengthening VGCL and FoLs to support collaboration and develop the abilities of district and provincial unions officials to organise. Like MOLISA/DOLISA, the trade union VGCL is very supportive at the national level, but FoL official may not have full knowledge of the programme. In 2014 BWV organised some workshops between the district level and factories to improve this situation. In general and for all social partners, communication between national and provincial levels is not always optimal. BWV can only continuously and strongly encourage national level offices to be responsible for communications between their head offices and provincial levels, they cannot force them to communicate.<sup>50</sup>

BWV has been collaborating with other relevant ILO projects on activities that help strengthen the capacity of the union at the enterprise and higher levels to represent workers in garment producing factories. ILO Vietnam reported that the PICC was used as an example in 2012 of how social dialogue can take place at the factory level. This was influential in the revision of the labour law in 2013. BW also influenced the congress of trade unions in terms of organising from the bottom up. Through an MoU with APHEDA (an Australian organisation), capacity building for the PICC Trade Union representative is provided as well as for trade union representatives in participating BW factories (in collaboration with FoL). PICC training is offered at introductory and more detailed levels. Following ToT, FoL subsequently deliver the training at the factory level.<sup>51</sup> One FoL factory representative reported that the training course he attended was particularly good in allowing participants empathise with others. For example role play allows participants to act as a worker attempting to negotiate better pay, or managers compromising with workers. EAs reported that more training/support is still required at the district and industrial zone level.

Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul- Dec 2013	Target 2014	Actual Jan- Jun 14	Actual Jul- Dec 2014	Target 2015
Output 5.2.									
No. of trainers from district and federation unions trained by the project in delivering union and PICC training.	7	54	12	9	10	16		-	
No. of enterprises participating in the union training and union members trained	-	541/1080	158/300	83	56	188/380		-	
% of PICC union members able to raise ideas of workers at their factory during PICC meetings and liaise with the trade union on these issues	50	75	60	60	60	70		70	75

<sup>50</sup> Interviews revealed that social partners in Dong Nai province are more than willing to engage in BWV - FoL were keen to be part of the factory assessing teams as observers.

<sup>51</sup> Adult learning training techniques are used, covering topics such as social dialogue for trade union enterprise leaders; an introduction to collective bargaining; introduction to trade unions; skills for grassroots union leaders; and PICC training for PICC members.

**Output 5.3** concerns strengthening the capacity of VCCI and other organisations of employers, and their employer members, to have a greater impact on working conditions improvements in enterprises both within BWV and on a broader scale. BWV has been partnering with VCCI to offer training to members on improving industrial relations practices, setting up factory grievance procedure mechanisms, and other aspects of national and international labour law and standards. VCCI organise technical/industrial seminars on topics such as lean production, inviting high level speakers (for factory owners). They organise networking events, and information sharing on TPP and how it will affect tax rates, incentives and exports for higher management levels. In addition they organise quarterly focus groups of employers, where they discuss BWV and this is fed back to BWV management. This was reported by a representative of VCCI as helping BWV respond to garment industry demands. VCCI are keen to ensure the participation of factory directors (CEOs) in events, and are cognisant that some events must be organised at weekends to get high level attendees.

Indicators	Baseline Jan 2013	End Target Dec 2015	Target 2013	Actual Jan-Jun 13	Actual Jul- Dec 2013	Target 2014	Actual Jan- Jun 14	Actual Jul- Dec 2014	Target 2015
Output 5.3.									
No. of joint events with VCCI	-	6	2	1	1	2		1	2
Factory Focus Group is expanded to be representative of all participating provinces, meets quarterly, provides constructive feedback to BWV	no	yes	yes	no	yes	yes		yes	yes
No. of factories returning BWV feedback survey	1	75	25	4	-	25		-	75

Although VCCI are providing links to different industry groups and chambers of commerce at provincial level, it was recommended by factory managers that BW should collaborate more with VCCI to for example: negotiate better SME policy (e.g. credit to buy machinery); allocate grants for promoting female workers to supervisory levels; or award concessions or grants for exports.

The last expected output (**Output 5.4**) is to strengthen the governance of BWV so BWV can gradually be transferred to a legal entity. Indonesia rather than Vietnam may well be the first country to put this strategy in place. With the lessons drawn from the Indonesian experience, business models will be determined to suit the BWV legal context (social enterprise, a foundation, or allowing the core services of BW to be provided by an association etc.).

Overall it would appear that there is substantive stakeholder engagement. BWV's main constituents and stakeholders (MOLISA, VCCI, VGCL, buyers and factory) are involved in the delivery of its core services. However the following methodologies should continue be used to enhance sustainability:

- Deepening the integration of government and social partners into the delivery of BWV services, and requesting donors' help in this regard.
- Ensure BWV policy influencing work articulates the need for change that sustains the BW model and stakeholders needs at the country level.

- Continue to underline that industrial relations are fundamental to the sustainability of the BW program, and much depends on the IR strategy put in place at the factory level and support for social dialogue by all concerned at many levels. Further emphasise and enhance capacities for social dialogue (at many levels) working with the ILO IR project, working with ILO Hanoi in this regard.
- Meet the needs of advanced factories by mapping types of services they require.
- In collaboration with BWG, improve cost recovery for services provided by BWV. Consider carefully whether or not increasing factory registrations, and adjusted services will actually improve cost recovery.
- Organise more advocacy activities using factory floor level knowledge with regard to workers issues, factory managers issues, issues around supply chains).
- Maintain quality whilst also improving efficiency (particularly if continuing to expand).

## 8. Impact

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This section examines issues around the global monitoring and evaluation framework for measuring the outcomes and impact of BWV, as well as looking at some examples of impact according to those interviewed. How buyers view impact and *BWV* is outlined in 8.3

### 8.1 BWV global level indicators

The project performance indicators were discussed earlier in Section 6 under **Effectiveness**. This section examines how the Monitoring and Evaluation (M&E) global framework is used to measure the outcomes and impact of BWV. The 35 M&E indicators (see Table 8 in Annex 5) are used in the yearly synthesis reports provided by BW countries including Vietnam. These indicators provide a snap shot of the industry and trends in changes over time. Many of these indicators are similar to the PMP indicators, with a few new or slightly different versions of an indicator. Information for some of the 35 indicators comes from a questionnaire given by the M&E officer at BWV to the EAs. BWG with inputs from country programmes are in a process of streamlining these 35 M&E indicators, to improve them and align the M&E and PMP indicators.

The new M&E indicators are expected by August 2015. In this regard BWG and BWV are examining the usefulness of each indicator and linking information needs to the different BW target audiences. Along with the new set of M&E indicators, each country will have 5-10 maximum extra indicators that respond to the country context situation. For example for BWV, there will be indicators on collective bargaining and IR; and the expansion to the North. Most of the revised indicators will remain quantitative, although in other countries (Haiti) a few qualitative indicators are being introduced (e.g. how buyers judge performance in terms of quality and service). Bearing in mind that indicators can be facts, figures, judgments or perceptions that allows the measurement of change in a situation or condition and confirms progress towards achievement of a specific result, and given that many of BWV expected outputs are focused on greater management responsibilities and ownership of BW, it might be relevant to consider the inclusion of a few qualitative indicators. For example:

- changes in attitudes and behaviour towards factory level compliance; a growth in knowledge and skills on how to implement labour law; or
- indicators that show progress toward the independence of the programme.

Some of these may be already available through Tufts research. Unfortunately qualitative indicators are more difficult to measure as responses may not be standardized, and they can be more labour intensive to collect, yet they provide a richness and depth of information. Tufts university are currently researching what actually drives change, and issues around cognitive load, which will produce interesting results that could be translated into measurement format. For example research results shows that productivity reduces with verbal abuse to workers.

None of the indicators currently measure buyers behaviour, which is in many ways a separate discussion for the moment. As mentioned by BWG, to introduce such indicators, BW would need to be clear on the purpose of such indicators. Some changes (observed by BWG) in buyer behaviour are outlined in Section 8.3.

It can be unclear how to collect and validate information for some of the issues BW would like to measure as interpretations can vary. For example the PICC is considered a system for collective bargaining and grievances. However a complaints box can also serve as a valid grievance system. This is tracked under the current M&E Indicator 14 (Percentage of assessed factories with a current valid collective bargaining agreement). The *Manager Impact Assessment* report (Tufts, June 2013) reported positive findings on collecting bargaining, stating that:

*“Factories have addressed their labour management challenges by introducing new grievance procedures and worker committees; using these strategies remain the top two human resource management innovations at the time of the second data collection.”*

The number of strikes per factory in the reporting period is of particular interest to Buyers (indicator 16). There is no clear guidance yet on this indicator, for instance does this figure relates to the number of factories registered with BWV or the number strikes in the country overall? A more interesting indicator might be:

- the number of strikes in the apparel industry in the country versus the number of strikes in the factories registered by BWV.

BWG staff reported that no one requests information on the percentage of women amongst PICC workers (Indicator 19). BWG report that this indicator may be dropped – yet gender related indicators could play a more important aspect in BWV (see Annex 6 for an summary of gender equality points to consider).

In addition to collating data on programme revenue and cost recovery (already mentioned under objective 4) the M&E framework has an indicator (29) on the Percentage of annual budget spent in the reporting period. Targets were reached for 2013 (that 90 percent of the annual budget would be spent within that year). For 2014 it was nearly 100 percent. Section 9.3 contains points with regard to BWV being able to assess their total budgets, which may be relevant to this indicator.

	Indicators	Target 2013	Jan-Jun	July-Dec	Target 2014	Jan-June 2014	July-Dec 2014
29	% of annual budget spent in the reporting period	90	32.29	64	N/A	31	68

Indicator 34 in the M&E set of indicators (number of mentions of *Better Work* included in reports by other policy actors) is slightly different to the indicator under Immediate Objective Output 2.1 (number of press releases or similar communications issued by BWV designed to influence policy debates). Points with regard to measuring policy are outlined in Section 6.2. See also Box 3 and Annex 10.

	Indicators	Target 2013	Jan-Jun	July-Dec	Target 2014	Jan-June 2014	July-Dec 2014
34	Number of mentions of <i>Better Work</i> included in reports by other policy actors	10	5	2	10	4	0

## 8.2 Impacts on working conditions, worker wellbeing, firm performance

BWV is a focused programme. Reviewing all Irish Aid programmes in Vietnam, two Irish government elected delegates visited BWV in March 2015 and both separately reported to the evaluator that BWV appears to know what it can achieve and what it cannot achieve, and the programme is showing impact on the ground. The programme helps to shape how Vietnam approaches workers rights.

BWV has been **influential** in labour law reforms in Vietnam.<sup>52</sup> The government have viewed BWV as a laboratory where they can test social dialogue - worker engagement and how regular contact between enterprise management and workers can work in practice. During Phase II BWV demonstrated how new labour laws can be implemented. For example factories must now set up elections for worker representatives, and employers set up quarterly dialogue with workers. The PICC guidelines from BW were influential in putting social dialogue obligations in place. The profile

<sup>52</sup> For example Decree 60 in the 2012 labour law established dialogue as a way of communication between workers and employers. Three times a year, regular dialogue must take place to resolve important issues. A BWV official felt that when drafting the new labour law, MOLIS official referred to the PICC election and the PICC as a channel to promote social dialogue.

of trade unions has been raised through BWV. Statements from different stakeholders interviewed with regard to impacts on working conditions are presented in Annex 12.

BWV staff reported that some factories are very committed, and the EAs can see the improvement with some such factories becoming proactive working more on social dialogue. Other factories face financial difficulties in implementing their roadmaps. For example they cannot afford to expand the production floor space. According to one EA the biggest impact is the gradual change in attitude amongst factory management towards social compliance, workers rights and benefits. EAs rate a reduction in non-compliance as evidence of their impact. They stated in interviews that it can be hard to see the impact, but slowly they notice that workers start to ask more questions about their rights. A functioning PICC can be a good indicator however. Improvements can be clearly seen in some factories who have been part of the BWV for a few years (for example the availability of personal protective equipment for workers undertaking chemical cleaning is visibly improved; or new employment contracts for workers follow the law). It remains to be seen by the end of Phase II, whether the new adjusted model, introduced in May 2015, has increased commitment in BWV factories and has produced impacts. This model does not yet have an indicator in the global M&E framework.

### **8.3 Impacts on buyer behaviour**

It can be argued that BWV liaise with the majority of the international brands that are sourcing in Vietnam. Although often initially cautious, most of these buyers are demonstrating commitment and engaging in different ways with BWV. Apart from ensuring their reputation remains intact in terms of their suppliers, many buyers are becoming more committed to really improving working conditions in supplying factories. Bearing in mind that the evaluator only interviewed three buyers, some criticisms from Buyers included:

- Factories only join BWV on the encouragement of buyers and would not join without international buyer pressure.
- Two out of the three buyers interviewed were critical of the standard of some individual EAs who conduct assessments and advisory services. In particular they were critical of EAs who do not have previous experience of social compliance assessment. Contrarily, it can be argued that BWV trains new EAs extensively and now has a quality control mechanism in place (see section 6.1 above). One buyer reported that if EAs were better, more factories would join BW and Buyers encouragement would not be required. This buyer reported that some assessment reports contained a lot of repetition of one finding, and are too long from their perspective. However it should be pointed out that reports must be consistent with BWG standards, rather than buyers standards.
- More time for discussion is required at Buyer Forums, as there are good opportunities to meet with government officials and VGCL and ask them to clarify issues.
- Two buyers stressed that BWV should adjust their assessment tools towards individual buyer key performance indicators (KPIs). This recommendation is of course unrealistic as buyers have different KPIs. Conversely the global compliance assessment tools (CAT) was developed taking into account and reviewing many buyer KPIs.



- Some buyers require more specialised training than provided for by BW.<sup>53</sup>
- BWV should also be examining environmental concerns (already discussed)

On the other hand, complements and praise from buyers included:

- Training and capacity building provided to different factory staff (e.g. supervisory skills, workplace cooperation) is a particular strength of BWV, and well targeted. BWV is viewed as a capacity building entity for factory compliance.
- Buyers really engage with BW because of the advisory services BW provide, which they feel is effective in driving factory level compliance. Third party audits only report what is wrong but do not provide suggestions on how to tackle non-compliance issues.
- The quality of service provided by BW has improved year by year.
- The PICC is very effective in connecting the employers with the employee.
- How ILO and BWV can help to translate labour laws, and provide clarity on the legal implications for Buyers is appreciated.
- Collaborative BWV staff training activities with buyers, where buyers provide inputs on training for EAs or attend joint training are welcome.
- Avoiding assessment duplication is a particular strength of BWV, although some (but not all) buyers standards tend to be higher than BWV. In BW's defense, it must be stressed that national law is used by BW as the basis to support national labour law implementation.

Factory managers stressed throughout interviews that buyers hold the most power and many working conditions stem from pressure from buyers. Indeed BW serves as an important tool in changing behaviour amongst a group of leading brands. Changes in buyer behaviour have already been observed by BWG, such as buyers now allowing time for social dialogue during a strike, rather than pushing for immediate resolution. Other examples of buyer behaviour change includes buyers conducting less of their own audits in BW factories; as well as Buyers following the BW improvement plan, rather than insisting on their own immediate solutions. Tracking buyers who gradually increase the percentage of factories they source from who are registered as BW factories may be an interesting exercise. When an international buyer has a partnership with BWV, they are not obliged to only source from BW participating factories.<sup>54</sup>

As part of BWG work, all Buyer partners were recently sent an in-depth questionnaire which will provide much useful information with regard to Buyers views on BW services and their views on BW generally. The results of this survey will inform individual BW countries, including Vietnam. Tufts University also collect information on buyer behaviour from the factory manager point of view. For instance they ask managers about obstacles to growth, their lead times for buyers, buyers demand for special equipment or penalties from buyers. Hopefully both aforementioned research results will be consolidated and made available soon. BWV work with buyers will continue to be as important

<sup>53</sup> Such training is for example provided by BSI (business standards company) who work globally and cost between \$800- £1500 per day.

<sup>54</sup> When Buyers register with BW, they are asked to list all the factories they work with. BWV are able to discuss with Buyers whether they can encourage those factories to join (presuming they are in locations that BWV is servicing).

during the remainder of Phase II. More details on BW organised Buyers Forums are outlined in Annex 11.

## 9. Efficiency

### 9.1 Resource efficiency

In as much that could be deduced during the mid-term evaluation, resources appear to be allocated strategically to achieve outcomes. BWG provide an overall Global Operations Manual with procedures for all BW activities and services, which is adopted at the country level. BWV follow ILO procedures for procurement. The programme appears to have an effective financial system in place. Financial audits take place every two years. The BWV team leaders and financial manager create a yearly budget for the whole programme, divided into line items such as training, work with social partners, transport etc. Phase II budgets for BWV have varied year by year as outlined below.

#### Budgets for Phase II

Budget 2013	\$1,500,000
Budget 2014	\$2,014,918
Budget 2015 estimate	\$3,383,078
Budget 2016 estimate	\$4,018,484

A list of donors for Phase II and their contributions are outlined below.

#### Donors for BWV phase II

	Project code	Amount	Purpose of support	Period of support
- the Ministry of Foreign Affairs of the Netherlands	VIE/12/06/MUL	\$1,615,000	Operational costs	2015-2016
- the Development Cooperation Directorate of the Department of Foreign Affairs and Trade of Ireland	VIE/13/07/IRL	\$135,870	Operational costs in Hanoi	Dec 2013 to June 2015
- the Swiss State Secretariat for	VIE/12/	\$1,585,825	Operational costs	2013-2015

Economic Affairs	06/MUL			
- the Australian government Department of Foreign Affairs and Trade	VIE/13/ 06/AUS	\$1,250,000	Operational costs (staff & development)	2013-2014
- the US Department of Labor	VIE/11/ 50/USA	\$1,313,394	PICC and Trade Union activities (some funds directly to APHEDA)	Until 2014, new funds approved from April 2015- 16
- Canada Employment and Social Development	VIE/12/ 05/CAN	\$292,854	Activities related to social partners	March 2013-June 2015

The BWV CTA and also the Financial Manager provided examples of efforts to ensure financial resources are allocated strategically. For example quotes are carefully reviewed from suppliers, ranked and assessed. Transport is arranged through car-hiring (rather than buying vehicles). Attempts are made to ensure logistical arrangements are organised around cost sharing. For example EAs share transport with each other when visiting nearby factories; partners must pay themselves for many of the training courses offered by BWV. Because donors consistently ask for a details of budgets spent, BWV administration stated that they are careful to avoid wastage. Some stakeholder interviewed echoed these views. The chairperson of the PAC felt that resources are being used in a cost effective way – for example ToT by APHEDA is seen as an effective way of training MOLISA labour inspectors; a representative from VGCL felt that the budget had been used very efficiently.

## 9.2 Financial systems

An administrator at BWV outlined that the electronic system *Financial Recording Keeping System (FRKS)* is not always helpful for tracking data and compiling financial reports. For example it is not easy to develop customised reports for BWV (to quickly produce a report on how much has been spent by BWV this year compared to last year or locate how much money is expected from a buyer). Customised financial reports are prepared for each donor and included in the Technical Progress Report for each donor. BWV must customise their own reports, using their on-line banking statements and invoices. The FRKS system was reported to be a half-way house between a commercial business accounting system and a “*not for profit*” system. The FRKS and the computer systems and database currently being used (STAR) do not link. BWG reported that new personnel will begin in August 2015 to automate more processes, and will hopefully begin by listening to the EA users, visiting Vietnam.

A variety of export garment factories are registered with BWV. About 15% have over 10,000 workers, and about 15% have less than 250 workers (who were invited to join when there was a lull

in factories registering in 2013). Reaching a smaller factory requires the same time as reaching a factory with 10,000 workers. BWV reviewed the type of factories signing up to BW and when there are larger factories (e.g. with more than 10,000 employees), 3 EAs are assigned to do the assessment. Rolling out the new adjusted model of assessment should improve time and resource efficiency in the delivery of core services. Anyone asked about the new advisory model reported that it is highly likely to improve the efficiency of BWV. It is too early to determine how efficient this change will be for the delivery of core services.

### **9.3 Financial sustainability**

**Financial sustainability** and the issue of **cost recovery** of BW overall and in Vietnam in particular is complex and may not be possible to achieve yet, even with the new adjusted model. BWG are working hard to separate operational costs from institutional capacity building costs relating more to a development project rather than a business arrangement. The cost recovery rate was at around 40 percent between 2010 to 2013 and was discussed Objective 4. BWV have two sources of funds i) from factories who pay for core services; ii) fund transfer of donor funds from BWG. Donors transfer money directly to BWG. On-line banking allows BWV provides information on these streams of income.

Funds from Buyers do not come directly to Vietnam, but are managed by BWG. Funds are allocated when requested, with monthly reports on which transactions should be paid from which donor. BWV reported that it can be challenging to know exactly how much of total funds are available for spending on different line items. Funds from Buyers can be allocated through purchasing credits via the BW buyers portal. Whilst this is probably efficient for Buyers, as they can use their credits over a long period of time, country offices do not know in advance how much of Buyers funds will be allocated or spent on their country programme until all a particular buyers credit has been allocated and used. Whilst BWG realise that this system may cause frustration at the national level (as they do not have full information on buyer credits), BWG consider that managing buyers at the global level is the most appropriate system at the moment.

## **10. Effectiveness of management arrangements**

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### **10.1 Management capacities**

Nearly all interviewed mentioned that the CTA of BWV was extremely respected, efficient and competent. Having a national CTA that is the right fit for BW is an emerging good practice. ILO Vietnam reported that for the most part, BWV is very efficient in presenting results, and have a very business-like, efficiency approach. In fact efficient business like approaches to implementing activities was mentioned by a number of those interviewed, with one ILO official stressing that other 'typical' technical cooperation projects could learn from the efficient management system in place at BWV. Annex 13 contains the BWV organigram.

Factory managers interviewed felt that BWV management arrangements were extremely efficient and the BW team displayed integrity. Recently recruited EAs interviewed reported that compared to their previous employment, BW is a extremely systemised programme, with less layers of management (or more flat management process). EAs interviewed (5) reported a good working atmosphere in BWV, a sharing information and supportive colleagues and management. EAs (2) reported that their regular weekly EA meeting help them a lot in their assessment and advisory work in factories. For example they discuss their understanding of the law, and issues related to compensation and payment for workers. One ILO stakeholder reported that sometimes there is confusion regarding who reports should be sent to, BWV, BWG or ACTRAV. Factory managers interviewed reported the BWV team were highly efficient in their follow-up and communications with their factory.

## **10.2 Roles and responsibilities**

Project management appears to facilitate good results and efficient delivery of services. There is a clear understanding of roles and responsibilities by all parties involved. BWV staff are organised into teams (see Annex 13) and sub-teams that take on responsibility for various aspects of outreach activities beyond core services. For example sub-teams such as follows:

- Assessment
- Buyers
- Advisory support
- Industry team – mostly work on stakeholder engagement
- Communications
- Training team (including one full time trainer)
- Industrial relations / union engagement
- Monitoring and evaluating

Information and indicators of progress are the responsibility of the focal point in each sub-team. This approach is reported to increase ownership of BWV across the staff, and can lead to bigger-picture thinking, greater collaboration and team building activities. Regular Monday morning meetings of EAs ensure that there is efficiency in the delivery of core services. Templates and internal tracking systems are well set up for the core services provided by EAs to factories in BWV (e.g. assessment, advisory and training).

## **10.3 Support from ILO and partners**

Generally the project receives adequate political, technical and administrative support from the ILO and its national implementing partners. The Factory Tracker Viewer IT platform allows BWV team to immediately see the names and how many factories and workers are part of BWV; the date the factory registered; location, address; how many reports have been compiled (both assessment and advisory reports); which cycle the factory is at; which EAs are responsible; invoice date; buyers for this factory etc.. Some EAs raised the issue of administrative support with regard to the STAR

computer system. STAR initially only served to input assessment information, rather than advisory details. Although new reporting templates for advisory progress reports have been developed in 2013<sup>55</sup>, (to increase accuracy of reporting and reduce time staff spend on this task), staff are waiting for solutions from BWG on technical problems so that advisory inputs into STAR can smoothly generate reports which can be sent to reviewers for feedback, and which can be tracked. Ensuring that details that are regularly required do not have to be manually re-typed each time would be extremely helpful for EAs and that some reporting is automated/ streamlined.

#### 10.4 Communications

Within ILO, BW is seen as an incubator with regard to strategy around global supply chains, where findings and learning from national level policy work feed into overall ILO policy debates. The role of BWV within the ILO family may require a bit more integration at the country level.<sup>56</sup> BWV report to BWG, and although communications are adequate with the ILO office, they can always be improved. This view was echoed by one BWV official, who felt more meetings could be held to update each other on how lessons learned can have broader impact. A new Canadian funded child labour and gender project in Vietnam may create better linkages. As mentioned earlier, the ILO/ILO Hanoi could use BWV lessons learned from the factory level in their policy related work in Vietnam.

Some findings during the mid-term evaluation with regard to communications are outlined below:

- A representatives from MOLISA also felt that **coordination and communication between the PAC and BWV management** is very good.
- A representative from MOLISA felt that coordination between BWV and DOLISAs could be strengthened.
- All interviewees with social partners in Dong Nai province reported that communication between BWV and social partners is well synchronised and efficient via email, and through shared learning seminars.<sup>57</sup>
- One social partner interviewee mentioned that although communications are good, they can always be improved, ensuring for example updated contact lists/emails.
- Buyers reported that BWV has a good mail distribution system in place.
- The recently held fun run was considered a successful event for communications on BWV. Some reported that keeping a very effective and up to date website with different stories for different audiences is a real key aspect of communications.
- The BWV website requires some updating, making it much easier to locate reports and documents and understand activities that are taking place in Vietnam.

<sup>55</sup> More space for detail about the status of industrial relations at the factory was included in the new template, and the attitude of factory management, as well as the speed of change. Reports can now allow readers to compare progress of the factory over time

<sup>56</sup> Although ILO provide much support around human resources, recruitment, more linkages to ILO Hanoi on policy related matters may be important for BWV

<sup>57</sup> Shared learning seminars focused on for example labour law updates, prevention of sexual harassment, fire safety or productivity enhancement (2013 1<sup>st</sup> half); Labour law update, preventing harassment at the workplace, potential for enhancing productivity in garment factories (2013 2<sup>nd</sup> half 12 seminars ). Materials are developed jointly with BWG.

### **10.5 Effectively of project management to monitor performance**

Technical progress reports are developed every six months. Donors require specific TPRs which are produced in line with agreements with donors. The next Programme TPR is due in July 2015. STAR is the computerised system used to input performance results. The BW team can see this portal and are able to use it as an internal tracking system. Data is sent in excel spreadsheet format from BWV to BWG. BWG aggregate the data and calculate statistics which are summarised and sent to various stakeholders. BWG provide guidelines on how exactly to calculate the indicators. At BWV monitoring level, when an indicator is not showing progress, the monitoring and evaluation officer flags it to the management team in BWV to review, who revert to the sub teams to find out what is happening. Discussions take place with factories to locate the root cause of the situation. Notes and explanations are sent to BWG on the progress of indicators with the country programme update every 6 months. It was noted that the M&E indicators and the PMP indicators are not synchronised, which proved confusing for the mid-term evaluation.

Managing and monitoring the performance of Enterprise Advisors can be challenging at times according to some interviewed. There are many considerations that are important with respect to EAs. BWV has the most factories amongst all BW countries, and capacity of staff is already maximised. EAs have to complete 22 assessments per year and are responsible for between 9 and 11 factories for advisory serves, they also support work with buyers, social partners, and organise and carry out training and other activities. Senior EAs are also helping with training of EAs in the North, who are newer to the programme and require coaching.

Challenges include locating EAs; dealing with the salary issues; retaining and motivating EAs (the labour market for their skills is competitive and BW invests a lot in EA training, making EA skills very marketable); co-ordination amongst EAs; ensuring EAs respect codes of conduct for BWV and so on. EAs often complain about their workloads. During the second half of 2014, BWV ran some stress management courses for all staff, and coaching and influencing courses for management staff. The adjusted model is expected eventually to reduce the EA workload.

Although BWV puts considerable effort into EAs training, maintaining consistency amongst EAs was mentioned as challenging by two buyers, one social partner (VCCI) two BW staff, and some EAs themselves. Evidently EAs are individuals and how they approach their work at the factory level will differ. An important consideration for BWV is the recruitment and retention of EAs for BWV – some lessons learned in this regard are outlined in Section 13. Currently there 25 EAs. Up to 8 EAs have left during Phase II. Some leave to study, or for jobs including with buyers. BWV is a project, so EAs know that it will not last forever, thus a more permanent position is more attractive. Exit interviews with EAs could be systematised from all countries to documents the best way to keep well-trained EAs. The process of recruiting EAs can sometimes take up to 6 months from the time of job advertisement through two round of interviews to starting training with BWV (which takes another 3

months).<sup>58</sup> The 6 month recruitment process has in the past resulted in losing some qualified candidates along the way. Speeding up the recruitment process may be helpful.

## **11. Conclusions from mid-term evaluation**

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### **11.1 Validity of design**

Phase II was designed based on stakeholder needs, built on the success of Phase I and informed by lessons learned. During Phase II a significant number of new initiatives are being put in place: the implementation of measures to accommodate the 2012 labour law; an adjusted model of service delivery to factories; the expansion to the North of the country and from 2 to 13 provinces, with a new BWV Hanoi office set up; and an expansion to the footwear industry. Other than continuing to implement these changes, in particular ensuring the proper functioning of the new BWV core service model, it would be inappropriate to introduce even more changes, including environmental assessments. The mid-term evaluation concluded that expanding to the environmental compliance areas is unlikely to occur before the end of Phase II.

Performance targets and monitoring and evaluation indicators need to be streamlined. Substantial discussion on reachable, informative and appropriate indicators for different target audiences is still required. Clarify on the target of purpose and indicators must be debated and decided. For instance indicators are required for immediate use by EAs; along with indicators which provide a long term picture of the industry in Vietnam, comparable with other countries. Clarity on what BWV is striving to achieve on gender related issues is necessary.

### **11.2 Effectiveness**

Impact research undertaken in collaboration with Tufts university indicates that BWV is contributing to the lives of almost half a million workers in Vietnam, by improving working conditions in registered factories, and is demonstrating that decent work actually improves competitiveness.

Phase II has been responsive to political and legal changes in the national environment. It is difficult to determine the extent to which the nature of social dialogue in the participating factories has changed due to the project, but this can be determined during the final evaluation linked to the impact assessment. A solid legislative framework with regard to social dialogue and the protection of workers is known to be essential to ensure that structures within factories are empowered to address the labour issues, without outsiders. The linkages to the ILO Industrial Relations project are

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<sup>58</sup> Labour law in Vietnam states that workers must give 3 months notice before leaving their job. Another delay relates to waiting from medical test approval from BWG. It is risky for potential EAs to hand in their notice until they have passed their medical test. There is considerable interest when new EA positions are advertised, but one tenth of applicants are not suitable for the job.



paramount. It is thus very important that BWV experiences are linked and feed into ILO work on Industrial Relations and ILO's policy discussions with MOLISA so that ILO Hanoi can use evidence from BWV to advocate for policy debates of changes in Vietnam. Evidently with stronger legal frameworks, a better understanding of what trade unions and employers can do to improve the factory situation in reality can be formed.

### **11.3 Efficiency**

Resources appear to be allocated strategically to achieve BWV Phase II expected outcomes. BWV Phase II is making solid progress towards its objectives, with some activities already completed and others well on schedule.

Financial sustainability is on the agenda, but may not yet be achieved by the end of the Phase II. Many efforts have been made to improve the time and resource efficiency in the deliver of core services including for example the introduction of the new adjusted model and a quality control mechanism for service delivery. Attempts to be financially sustainable are being managed from BWG, but it seems unlikely that BWV will achieve targets around cost recovery during this phase. However BWV are moving in the right direction towards sustaining the programme by strengthening social partners role in ensuring compliance with labour standards.

### **11.4 Effectiveness of management arrangements**

BWV appears to have an efficient management system in place, with an well respected, competent CTA and sub-teams organised around thematic areas. Activities, services and procedures follow guidelines described in a global operations manual. BWV staff recognise that ILO Hanoi have significant opportunities to advocate with the government for policy change, and more linkages would be beneficial, bearing in mind that this is time consuming for all involved. The upcoming project on gender issues and child labour offers many opportunities for tackling these issues better (in the North for child labour, and more generally for gender).

### **11.5 Sustainability**

Project staff have widened and diversified their skill sets both in core service delivery and in supporting wider project activities (for example IR training has taken place).

Considerable efforts should be placed on enhancing ownership and ensuring that the project services are institutionalised – this requires continued planning, management and a perseverance in working in collaboration with the many BW Stakeholders in the remaining period of Phase II. Institutionalisation requires more individuals either at the provincial or national level with a vision to implement BWV principles more widely, thus an ability of BWV management to persist in mobilising political commitment. It is particularly important to have individuals with leadership skills in DOLISA so they are on board to see through the BWV vision at provincial levels. BWV 'ambassadors' must

continuously highlight that BWV approaches are the way forward for the garment industry propagating the PICC as a vision to ensure worker/management collaboration in provincial factories. Leaders within social partners themselves should be encouraged to see what can be done to achieve the BWV goal, including mobilising others within their institutions. BWV may need provide more on leadership skills amongst the social partners for the institutionalisation of the BWV approach. Donors can help considerably in encouraging the government and social partners to be more committed to BWV.

BWV clearly has a strong focus on sustainability with Objective 5 focused on achieving sustainability and national ownership. The PAC can be used to help to foster more involvement and increase ownership of project results by all tripartite partners.

### **11.6 Impact**

Impact at the factory levels depends considerably on factory management commitment, but is also linked to pressures from buyers, and the quality of services provided by EAs. Services provided by EAs is within the immediate control of BWV, hence management have put in place a quality control system to ensure consistent service from EAs. EAs are the lynchpin for BW and have to be cultivated so they remain once trained. Buyers forums provide an opportunity to discuss issues related to the garment industry at large, and reasons for labour standard non-compliance. Attracting high profile people to these forums should continue and an intensity of discussion on issues that arise from BWV research and work at the factory floor.

The TUFTS research provides excellent impact information and is very useful for advancing BWV's goal. On the whole BWV has collected a lot of data with regard to what happens in reality at the factory level and these data can be further used to draw lessons which can be influential for policy, if carefully packaged. Moreover BWV have good practices and experiences from service delivery to social partners that can contribute to policy debates. However ILO can take more advantage of these good practices and experiences. Clarify on what and who exactly BWV is trying to influence is also important – for example which tools are required to increase awareness of the necessity for social dialogue (including the ratification of relevant Conventions), or what is required to influence actual behavioural change amongst factory management, buyers and even workers. In addition more work with regard to media coverage may help to energize stakeholders and get some messages through to target audiences.

Partnerships are working well (with MOLISA, VCCI, VGCL, APHEDA). BWV could strategise on which partners would help the most in achieving impact before the end of Phase II. Deliberate space and efforts have to be made such for collaborations, which is time consuming. The BW factory impact studies provide important information that can link to ILO Hanoi; and the work with the trade unions (through APHEDA) builds the capacities to address social dialogue. All must continue to be

consolidated and key messages pulled out. Donors can help also in raising the profile of *BWV* in Vietnam.

In the final analysis, the apparel industry in Vietnam is a growing industry and production is expected to expand due to various trade agreements. Consequently the reputation of the industry is important to a range of stakeholders. With large profits at stake in the industry, it is important to remember that garment workers are entitled to decent employment in conditions of freedom, equity, security and human dignity. *BWV* is an unique programme that provides both a business-oriented and development-oriented approach, which makes the programme extremely valuable in Vietnam.

## 12. Recommendations

### 12.1 All recommendations

The following outlines a list of all recommendations (apart from some minor adjustments to the logframe). These recommendations are linked to the findings from the mid-term evaluation report.

No.	Link to BWV project	Findings from mid-term evaluation	Recommendation arising from mid-term evaluation findings	Responsibility	Priority & cost implications	Timeframe
1	All BWV indicators	Performance targets and monitoring and evaluation indicators need to be streamlined and improved.	In collaboration with BWG and other BW countries, judicious work on revising the M&E indicators must continue to take place to ensure all indicators correlate with performance management indicators. Clarify who is the target audience for each indicator. Some suggestions are included in 12.2 below  Discuss how to measure and develop indicators that demonstrate BWVs policy influence and impact. See Box 3 and Annex 10.	BWG and BWV M&E officers and BWV management teams, EAs.	High  No cost implications as existing BWG and BWV staff have mandate to undertake this work	Before within the next three months
2	Objective 1	The 'new' adjusted model does not yet have indicators.  BWV could do more with regard to the media to energize stakeholders and	Set up a system to monitor the implementation of the new adjusted model, paying particular attention to the transfer of ownership of improvement activities to factory managers and unions. Continue the approach of encouraging factories to take labour related initiatives	BWV management & communications team	High	Immediate start and ongoing

		get messages through to target audiences. Successful factories with lucrative export contracts can be used as a selling point for other factories to adopt BW principles.	<p>themselves.</p> <p>Use media to highlight factories that have demonstrated that they have done well. Apart from highlighting increased competitiveness, encourage factories to keep track of how BWV helped them retain their workers, (or other salient issues that affect factories).</p>			
3		Beyond gender breakdowns in attendance of BW activities, gender equality issues are not yet comprehensively tackled and what BWV is striving to achieve in this regard is unclear.	<p>Discuss with BWG and BWV management what is meant by promoting gender equality within the context of <i>Better Work</i>. Consider how BWV is able to support changes in status and roles of women.</p> <p>Strongly encourage <i>BWV</i> factories to begin to implement the code of practice on sexual harassment in the workplace (May 2015) endorsed by MOLISA, VGCL, and VCCI, and use this as an unique selling point of how <i>BWV</i> is forward looking and reactive to national initiatives in this regard.</p>	Tufts, BWG and BWV Management & MOLISA gender advisor or UN gender resources	<p><b>Medium</b></p> <p>Possibly requires use of gender consultant to focus work initially</p>	Start this work in Sept 2015
4	<b>Objective 2</b>	Further policy related issues could be raised at Buyers Forums and through the PAC, with more links to ILO Hanoi to put issues on the national agenda. More mutual support and linkages between BWV and ILO Hanoi would be	Collaborate with partners (ILO IR project, IFC, VITAS, MOLISA) with regard to which policies actually require change immediately, and what change is more long term, but can be targeted using evidence based research.	VCCI, BWV management and BWG buyer liaison , also ILO IR staff and ILO Hanoi staff	<p><b>High</b></p> <p>Time related costs initially to</p>	Immediate start and ongoing until end of Phase II.

		beneficial for communicating on policy related issues. The above firstly requires a review of what policy change is required (Buyer behaviour, SME policy, labour law, Convention ratification) and what should be prioritised.	<p>Map what and which stakeholders that should be influenced. Consider how to actually influence what (policy and what are the most appropriate methods for the remainder of Phase II, given what needs to be achieved and resources.</p> <p>Clarify what further policy support/weight ILO Hanoi and IFC may be able to bring to BWV. Outline how ILO and IFC can help communicate on policy. For example how best BWV experiences that have policy implications can be communicated to ILO Hanoi policy discussions with MOLISA.</p> <p>More coordination and contact between BWV and ILO Hanoi is recommended. Encourage ILO and ILO Hanoi to take more notice of BWV lessons learned from the enterprise level, and which evidence is most useful for use in policy debates in Vietnam.</p> <p>Keep encouraging VCCI, VGCL and MOLISA to link policy messages about BWV to their provincial levels colleagues.</p>		organise a meeting amongst the BWV management team to discuss and outline policy related issues that require focus	
5		Although existing research and policy briefs contain very clear messages,	Consider the evaluators observations in Annex 9 with regard to the policy /research briefs. Concentrate on	BWG & BWV	High	Immediately and

		they require some modifications to ensure they gain the maximum impact, status/prominence they deserve. They also require a significantly wider dissemination strategy to reach a broader audience beyond typical ILO constituents (to reach other programmes, private sector, other donors etc.).	setting the right tone and translating for different audiences. Develop an innovative dissemination strategy to reach way beyond typical ILO partners. Encourage all BWV staff to follow up on policy briefs disseminate (to refer/reference / summarise them in ongoing dialogue and interactions)  Move ahead with making the flagship synthesis report more accessible for a wider audience (beyond typical ILO constituents).	management	There may be high costs involved in efforts to disseminate research/policy briefs (staff time, compiling detailed dissemination list, and follow up)	ongoing
6	Objective 3	The expansion to include environmental criteria as a factory assessment may not be possible to include yet, with all the new initiatives currently underway and the need for particular specialisation to provide such services.	Discuss with BWG and IFC whether the time and human resources are available to expand to include environmental criteria during the remainder of Phase II.	IFC/ BWG	Low	Early 2016
7		Further expansion may mitigate against reducing the quality of service from BWV.	Discuss how any further expansion will mitigate against reducing the quality of service from BWV with the current staff capacity even if demand for BW services (including in the footwear industry) is high. Consider what is realistic, given the time required to recruit BWV staff.	BWV /ILO human resource team	Medium	Ongoing
8	Objective 4	More on the ground support and coaching is required to build the	Continue to assess EAs needs (including capacity development needs) and workloads. Strongly encourage	BWG	High	Ongoing

		capacity of national BWV staff, particularly around quality services, and a deeper understanding that IR is not a prescription, but requires the ability to carefully read a particular worker/employer situation.	all BW staff to act more as facilitators and less as problem solving agents in factories. Continue to ensure EAs see IR as an important part of the solution at the factory level.  Increase the number of national staff in management positions if this target is to be reached.	EAs / BWV EA team leaders	No cost implications except for placing national staff in management positions	
9	Objective 5	Several activities for and with social partners have been delayed due to the availability and capacity of social partners. It is important to ensure that social partners are always seriously on board and prepare sufficiently for BWV initiatives.  Donors could enhance the reputation of BWV and ensure it receives the prominence it deserves by attending programme events at the national level, or opening national workshops/conferences always encouraging the government and social partners to use BWV as an example of a sectoral development strategy that has both a business and development oriented approach.	Donors should be asked to provide more support at the national level by encouraging social partners to accelerate their engagement with BWV. Discuss with donors the findings in the research/policy briefs and encourage donors to use the policy/research briefs prepared on Vietnam.  Consider how social partners can do more with their members, to disseminate BWV principles or use BWV training materials or BWV presentations and devise some strategies to purposively encourage all social partners to reach different levels.  Work with VCCI to summarise what is required for better SME policy in Vietnam (e.g. access to credit to buy improved machinery; or whether grants could be allocated for promoting female workers to supervisory	VCCI & BWV CTA  FoL	Medium  Meeting costs with social partners  Staff costs to follow up with donors	Late 2015



		VCCI are providing links to different industry groups and chambers of commerce at provincial level, but the evaluation found that some felt they VCCI could help more in influencing change required for enterprise development.	levels; or how the government could award concessions or grants for exports).			
10		The current model is still resource consuming. BWV must continue to strategise on how to scale out the programme, and how further expansion is for impact rather than geographic coverage. It seems unlikely that BWV will achieve targets around cost recovery during Phase II. Even though BWV is considering innovative and different approaches (the adjusted model; encouraging factories to develop a 4-5 year roadmaps), it is likely that financial support is required in a further phase to put in place an independent service provider.	<p>Continue discussion on how the government can begin to commit financially or deliver similar services as BWV.</p> <p>Discuss with donors and BWG financial sustainability issues to ensure that all are on board with regard to building the institutional and human resource blocks for sustainability. Prioritize operationalising provincial level PACs.</p>	<p>PAC</p> <p>BWG / BWV management team and donors</p> <p>EA team leaders</p>	<p><b>High</b></p> <p>High costs of meetings with government and setting up provincial PACs and building their capacity.</p>	<p>Sept 2015</p> <p>Begin once MOLISA has drafted guidelines on the distinct roles of the national PAC and the provincial PACs</p>
11		The effectiveness and impact of the programme should be demonstrated more clearly and more widely. For example demonstrating the economic	More media efforts are required with regard to creating awareness of the benefits of registering and working with BWV or adapting BWV principles. The increased profits made by participating factories can be emphasised. Better	BWV Communications team	<b>High</b>	Begin in 2016

		benefits of being part of BWV – such as increased exports and more international buyer interest.	media coverage is required and more collaboration with VITAS.		Probably high costs of working on media coverage	
12	Management (both BWG/BWV)	Unnecessary administrative and manual work is experienced by EAs related to inputting advisory reports	Improve the database and computerised systems, eliminating and automating many repetitive tasks. Any computer system improvements planned should start with asking the key users themselves, what their requirements are and what changes would make their work more efficient	BWG / BWV administration	Medium  BWG cover costs of refining computerised systems	August 2015

## 12.2 Recommendations for a Revised Log frame

The ToR for the mid-term evaluation specifically asked for recommendations with regard to the revising the existing log frame. Some changes related to specific outputs and indicators are suggested below.

<b>Objective 1</b>	<b><i>Assessment, advisory and training services provided by BWV to help factories adhere to labour standards and this drives change in the industry</i></b>
<b>Output 1.3</b>	<p>The new adjusted model will require a different set of indicators with regard to advisory visits.</p> <p>By August 2016 those factories implementing the adjusted models will be graded into stage 1 or 2, which requires a new activity and indicators</p>
<b>Indicators for 1.3</b>	<p>A 'functioning PICC' requires a better indicator. For example the extent to which the PICC takes responsibility for developing a roadmap for the improvement of or monitoring labour conditions could be ranked from:</p> <ul style="list-style-type: none"> <li>• completely</li> <li>• to a limited extent</li> <li>• not at all</li> </ul> <p>With the new adjusted model, it might be assumed that all newly registered factories will facilitate their own PICC meetings rather than EAs. This should be relatively easy to measure although assessing the quality of the PICC is more challenging.</p>
<b>Output 1.4</b>	<p>Consider (which was reported by interviewees) whether more training for TU representatives and workers is required and whether more capacity building for inspectors would be helpful (e.g. soft skills)</p>
<b>Indicators for 1.4</b>	<p>Factories who are in their 4<sup>th</sup>, 5<sup>th</sup> or 6<sup>th</sup> year of participating in BWV require specialised training (management, lean systems of production, or quality control), and indicators may need to address the number of years a factory is with BWV in relation to more tailored services and training. Training indicators for 'advance' factories thus need to be developed.</p>
<b>Output 1.5</b>	<p>Consider whether an capacity building activity on 'how to write reports' may be helpful for BWV staff</p>

<b>Objective 2</b>	<b><i>Greater impact is achieved by bringing lessons learned into policy debates</i></b>
	<p>More specific activities /resources need to be designed around influencing government with regard to strategies that may help alleviate apparel factories pressures</p> <p>Add an activity on follow up with regard to policy briefs, and reports more accessible for a wider audience. This would include discussions on how to translate Vietnam policy /research briefs for Vietnamese stakeholders to ensure the right pitch. Use the resources for linking research to policy in <b>Annex 10</b></p>
<b>Indicators for 2.3</b>	Consider more carefully how to influence policy in Vietnam, and who needs to be influenced and develop a better indicator for policy influence.
<b>Activity 2.1.2</b>	<p>Gender equality issues in the workplace are not yet comprehensively tackled in BWV, other than some sensitisation.</p> <p>Using research results from Tufts, clarify what gender equality issues require advocacy and/or policy implementation and can be integrated into existing activities (PICC training, trade union training , policy influencing).</p>
<b>Objective 3</b>	<b><i>The scope and depth of BWV expands</i></b>
<b>Activity 3.4</b>	Following discussions with IFC/BWG, decide whether or not to remove environmental assessments from log frame
<b>Objective 4</b>	<b><i>Long-term viability of BWV activities are strengthened by increasing cost recovery, improved capacity of national staff who will subsequently give better services and take on greater management and ownership of BWV</i></b>
<b>All Outputs</b>	Intensify activities
<b>Objective 5</b>	<b><i>Capacity and ownership of local social partners is increased for sustainability of BWV.</i></b>

<b>Indicators for 4.3</b> <b>also</b> <b>Indicators for 1.4</b>	Continue to consider, and add indicators that provide evidence of impact of training from training evaluation forms; or measures that will locate what trainees were actually able to implement as a result of training. For example (as planned) add an indicator to track the number of trainees who reported that they could change their practices as a result of training.
<b>Activity 4.3 &amp; 4.4</b>	Set up (if not already in place) a database of all trained through BWV, to share with other ILO Vietnam projects.

### 13. Lessons learned and emerging good practices

The following sections outlines lessons learned and emerging good practices demonstrate experiences from the *BWV* context.

Two lessons learned generate useful knowledge for other *Better Work Programme* and may be considered elsewhere to improve project performance.

Lesson Learned 1- Retaining enterprise advisors	
<b>Project Title:</b> Better Work Vietnam	
<b>Name of Evaluator:</b> Una Murray	Date: July 2015
The following lesson learned has been identified during the course of the mid-term evaluation. Further text explaining the lesson is included in the mid-term evaluation report.	
Description of the lesson learned	EAs are the lynchpin of <i>Better Work</i> . The quality and experience of EAs involved in the core services is the key to success. One of the challenges BWV face in terms of sustainability is losing their EAs once they have been trained. If competent and experienced in undertaking BW assessments, EAs can be offered positions from buyers or other enterprises. The attention paid to EAs by BWV is an important lesson learned, recognising that they make the whole system tick in terms of BW services to factories.
Context and any related preconditions	Apart from technical knowledge on assessment and advisory services, essential ingredients for a good EA are their facilitators skills and enthusiasm for the work they are doing. EAs themselves state that training and facilitating skills are the most important qualities they bring to the job.
Target users/beneficiaries	BW management BWG and BW factories
Challenges negative lessons – causal factors	The level of expertise amongst EAs varies, but <i>BWV</i> is trying to address this. For example buyers reported that the level of expertise amongst EAs was uneven, with some EAs not broadly knowledgeable enough about the garment industry. EAs should understand that they are providing services to the factory, supporting them, rather than, acting

	like a policeman.
Success / positive issues – causal factors	<p>BWV management encourage open feedback from EAs. If EAs are finding some factories very stressful, they try to unpack the reasons for the stress, and rearrange work if such support does not work. EA staff are also offered training courses, to strengthen their skills and thinking. Social activities are also organised.</p> <p>Incentives for EAs which go beyond financial remuneration are being highlighted and this is an important aspect of retaining EAs. Two EAs suggested having a junior and senior EA system in place; others mentioned more flexible hours; being allowed to do home based reports; or allocating EA responsibilities based on preferences.</p> <p>EAs themselves stated that beyond salary the contributing to the good of workers; social justice motives; integrity; experience of working with the UN; being given considerable leadership roles; learning about the sector in detail; learning new things; travel abroad; being involved in BWV of other countries; being part of an effective team; etc. were important to them. Two EAs reported that they enjoyed their work because there is variety, with lots of opportunities to do new things, and BWV is a learning organisation.</p> <p>Many EAs complained of a high workload, but realise that the new adjusted model will eventually (they hope) reduce this.</p>
ILO administrative issues (staff, resources, design, implementation)	A number of BWV staff members reported that EAs remain at a salary of ILO National Staff Officer Level A, only slowing obtaining incremental wages increases in line with the UN system. This in contrast to payment within businesses, where salary and promotion are awarded based on competence rather than following incremental steps. On the other hand, working for a UN agency, is relatively well paid, and in contrast to working for a business does not easily allow for the dismissal of non performing staff.

Lesson Learned 2- Enterprise Advisor Training	
<b>Project Title:</b> Better Work Vietnam	
<b>Name of Evaluator:</b> Una Murray	Date: July 2015
The following lesson learned has been identified during the course of the mid-term evaluation. Further text explaining the lesson is included in the mid-term evaluation report.	
Description of the lesson learned	EAs undergo intensive <b>induction training</b> in order to enable them to do their work in a professional manner within an enterprising environment.
Context and any related preconditions	Training is systematic with a more or less continuous cycle of analysis, activity and evaluation over three months. EAs may often require solid training in industrial relations and labour standards, particularly if they previously come from the NGO sector.
Target users/beneficiaries	<i>BWV</i> management
Challenges negative lessons – causal factors	Although EAs reported that they were well trained so that their work focuses on building ownership at the factory level, some reported (3 EAs) that the induction training is very knowledge heavy. Rather than trying to cover everything in the first 3 months, a suggestion was to investigate which knowledge is essential at the beginning of training, and perhaps organise refresher courses after 6 months.
Success / positive issues – causal factors	<p>Most EAs interviewed felt the training was adequate, but they learn a lot on the job. EAs reported that they learn a lot from meeting EAs from other BW countries. Processes that facilitate EAs to share learning with each other are important elements of <i>BW</i>.</p> <p>On the whole, induction training provides EAs with a smooth entry into BWV providing them with both practical skills and information they require to get started in assessing and advising factories. Induction training is conducted within the BWV workplace by experienced trainers. The training also helps new EAs become integrated into BWV</p>



	and learn about international labour standards more generally.
ILO administrative issues (staff, resources, design, implementation)	BWV invest heavily in training EAs. New EAs follow a very systematic induction training course, which may require some modifications such as more opportunities to share experiences.

Two emerging good practices were identified. These are successful working practices and strategies within *BWV* that have produced good results and some measurable impact. These emerging good practices contribute to the *BWV* objectives.

Emerging Good Practice 1 – BWV has a national Chief Technical Advisor	
<b>Project Title:</b> Better Work Vietnam	
<b>Name of Evaluator:</b> Una Murray	Date: July 2015
The following emerging good practice has been identified during the course of the mid-term evaluation. Further text explaining the lesson is included in the mid-term evaluation report.	
Description of the good practice	Having a national CTA that is the right fit for <i>BWV</i>
Relevant pre conditions/ context	<p>Coming from the private sector and from a management position within a <i>BWV</i> social partner is an important circumstance pertaining to this emerging good practice.</p> <p>The particular CTA in <i>BWV</i> worked previously as a Deputy Director General at VCCI. Acknowledging that the previous CTA in many ways had the more difficult job of initiating <i>BWV</i>, starting up activities and building relationships with social partners, handing over the managing position to a national CTA is an emerging good practice and has worked</p>

	very well in BWV to date.
Causal Factors	Strengthening the long-term viability of <i>BWV</i> activities by increasing the capacity of national staff who take on greater management and ownership for the programme is one of <i>BWV</i> objectives
Target users/beneficiaries	BWV management, Donors
Measurable impact	<p>Nearly all interviewed (spontaneously) mentioned that the CTA of BWV was extremely respected, efficient and competent.</p> <p>The CTA has demonstrated her strong connections with government, and business and a clear understanding on how issues get resolved in Vietnam. The CTA demonstrates a very business-like, efficiency approach. In fact efficient business like approaches to implementing activities was stressed as often not 'typical' in technical cooperation projects, and other projects could learn from the efficient management system in place at BWV.</p>
Potential for replication	This practice is definitely replicable, but requires strong candidates, and the ability of ILO to trust national capacities.
Links to Country Programme Outcomes or ILO Policy	Hiring national staff is an important cost reduction measure implemented by ILO

<b>Emerging Good Practice 2 – BWV collaboration between ILO Industrial Relations project in Vietnam, Better Work Vietnam and Better Work Global</b>	
<b>Project Title:</b> Better Work Vietnam	
<b>Name of Evaluator:</b> Una Murray	<b>Date:</b> July 2015
The following emerging good practice has been identified during the course of the mid-term evaluation. Further text explaining the lesson is included in the mid-term evaluation report.	
Description of the good practice	ILO has a significant and important Industrial Relations (IR) project in Vietnam. The Industrial Relations Project is entitled <i>Support to</i>

	<i>Development in Industrial Relations, Wage Fixing and Labour Law Implementation Institutions and Capacity.</i> It runs until 2016. BWV /BWG have had ongoing and mutually beneficial collaboration with the ILO Industrial Relations project in Vietnam.
Relevant pre conditions/ context	<p>The IR project works with policy makers, MOLISA, trade unions at central, provincial, industrial zone and enterprise levels, as well as employer organisations at national and provincial level and their constituent members, workers and managers in seven provinces. In essence, support is provided for the implementation of the new Labour Code and Trade Union law, including the adoption of decrees and guidelines, ensuring consistency with international labour standards, with focus on institutions and mechanisms for collective bargaining and social dialogue.</p> <p>The sustainability of the BW program depends on the degree of participation and sound industrial relations at the factory level. The fact that BWV sees Industrial Relations as a fundamental part of the solution in Vietnam is significant and is linked to the combined and sustained efforts of BWV, BWG and the IR project.</p>
Causal Factors	Due to the on the ground factory level experience BWV has, and the IR expertise of staff within the Industrial Relations project, the two projects are working very well together. The IR project is supporting BWV in clarifying the role of trade unions at the factory level, and looking at how the PICC can support trade union activity. The IR project is helping BWV to ensure that the PICC is not considered a replacement for trade union activity.
Target users/beneficiaries	ILO, ACTRAV
Measurable impact	In many BWV factories, PICC are clearly seen as focusing on non-compliance issues identified by the BW assessment. In contrast, the Trade Union's role is becoming more understood, that the Union's role is to effectively and democratically represent workers to better support social dialogue and collective bargaining. The IR project is improving trade union capacity in this regard.
Potential for replication	n/a depends on whether a similar IR project is in place
Links to CPO or ILO Policy	Collaboration amongst ILO projects is expected by ILO.
Other relevant documents or	The IR project has supported BWV in producing guidebooks and training materials (an Industrial Relations Toolkit). These are available from ILO

comments	<p>Hanoi IR project.</p> <p>A representative of the ILO Industrial Relations project suggested that it might be an interesting focus to compare PICCS that received training with the performance of PICCS that did not get training. BWV is clear about the role of the PICC and the role of the TU. The PICC focus is on non-compliance issues and complements trade union activities. The PICC includes a TU representative.</p>
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## Annexes

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### Annex 1: Terms of Reference for the mid-term evaluation

#### Terms of Reference

#### Better Work Vietnam Independent Mid-term Evaluation

##### 1. Introduction and Rationale for Midterm Evaluation

Better Work Vietnam (BWV) was established in July 2009 and began Phase II of project implementation in July 2012. This mid-term evaluation was foreseen in BWV's project document, and is in line with ILO Evaluation Unit's guidelines. It is intended to assess progress on programme objectives as well as identify lessons that can improve the operational effectiveness of the programme going forward.

##### 2. Background on the BWV project

Better Work Vietnam Phase II is a 48-month project, starting on 1 January 2013 and ending in December 2016, with the total budget of USD 6 million.

Donors for phase II include (no particular order):

- the Ministry of Foreign Affairs of the Netherlands (VIE/12/06/MUL),
- the Development Cooperation Directorate of the Department of Foreign Affairs and Trade of Ireland (VIE/13/07/IRL)
- the Swiss State Secretariat for Economic Affairs (VIE/12/06/MUL)
- the Australian government Department of Foreign Affairs and Trade (VIE/13/06/AUS)
- the US Department of Labor (VIE/11/50/USA)
- Canada Employment and Social Development (VIE/12/05/CAN)

The project is built on the results achieved in Phase I (2009-2012), which include a decrease in issues of non-compliance and evidence of a change in attitude at many factories that can see the benefits of improved social dialogue and worker communication. Working with the ILO Vietnam office, the program shared these learnings with social partners in Vietnam in a way that helped to shape new regulations regarding enterprise-level bipartite committees in the revised Trade Union Law and Labor Code. Building on the successes of its first phase, as well as learning from challenges regarding

what is a highly labour intensive model, the Better Work Vietnam Phase II focuses on creating a more scalable approach through adapting the way services are delivered; further integrating the work of the programme with that of national constituents; and further programme expansion to other parts of Vietnam or other industries such as footwear.

Better Work Vietnam Phase II specifically aims to allow the participating factories to show their leadership in adhering to national labour laws and international labour standards and help drive change throughout the industry; to bring the lessons learned and knowledge of governance gaps into public and private sector policy debates and business practices; to expand the programme to increase its developmental and business impacts on workers, the industry and the country; and to sustain the programme operations and results by increasing the capacity and ownership of local staff and the social partners.

The Phase II of the Better Work Vietnam Programme is an integral part of the Vietnam Decent Work Country Programme (DWCP) 2012-2016, responding particularly to Country Priority 1, Outcome 2, for improved business environment, access to services and better working conditions for sustainable development. It also responds to the identified need to promote investment and private sector development, preventive safety culture, competitiveness and productivity under the ONE UN framework. In addition, the project is linked to the ILO's Strategic Policy Framework 2010-2015 objective of creating greater opportunities for decent work and income for women and men by taking sector specific approach to decent work. Furthermore, the project will contribute to the Vietnamese Government's socio-economic development strategy 2011-2020 which seeks to promote sustainable economic development and competitiveness.

Phase II complements the work of various partners, including the Ministry of Labour, Invalids and Social Affairs (MOLISA), the Vietnamese General Confederation of Labour (VGCL), the Vietnamese Chamber of Commerce and Industry (VCCI), and international buyers.

The management of Phase II is led by an internationally recruited Chief Technical Advisor (Programme Manager) and supported by a Technical Officer and 22 Better Work Vietnam Staff. The BWV operations are managed out of project office in Ho Chi Minh City. In addition, Better Work began operations in northern Vietnam, based in the ILO office, in March 2014.

As of December 2014, there were 300 factories enrolled in the BWV program, reaching over 300,000 workers. Since 2009, the program has assessed 226 factories, and 210 factories have received advisory services. In 2014, BWV added more than 30 factories across 12 Northern provinces. The programmes current challenges include the different needs between the strongest and the weakest factories (in terms of resources, compliance performance, and capacity to deliver improvements), which demands a different set of services; cost recovery; expansion in terms of the programme team, but also in terms of the number of factories; and limited capacity of the government and social partners to assist in the delivery of BWV services.

The garment and textiles industry is currently the leading manufacturing sector in terms of export value, according to August 2014 figures from the Ministry of Industry and Trade. The Government is hoping that upcoming trade pacts such as the Trans-Pacific Partnership Agreement (TPP) and Vietnam-EU Free Trade Agreement will accelerate the growth of the garment industry. When these two agreements are signed, Vietnamese garments will enjoy zero percent tax in the US and EU (instead of 17.5 percent and 9.6 percent currently). This could lead to a further increase in demand for BWV services.

### **3. Evaluation Objectives and Scope**

This independent mid-term evaluation was foreseen in the project document for Better Work Vietnam Phase II and will be conducted in accordance with the ILO's Evaluation Policy Guidelines. The evaluation report will inform the second half of activities of Better Work Vietnam's Phase II.

The main objective of this evaluation is to assess progress made towards achieving the planned objectives of the project to date according to the log frame and respective monitoring indicators, and make recommendations on how to adjust the log frame according to latest developments in project implementation as well as to improve the effectiveness of reporting results. This independent mid-term evaluation will also aim to assess the continued relevance of the intervention and provide an opportunity to make modifications to ensure the achievement of these objectives. The Evaluation Unit has oversight responsibility for all independent mid-term evaluations. Regional and department-level evaluation officers have responsibility for hands-on supervision.

The scope of this project evaluation includes all elements of the original Better Work Vietnam project log frame. The evaluation should however integrate gender equality as a cross-cutting concern throughout its methodology and all deliverables, including the final report.

The evaluation should not seek to evaluate the efforts of the Better Work programme against the government's broader commitment to ratify core ILO conventions, particularly 87 (Freedom of Association and Protection of the Right to Organise) and 98 (Right to Organise and Collective Bargaining). With the 12<sup>th</sup> Party Congress approaching in January 2016 and policymakers in the advanced stages of signing several important trade multilateral trade deals, ratification of these conventions will remain a sensitive but increasingly discussed political topic.

The evaluation should particularly focus on:

1. Stakeholder engagement and sustainability: an evaluation of how willing and prepared Better Work Vietnam's main constituents and stakeholders (including MOLISA, VCCI, VGCL, buyers and factory) to increase their involvement in the delivery of its core services (in line with its long term sustainability strategy) and what methodologies could be used to enhance the financial sustainability of the programme given the limited resources.
2. Influencing compliance and policy: (a) understanding how stakeholders view the programme's influence, on both industry compliance and wider policymaking in the area of decent work; and (b) understanding how lessons learned from the programme can be more effectively levered to accelerate change, including through collaboration with ILO on policy advocacy.

The primary audience of the report is Better Work project management – both the BWV country project and Better Work Global, the ILO offices (Country Office Hanoi, Regional Office for Asia Pacific), as well as the project donors (Netherlands Ministry of Foreign Affairs, Irish Aid, USDOL, and the Swiss State Secretariat for Economic Affairs). The secondary audience includes national project partners and stakeholders, and international buyers.

It is envisioned that the assignment will require a maximum of 30 work days over a period of two months, including field work to Vietnam.

#### **4. Evaluation criteria and questions**

##### **1. Validity of Design**

1. Does the project design (i.e. priorities, outcomes, outputs and activities) address the stakeholder needs that were identified?
2. Do the objectives and activities of the project correspond to the government strategies, priorities and policies (social constraints, sectoral development contexts, economic integration, etc.)?
3. Is there any demand for project activities and/or objectives that are currently not covered by the project?
4. Does the design need to be modified in the second half of the project?
5. How appropriate and useful are the indicators described in the project document in assessing the project's progress? Are the targeted indicator values realistic and can they be tracked? If necessary, how should they be modified to be more useful? Are indicators gender sensitive? Are the means of verification for the indicators appropriate
6. What, if any, alternative strategies would have been more effective in achieving its objectives?
7. What are the views of stakeholders on the project?

##### **2. Effectiveness**

1. Is the project on track to complete all project activities according to schedule? If not, how could the schedule of activities be adjusted to maximize the effective use of resources?
2. Has the nature of social dialogue in the participating factories in the project changed as a result of the implementation of the project advisory activities? To which extent? What are the challenges?
3. Has the program met the performance targets it established annually?
4. How have stakeholders been involved in project implementation? How effective has the project been in establishing national ownership? Is the project management and implementation participatory and is this participation contributing towards the achievement of the project objectives? Has the project been appropriately responsive to the needs of the national constituents and partners?
5. If applicable, has the project been appropriately responsive to political, legal, economic, and institutional changes in the national environment?

##### **3. Efficiency**

1. Have resources been allocated strategically to achieve outcomes?
2. Is the project making sufficient progress towards its planned objectives? Will the project be likely to achieve its planned objectives upon completion? What are the main constraints, problems and areas in need of further attention?
3. Is financial sustainability a key element of the project strategy? How is this reflected? What are the challenges? What is the pricing strategy? Is it still relevant? Does it need to be reviewed? What is the progress towards the cost recovery plan?  
Does the program have an effective financial system in place?
4. What efforts have been made to improve time and resource efficiency in the delivery of core services?

#### **D. Effectiveness of management arrangements**

1. Are management capacities adequate?
2. Does project management facilitate good results and efficient delivery? Is there a clear understanding of roles and responsibilities by all parties involved?
3. Does the project receive adequate political, technical and administrative support from the ILO and its national implementing partners?



4. How effective is communication between the project team, the ILO and the national partners?
5. How effectively does the project management monitor performance and results?

#### 4. **Sustainability**

1. Have project staff widened and diversified their skill sets both in terms of core service delivery and in supporting wider project activities.
2. Does the project involve e tripartite constituents in the implementation of the project to increase their involvement and enhance ownership of project results, as per the sustainability plan?
3. What modalities could be used to do so enhance the ownership and sustainability of final products? How will the project services be institutionalised and what is the exit strategy?

#### 5. **Impact**

1. Is the M&E global framework effectively used to measure the outcomes and impact of BWV?
2. What impact of the programme can be documented to date on working conditions in the workplace, worker wellbeing, firm performance, policy changes and/or buyer behaviour?
3. From the buyer's perspective, how effective has BWV been in driving factory level compliance, compared with third party audit companies?

### 1. **Methodology**

The evaluation will be carried out in adherence with the ILO Evaluation Framework and Strategy, the ILO evaluation policy guidelines, the UN System Evaluation Norms and Standards and the OECD/DAC Evaluation Quality Standards.

The evaluation is expected to use a mixed methodological approach and takes advantage of the following tools:

8. **Desk review of documents:** project document, technical progress reports, M&E indicators, work plans, mission reports, minutes, impact assessment baseline report, Vietnam DWCP 2012-15, other relevant national and provincial development plans, other key documents produced by the project etc.

The desk review will suggest a number of initial findings that in turn may point to additional or fine-tuned evaluation questions. This will guide the final evaluation instrument which should be finalized in consultation with the evaluation manager. The evaluation team will review the documents before conducting any interview.

9. **Field Work:** Mission to Vietnam to carry out:
  - a. Interview with Chief Technical Adviser (CTA)
  - b. Interview with Country Director and CO Programming staff
  - c. Individual and group interviews with BWV team (focused on strategies, lessons learned and challenges)
  - d. Key informant interviews with members of the PAC, as well as selected government officials, representatives from employers' and workers' organisations
  - e. Interviews with factory owners, and
  - f. Interviews with workers (as final recipients of the programme)
  - g. Donors present in the field (SECO)

10. **Key informant interviews** (remote – by phone or Skype) with:
  - a. selected BWG staff and ILO officials (Director and relevant Programme Officers)
  - b. selected international buyers actively sourcing from Vietnam, as needed
  - c. BWV donors

## **11. Briefing session with preliminary findings**

## **2. Main deliverables**

**Deliverable 1:** Inception report (Please refer to [Checklist 3](#))

**Deliverable 2:** Draft evaluation report

**Deliverable 3:** Presentation of preliminary findings

**Deliverable 4:** Final evaluation report

The evaluation report in draft form and in English should be presented to BWG and BWV for circulation within two weeks after the finalization of the field mission. The length of the report should not exceed 20 pages (excluding annexes). The report will be assessed against ILO Evaluation Unit's [Checklists 4](#), [Checklist 5](#) and [Checklist 6](#).

The contents of the final report are listed below:

1. Title page
2. Table of contents
3. Executive summary
4. Acronyms
5. Background and project description
6. Purpose of evaluation
7. Evaluation methodology and evaluation questions
8. Project status and findings
9. Conclusions and recommendations
10. Recommendations for a Revised Log frame
11. [Lessons learned](#) and [emerging good practices](#)
12. List all recommendations
13. Annexes

This report will be circulated by BWV to ILO Country Office and relevant stakeholders for their comments. The evaluators should consider the comments for the preparation of the final version of the report.

## **14. Management arrangements, work plan and time frame**

The assignment will be managed by an Evaluation Manager. The evaluator will report to the evaluation manager and should discuss any technical, methodological or organisational matters with the evaluation manager. In-country management and logistics support will be provided by the CTA of the project and the BWV team as a whole.

## Provisional work plan

Phase	Dates (tentative)	Responsible persons
1. Telephone briefing with evaluation manager, desk review of project related documents and submission of inception report	early March	Evaluator
2. Field mission in Vietnam, including consultations with stakeholders and debriefing workshop with all key stakeholders to present initial findings, recommendations and feedback.	end March	Evaluator with logistical support from project
3. Draft evaluation report based on desk review and consultations from field visits shared with evaluation manager	mid April	Evaluator
4. Project management provides feedback in the form of consolidated comments and questions on report	end April	Project management
5. Revised report submitted to evaluation manager	early May	Evaluator
6. Circulate draft evaluation report to remaining key stakeholders, consolidate comments of stakeholders and re-send to evaluator	mid May	Evaluation Manager
7. Submission of revised final report (including explanations on why comments were not included)	end May	Evaluator
8. Final report		Evaluator

## 9. Expected competencies

Selection of the consultant will be based on the strengths of the qualifications provided through an expression of interest for the assignment. Interested candidates should include details of their background and knowledge of the subject area and previous project, organizational and thematic evaluation experience relevant to this assignment.

1. Applicants should have a minimum of eight years' experience conducting evaluations at the international level, in particular with international organisations in the UN system and World Bank Group. Previous experience with ILO evaluations is an advantage.
2. Experience with the ILO mandate and its tripartite and international standards foundations, social dialogue and stakeholder engagement, as well as previous knowledge and experience with the Better Work Programme would be an asset.
3. Labour standards expertise and experience in the areas of labour standards compliance and/or corporate social responsibility. Consultants should have demonstrated knowledge of global supply chains, ideally the garment sector.
4. Experience in Vietnam, and the garment sector is an advantage.
5. Candidates should demonstrate excellent written and oral communication skills in English. Knowledge of Vietnamese is an advantage.

## **6. Confidentiality and Non-disclosure**

All data and information received from the ILO and the IFC for the purpose of this assignment are to be treated confidentially and are only to be used in connection with the execution of these Terms of Reference. All intellectual property rights arising from the execution of these Terms of Reference are assigned to IFC and ILO according to the grant agreement. The contents of written materials obtained and used in this assignment may not be disclosed to any third parties without the expressed advance written authorization of the IFC and ILO.

## **Annex 2: List of those interviewed for mid-term evaluation**

### **Better Work Vietnam Team**

1. Ha Nguyen, Chief Technical Advisor/Program Manager Vietnam
2. Juliet Edington – Buyers Relations Manager of BWG
3. Pham Quoc Thuan Enterprise Advisor (EA) Team Leader
4. Nguyen Thi My Dung Enterprise Advisor (EA) Team Leader
5. Pham Thi Hoang Lien– (EA) and Team leader for BWV in the North
6. Nguyen Dung Tien (EA) or Thien Nguyen IR focal point BWV
7. Le This Thanh Mai (EA)
8. Nguyen Khanh Hoi (EA)
9. Nguyen Ngoc Ha (EA)
10. Doan Diep (EA)
11. Hua Minh Duc (EA)
12. Tien Mach Nhu Monitoring and Evaluation officer
13. Loan Vu, Financial manager
14. David Williams Technical Officer

### **Better Work Global**

15. Arianna Rossi, Research and Policy Manager
16. Wamiq Umaira, Technical officer for M&E
17. Deborah Schmidiger, Programme Officer
18. Daniel Cork, Technical Specialist Industrial Relations and Discrimination
19. Tara Rangarajan, Global Operations Manager

### **Social partners**

20. Mr. Doan Van Day – Deputy Chairperson – Dong Nai FOL
21. Mr. Sinh Dong Nai FOL
22. Mrs. Mai Thi Tuyet – Chief Inspector – Dong Nai DOLISA
23. Ms. Nguyen Thi Hang, Labour Inspector DOLISA
24. Mrs. Bui Thi Ninh - Deputy Director, Bureau for Employers' Activities, VCCI Vietnam Chamber of Commerce and Industry (VCCI) - HCMC Branch
25. Mr. Mai Duc Chinh, Vice-Chairperson VGCL HCMC
26. Mr. Nguyen Van Tien – Chief Inspector, Ministry of Labor, Invalids and Social Affairs (MOLISA)
27. Mr. Bing Deputy Chief Inspectors MOLISA
28. Mrs. Huyen Assistant Inspectors office MOLIS
29. Ms. Nguyen Kim Dung- Director General International Cooperation Department (ICD) MOLISA
30. Ms. Nguyen Le Hang Chief of Division ICD MOLISA
31. Ms. Pham Huong, Official ICD MOLISA

### **International buyers**

32. Mr. Cuong Luong – Nike Inc. HCMC
33. Ms. Lan Phuong Compliance Manager of Adidas in Vietnam
34. Ms. Jini Le compliance manager The Children's Place.

## **Factories**

### **NB Blue Company, Binh Duong**

- 35. Ms. Minju Hwang General Manager NB Blue Company Binh Duong
- 36. Ms. Ha HR Manager NB Blue Company Binh Duong
- 37. Factory Worker 1
- 38. Factory Worker 2
- 39. Factory Worker 3
- 40. Factory Worker 4
- 41. Factory Worker 5

### **Ando International HCMC**

- 42. Mrs. Duong Thuy Tu Managing Director Ando International Company HCMC
- 43. Mrs. Nuong Thuy Huyen General Manager Ando International Company HCMC
- 44. Factory Worker 1
- 45. Factory Worker 2
- 46. Factory Worker 3
- 47. Factory Worker 4
- 48. Factory Worker 5

### **ILO Vietnam**

- 49. Mr. Gyorgy Sziraczki Country Director
- 50. Phillip Hazelton, CTA Meeting with Industrial Relations Project

### **Others**

- 51. Mrs. Hoang Thi Le Hang, Country Manager, Union Aid Abroad APHEDA Vietnam
- 52. Drusilla Brown Tufts University. PI for Impact Assessments for BW
- 53. Wim de Groof, Consultant for Industrial Relations component of BW (& trainer)
- 54. Derek Nolan, Irish Labour Party elected representative (TD) part of March 2015 delegation from the Public Accounts Committee (PAC) who visited BWV factory.
- 55. Paul Connaughton Irish elected representative (TD Fine Gael) part of March 2015 delegation from the Public Accounts Committee (PAC) who visited BWV factory.

### **Donors**

- 56. Roman Windisch, Deputy Country Director SECO Economic Development Cooperation, Swiss Cooperation Office for Vietnam
- 57. Do Quang Huy National Programme Officer, SECO Economic Development Cooperation, Swiss Cooperation Office for Vietnam

### Annex 3: List of documents consulted for mid-term evaluation

- ILO Project Document *Better Work* Vietnam 1 January 2013
- BWV Performance Plan Dated February 2015 and M&E Indicators
- ILO Policy Guidelines for Results-based evaluation.
- APHEDA Project Documents and Work plan dated 31.3.2015
- USDOL BWV /IR Project Documents
- Overview of ILO Industrial Relations Project
- Vietnam Workers Survey – Third Internal Report Tufts University. Better Work Impact Assessment October 2014
- Regulations, Monitoring, and Working Conditions; Evidence from better Work Cambodia and Better Work Vietnam. Drusilla Brown, Tufts University, Rajeev Dehejia, New Your University and Raymond Robertson, Macalester College. May 22 2013.
- Sexual Harassment slides from BWV
- Case Study: Better Work Vietnam shows path for labour law reform
- Guide to Vietnamese Labor Law for the Garment Industry, Second edition BWV.
- ILO-IFC BWV Technical Progress Report 1.1.2013-30.6.2013
- ILO-IFC BWV Technical Progress Report 1.7.2013-31.12. 2013
- ILO-IFC BWV Technical Progress Report 2.1.2014 – 30.6.2014
- ILO-IFC BWV Technical Progress Report 1.07.2014 – 31.12.2014
- BW Distance Learning Industrial Relations Summary.
- BWV Thematic Synthesis Report: Fire Safety November 2014
- BWV: Garment Industry 6<sup>th</sup> Compliance Synthesis Report 26.4.2013
- BWV: Garment Industry 7<sup>th</sup> Compliance Synthesis Report June 2014
- Child Labour and Gender Application for funding – Canada
- BWV Mid term internal evaluation review March 2012
- BW Stage II Evaluation 12 April 2012. Nexus Associates Inc.
- IFC BWV Project Advisory Services Completion June 2011
- BWV Newsletters No. 12 Sept 2014-Jan 2015
- Newsletter ILO March 2015 Issue 11 ILO Country Office for Viet Nam
- Viet Nam Wage policy in the context of market economy and economic integration Country Brief – ILO Country November 2014.
- Impact Brief Better Work Vietnam
- Policy Brief The Business Case for Quality Jobs- Evidence from Better Work
- Policy Brief Women, Work & Development- Evidence from Better Work
- Research Brief Garment Factory Characteristics and Workplace Sexual Harassment (no date)
- Research Brief Improving Business Outcomes by Understanding What Matters to Workers
- Research Brief Gender Equality at the Workplace? Baseline Findings from Better Work Vietnam
- Research Brief The Case Against Verbal Abuses in Garment Factories
- Research Brief Working Conditions, Productivity and Profitability – Evidence from Better Work Vietnam
- ILO Programme Implementation Report 2012-13 [http://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---relconf/documents/meetingdocument/wcms\\_243312.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_243312.pdf)





#### Annex 4: Tables with mid-term evaluation findings against BWV objectives

**Table 3: Mid-term evaluation findings for Objective 1**

Assessment, advisory and training services provided by BWV to help factories adhere to labour standards and this drives change in the industry;

1 Expected Outputs	Activities	Indicators	Mid-term evaluation findings
1.1 BWV core services are maintained & effective in influencing compliance with nat/intl labour standards	1.1.1 Provide bundled services to garment producing factories, including assessment & advisory services, & produce assessment & progress reports, and periodic synthesis reports	Number of compliance assessment reports completed in the reporting period	2013: 143 (below target) 2014: 162 (below target) 2015: 80 to date, already over target
		Average number of days between an assessment visit and the factory's receipt of the final report	2013: <b>27</b> days 1 <sup>st</sup> half of yr <b>21</b> days 2 <sup>nd</sup> half of year 2014: <b>16</b> days 1 <sup>st</sup> half of yr <b>24</b> days 2 <sup>nd</sup> half of year 2015: to May 2015 <b>26</b> unofficially (probably higher due to numbers of new factories joining).
			2013: <b>258</b> 1 <sup>st</sup> half of yr <b>344</b> 2 <sup>nd</sup> half of year 2014: <b>278</b> 1 <sup>st</sup> half of yr <b>348</b> 2 <sup>nd</sup> half of year Advisory visits are below targets set
		Number of advisory visits in the reporting period	2013: <b>35%</b> 1 <sup>st</sup> half of yr <b>30%</b> 2 <sup>nd</sup> half of year 2014: <b>34%</b> 1 <sup>st</sup> half of yr <b>35%</b> 2 <sup>nd</sup> half of year Rates of non-compliance may reflect new labour standards in place.

1 Expected Outputs	Activities	Indicators	Mid-term evaluation findings
		Average factory non-compliance rate calculated by BWG	
<b>1.2 A new assessment services model is implemented</b>	<p>1.2.1 Establish &amp; test with selected factories new modalities for assessment designed to increase factory accountability &amp; ownership of results (tiered model) within the broader assessment model, and compare the results with those using the current assessment model</p> <p>1.2.2 According to evaluation adjust the model &amp; assessment tools for tiered execution of assessment &amp; gradually extend approach throughout the prog.</p>	Number of days per EA dedicated to factory assessments	<p>2013: <b>3.5</b> 1<sup>st</sup> half of yr  <b>3.5</b> 2<sup>nd</sup> half of year  2014: <b>33</b> 1<sup>st</sup> half of yr  <b>34.84</b> 2<sup>nd</sup> half of year  Evidently there is a large difference between 2013 and 2014. This formula was calculated differently between 2013 and 2014 (guided by BWG). In 2013 the figure was based on the total number of days spent per assessment, whereas in 2014 it is the total number of days an EA spent on all assessments in the period (on average)</p>
<b>1.3 A new advisory services model is implemented</b>	<p>1.3.1 Develop &amp; implemented new model, including adjusted schedule of regular advisory visits, increased use of subject area projects, activities that work with factories in geographically clustered groups, &amp; tools that gradually transfer ownership of improvement activities to factory managers &amp; unions</p> <p>1.3.2 Incrementally extend direct election of PICC workers' members to factory PICCs as the 2-yr terms of current members expire, while empowering PICCs with a mechanism for complaints that accelerates improved activities</p> <p>1.3.3 Monitor &amp; evaluate how PICCs operations influence remedial changes within factories in view of crafting reinforcing structures &amp; mechanism into BWV assessment &amp; advisory functions</p>	<p>Number of days per EA dedicated to advisory services</p> <p>Number of factories with a functioning PICC</p>	<p>2013: <b>12.5</b> days 1<sup>st</sup> half of yr  <b>12.5</b> days 2<sup>nd</sup> half of year  2014: <b>62</b> days 1<sup>st</sup> half of yr  <b>27</b> days 2<sup>nd</sup> half of year  Evidently the way this indicator is calculated changed (see above)</p> <p>Target 2013: <b>107</b>  <b>181</b> 1<sup>st</sup> half of yr  <b>90</b> 2<sup>nd</sup> half of year  Target 2014: <b>107</b>  <b>94</b> 1<sup>st</sup> half of yr  <b>96</b> 2<sup>nd</sup> half of year  Exceeded targets</p> <p>Information not available to Evaluator</p>

1 Expected Outputs	Activities	Indicators	Mid-term evaluation findings
		Percentage of factories that are facilitating their PICC meetings	
<b>1.4 Training services are adjusted and strengthened to include implementation in collaboration with local training partners as part of a service package that includes assessment, advisory &amp; training</b>	<p>1.4.1 Offer training services to BWV factories, and other factories in the industry, to improve compliance with intl &amp; nat labour standards, &amp; increasingly integrate training offerings with assessment &amp; advisory services</p> <p>1.4.2 Strengthen collaboration with specialized training partners who can meet special training needs</p>	<p>Number of participants in <i>Better Work</i> training in the reporting period</p> <p>Percentage of women participants in training</p>	<p>2013: <b>1,352</b> 1<sup>st</sup> half of yr <b>5,500</b> 2<sup>nd</sup> half of year 2014: <b>683</b> 1<sup>st</sup> half of yr <b>3,700</b> 2<sup>nd</sup> half of year 2015: to May 2015 unofficial no. <b>4,817</b> Exceeded targets 2013: <b>67%</b> 1<sup>st</sup> half of yr <b>68%</b> 2<sup>nd</sup> half of year 2014: <b>60%</b> 1<sup>st</sup> half of yr <b>77%</b> 2<sup>nd</sup> half of year 2015: to May 2015 unofficial no. <b>61%</b></p>
	<p>1.4.3 Adjust BWV training materials to ensure they are appropriate for the market &amp; fit within time &amp; resource constraints of participating BWV factories</p> <p>1.4.4 Strengthen internal BWV training delivery capacity through training of Enterprise Advisers</p>		BWV training materials have been adjusted to reflect the 2012 new labour law.
<b>1.5 Quality assurance mechanism are strengthened &amp; handed over to staff</b>	<p>1.5.1 Finalize implementation of induction protocol &amp; apply it systematically to all newly employed EAs, to assure quality performance</p> <p>1.5.2 Transition responsibilities for quality assurance surveillance to national staff</p>	<p>No. of assessment visits subject to quality assurance</p> <p>No. of advisory visits subject to quality assurance</p>	In place and ongoing

1 Expected Outputs	Activities	Indicators	Mid-term evaluation findings
		No. of assessment QA visits carried out by national staff  No. of advisory visits carried out by national staff	

**Table 4: Mid-term evaluation findings for Objective 2**

Greater impact is achieved by bringing lessons learned into policy debates;

2 Expected Outputs	Activities	Indicators	Mid-term evaluation findings
2.1 Lessons learned are used for influencing policy debates	2.1.1 Allocations of time & space are made in for a such as the PAC, buyer & factory forums, and publications such as buyer updates & synthesis reports for raising policy issues impacting on implementation of labour standards	Number of press releases or similar communications issued by BWV designed to influence policy debates  Number of country policies changed as a result of <i>Better Work's</i> activities and facilitation	Ongoing
	2.1.2 Establish & implement internal procedures for systematically collecting & recording experience from assessment & advisory services in terms of the policy issues they may have at their root, and feeding that information into impact making processes		Experiences from assessment and advisory services are collected and fed to BWG who package this information.
	2.1.3 Engage on an ad hoc basis with stakeholders such as VCCI, CGCL, MOLISA, DOLISA etc to share info & views derived from BWV operations with a view to influencing debate & the policy environment surrounding the matters at issue		This takes place during PAC meetings and shared learning seminars
2.2. Communication methods outside of core service are used to access & engage workers more directly	2.2.1 Explore methods & strategies for collecting from & delivering greater amounts of info to workers outside the framework of regular monitoring visits & training activities, drawing on recent BW progs experiences in other countries using mobiles & social media, but being tailored to the context & sensitivities of Vietnam	Number of workers who receive direct communication from the programme via SMS  Number of workers who participated in annual BWV	This is ongoing. Annual fun run in increasingly popular with up to 4,500 runners in 2015.

2 Expected Outputs	Activities	Indicators	Mid-term evaluation findings
		Safety event	
	2.2.2 Test the communications strategies developed in 2.2.1 by setting up & implementing an appropriate implement technology mechanism & pilot initiative in collaboration with buyer & factory partners		Ongoing, with the development of modules on safety for workers. but may require more focus.
	2.2.3 Monitor, evaluation & report on results of pilot initiative, including info form worker' participation & impact on improvement of working conditions		
2.3 Collaboration with other ILO & IFC project activities & other stakeholders with a view to helping inform policy discussions	2.3.1 Collaborate on industrial relations piloting initiatives taking place in BWV factories, & in apparel industry more broadly	Number of ILO and IFC projects with whom BWV is actively coordinating	Collaboration with Industrial Relations initiatives is on-going Collaboration with the ILO country office and BW Global is ongoing
	2.3.2 Organise a workshop to exchange experiences between union representatives of factory PICCs to learn from experiences & share ideas for how to strengthen the PICCs & overcome common challenges		

**Table 5: Mid-term evaluation findings for Objective 3**

The scope and depth of BWV expands

3 Expected Outputs	Activities	Indicators	Mid-term evaluation findings
3.1 The possibility of expanding BW services to the north of the country is explored	3.1.1 Prepare a feasibility study of service demand & possible extension models & so on this basis take a decision on whether to expand the program to northern Vietnam	Number of factories in the North registered in the programme	There are 56 factories signed up to BW in the North
	3.1.2 Based on the outcomes of the feasibility study, implement expansion to N. Vietnam		This has taken place
3.2 NWV services are adapted & piloted with a view to identifying the size of factories in which BWV services are most likely to have an effect that optimizes overall program impact	3.2.1 Review & adapt assessment model & associated tools for their use in a broader size range of factories, in collaboration with BWG	Number of factories that pilot new service model	Figures will be available in July 2015
	3.2.2 Review & adapt advisory services model for use in a broader size range of factories in collaboration with BWG		This review has taken place.
	3.2.3 BWV assessment & advice services are extended on a pilot basis to a broader size range of factories		Ongoing
	3.2.4 BWV services are targeted on the basis of pilot experience to optimally sized factories		
3.3 The possibility of expanding assessment, advisory & training services to the footwear industry is explored	3.3.1 Monitor the results of BW Cambodia's pilot expansion to the footwear industry & identify lessons learned for possible similar expansion in Vietnam?	Number of footwear factories registered in the programme  Number of assessments carried out in footwear factories	8 registered with BWV  Better Factories Cambodia conducted a pilot on 3 footwear factories.
	3.3.2 Survey the footwear production industry in Vietnam, collecting info on factory size, location, working & business conditions as a precursor to a decision on approach to be taken to expansion to footwear production		By May 20 <sup>th</sup> 2015 BWV had registered 8 footwear factories.
	3.3.3 Determine Enterprise Advisers' technical capacity to service footwear production factories with a view to training them as required		
	3.3.4 Take & implement a decision on expanding BWV services into footwear production		This decision was taken to expand into the footwear production.
	3.3.5 Train Enterprise Advisers as determined in a TNA activity to be able to assess compliance with national & intl labour standards in footwear production factories		All EAs have had basic training. Some EAs were sent to Cambodia for training before assigned to footwear factories.
3.4 The possibility of expanding factory services to include environmental criteria is explored	3.4.1 Conduct market survey of BWV prog factory demand for & industry supply of factory environmental improvement & environmental compliance services	Number of environmental assessments carried out	In early 2013 a report on environmental compliance services was prepared
	3.4.2 Solicit & receive stakeholders' views on whether and how BWV should extend its services to include environmental criteria		There is some demand (from buyers) that BWV should be involved in environmental compliance
	3.4.3 Based on the outcome of the surveys, determine EAs current		

3 Expected Outputs	Activities	Indicators	Mid-term evaluation findings
	potential technical capacity to provide environmental assessment and/or advisory services with a view to training them as required		
	3.4.4 Take and implement a decision on expanding BWV services to include environmental criteria		This decision has not yet been made.
	3.4.5 Train Enterprise Advisers as determined in a TNA & in accord with decisions taken on the extension of services to environmental matters		Not yet. Awaiting decision on environmental compliance services.

**Table 6: Mid-term evaluation findings for Objective 4**

Long-term viability of BWV activities are strengthened by increasing cost recovery, improved capacity of national staff who will subsequently give better services and take on greater management and ownership of BWV.

4.1 The commitment, engagement & revenues to the prog from buyers participating in the prog is increased	4.1.1 Recruit & retain an increasing no. of international buyers into the program	Percentage of international buyers registered with BWV not duplicating BW assessments	Currently there are 51 Buyers of which 29 are considered buyer partners. 2013: 22 buyer partners in 1 <sup>st</sup> half of yr 19 buyer partners in 2 <sup>nd</sup> half of year 2014: 24 buyer partners in 1 <sup>st</sup> half of yr 29 buyer partners in 2 <sup>nd</sup> half of year 2015: 29 buyer partners to May 2015
	4.1.2 Engage high profile BWV stakeholders in dialogue with buyers to share perspectives & discuss potential policy or practice modifications		This occurs on a regular basis, particularly at the Buyers Forum. 29 Buyers are consider Buyer Partners.
	4.1.3 Execute collaborative BWV staff training activities with buyers, making use of their training materials & resources, based on a model developed jointly with stakeholders		Collaboration between BWV, buyers & social partners is appreciated by buyers. Training on legal implications of laws for buyers sought and provided by BWV
	4.1.4 Engage with interested buyers & their supplying factories in piloting & evaluating a model for strengthening buyer involvement in & responsibility for the remediation efforts of their supplying factories		BWV is making progress on improving buyers understanding of BWV and clarifying expectations for buyers.
4.2 The commitment, engagement, and revenue to the programme from participating factories is increased	4.2.1 Organise awareness raising & promotional materials & events to engage them in helping change mindsets & behaviours, increase BWV factory participation, and draw new factories into the prog	Number of factories that unenrolled from the programme	2013: 3 factories unenrolled in 1 <sup>st</sup> half of yr 5 factories unenrolled in 2 <sup>nd</sup> half of year 2014: 5 factories unenrolled in 1 <sup>st</sup> half of yr 2 factories unenrolled in 2 <sup>nd</sup> half of year 2015: to May 2015 0 have unenrolled Data on no. of events organized and feedback from events was not located The Global Team are conducting a study on the pricing strategy, using an consulting firm ANURA
	4.2.2 Attract and register new factory members from provinces in southern Vietnam in which BWV has been operating		2013: 195 factories in total in programme in 1 <sup>st</sup> half of yr 202 factories in total in programme in 2 <sup>nd</sup> half of year 2014: 251 factories in total in programme in 1 <sup>st</sup> half of yr 300 factories in total in programme 2 <sup>nd</sup> half of year 2015: to May 2015 356 factories in total in programme  This indicator exceeded the target in 2014, but did not reach the 2013 target. No. of new factories from S. Vietnam registered against target will be available in July 2015



	4.2.3 Systematically survey factory client satisfaction through focus groups & other tool, and on the basis of that feedback adapt & develop programming to make service offerings attractive to new & existing members		Client satisfaction ratings are obtained through VCCI focus groups with factory managers BWV developed a questionnaire with VCCI – unclear if this is still being used. New questionnaire to be developed with new model.
4.3 Capacity of the staff to take on broader & improved services in the area of industrial relations & social dialogue, as well as other substantive areas is strengthened	4.3.1 Assess Enterprise Advisers' training needs in the areas of industrial relations & social dialogue	Number of staff participating in EA training sessions (new)	BWG (Industrial Relations focal point) in Geneva worked with BWV to tailor on-line training materials on IR for EAs.
	4.3.2 Develop & validate training materials on industrial relations & social dialogue		Social partners are invited to on-line training through BW, which includes groups discussions on IR issues.
	4.3.3 Provide regular training to Enterprise Advisers on industrial relations enabling them to improve assessment skills on related topics & facilitation of PICC processes at factory level		This has taken place through on-line learning
	4.3.4 Carry out joint seminars involving provincial Federation of Labour and Enterprise Advisers in promoting good industrial relations practices at the factory level		No. trained to date is available from BWV Conducted joint seminars in the South
	4.3.5 Provincial Federation of Labour officials & Enterprise Advisers cooperate in in-factory visits, discussing practical implications of how to improve factory level industrial relations & social dialogue practices		No. of in-factory cooperative visits are available from BWV This occurred in the past. EAs went with FoL who were trained by APHEDA on a joint factory visit. The activity was temporarily halted as project approval was delayed from USDOL.
4.4 Management capacity of national staff is strengthened	4.4.1 Continue management team training & coaching initiative with a view to enabling a gradual transition of management oversight to national staff	Percentage of management positions held by national staff	During Phase II a Vietnamese person appointed in CTA role. This is considered a good practice in terms of ownership by many interviewed.
	4.4.2 Increase national staff exposure to & involvement in activities & functions of international staff		This occurs daily through interaction with BWG in Bangkok and Geneva. One BWG staff stationed in HCMC
	4.4.3 Continue to build capacity of national staff to take on responsibility & oversight or operational components of the programme		

**Table 7: Mid-term evaluation findings for Objective 5**

Capacity and ownership of local social partners is increased for sustainability of BWV

Expected Outputs	Activities	Indicators	Mid-term evaluation findings
5.1 The labour inspectorate of the Ministry of Labour, Invalids and Social Affairs (MOLISA) and Departments of Labour, Invalids and Social Affairs (DOLISA) is engaged and collaborating BWV, sharing experiences and know how.	<p>5.1.1 Host MOLISA trainings for EAs designed to better harmonize BWV interpretations with those of national labour inspectorate</p> <p>5.1.2 Extend BWV training of labour inspector master trainers to DOLISA and sponsor end-user training events for DOLISA labour inspectors</p> <p>5.1.3 Consult with MOLISA on methods for further coordination &amp; integration of BWV &amp; its own activities</p>	<ul style="list-style-type: none"> <li>• Government demonstrates active support for encouraging industry participation (incentives or subsidies, legislation) and/or promotes BWV in government strategy (competitiveness, labour inspection policy, etc) (yes/no)</li> <li>• MOUs in place that describe the nature and scale of cooperation (could include zero tolerance protocol and cap building activities) (yes/no)</li> <li>• MOLISA inspectors receive additional cap building from BWV aligned and coordinated with the ILO ILAB MOLISA needs assessment (yes/no)</li> </ul>	<p>MOLISA and DOLISA are engaged in collaborating with BWV and the training activities are being held.</p> <p>BWV has an agreement with MOLISA /DOLISA for ToT, who can subsequently do their own training</p>
5.2 VGCL & FoLs are strengthened to support their collaboration with pilot initiatives that develop the abilities of enterprise, district and provincial unions & their officials to communicative, organize & collectively bargain	5.2.1 BWV collaborates with other relevant ILO projects on activities that help strengthen the capacity of the union at the enterprise & higher levels to represent workers in garment producing factories	<ul style="list-style-type: none"> <li>• Number of trainers from district and federation unions trained by the project in delivering union and PICC training.</li> <li>• Number of enterprises participating in the union training and union members trained</li> <li>• Percentage of PICC union members able to raise ideas of workers at their factory during PICC meetings and liaise with the trade union on these issues</li> </ul>	This activity takes place through collaboration between BWV and the ILO Industrial Relations project
5.3 The capacity of VCCI & others (employers/business members strengthened to have a greater impact on enterprise working conditions improvements within BWV & broader	5.3.1 Partner with VCCI to offer training to members on improving industrial relations practices, setting up factory grievance procedure mechanisms, & other aspects of national/intl labour law & standards.	<ul style="list-style-type: none"> <li>• Number of joint events with VCCI</li> <li>• Factory Focus Group is expanded to be representative of all participating provinces, meets quarterly, and provides constructive feedback to the programme</li> <li>• Number of factories returning BWV feedback survey</li> </ul>	Workshops and seminar have taken place on social dialogue and how to negotiate.
	5.3.2 Systematize regular contacts with VCCI & different local industry groups, i.e. chambers of commerce, to integrate them into BWV activities and strengthen their representation of members' interests to the programme.		Ongoing
5.4 The governance of BWV continues to be strengthened & gradually transferred to a legal entity to ensure local ownership & program sustainability	<p>5.4.1 Organise regular PAC meetings</p> <p>5.4.2 Review the PAC structure &amp; establish a new MoU outlining PAC membership &amp; responsibilities, as well as the nature &amp; scale of cooperation (including zero tolerance protocol &amp; capacity building activities)</p>		<p>Targets have been reached with regard to two PAC meetings a year.</p> <p>The PAC structure was reviewed in 2014. Guidelines are being developed by MOLISA with regard to functions of provincial PACs and national PAC</p>

Expected Outputs	Activities	Indicators	Mid-term evaluation findings
	5.4.3 In collaboration with the government, establish roadmap toward localised structure 5.4.4 Together with the government, employers and Trade Unions, establish & endorse sustainability plan		Internal discussions underway on how BWV can become a social enterprise or a foundation & legal implications, including the type of structure, structure, human resource & tax implications & the implications in terms of connections with ILO.

**Table 8: Performance Plan Indicators for BWV.**

	Indicators	Baseline (Jan 2013)	End Target (Dec 2015)							
				Target 2013	Actual Period 1 (Jan-Jun 2013)	Actual Period 2 (Jul-Dec 2013)	Target 2014	Actual Period 3 (Jan-Jun 2014)	Actual Period 4 (Jul-Dec 2014)	Target 2015
Immediate Objective 1										
	Total number of factories registered in the reporting period (M&E Indicator)	181	331	Number of total factories in the programme	231	195	202	260	300	300
	Total number of workers in the programme (M&E Indicator)	202,000	331,000	Total number of workers in the programme	262,620	231,260	244,847	286,000	384,228	384,228
Output 1.1.										
	Number of compliance assessment reports completed in the reporting period (8)	135	759	No of compliance assessment reports completed in the reporting period	208	63	80	221	93	60

Average number of days between an assessment visit and the factory's receipt of the final report (M&E Indicator)	29	20	Average no of days between assessment visit & factory's receipt of final report	29	27	21	22	24	24
Number of advisory visits in the reporting period (M&E Indicator)	-	2,000	1,620	258	344	1,620	278	348	800
Average factory non-compliance rate (M&E Indicator) calculated by BWG	24%	n/a	-	0	35	30	N/A		
Output 1.2.									
Number of days per EA dedicated to factory assessments (32)	4	3.5	Number of days per EA dedicated to advisory services	8	13	13	33	62	30
Output 1.3.									
Number of days per EA dedicated to advisory services (33)	12	8	Number of days per EA dedicated to advisory services	8	13	13	12	62	60
Number of factories with a functioning PICC (18)	54	231	Number of factories with a functioning PICC	107	181	90	107	94	96
Percentage of factories that are facilitating their PICC meetings (new)	10%	70%	40%	52	60		47%	40%	50
Output 1.4.									
Number of participants in <i>Better Work</i> training in the reporting period (22)	-	17,708	Number of participants in <i>Better Work</i> training in the reporting period	4,750	1,352	1,006	4,253	683	683
Percentage of women participants in training (23)	-	n/a	n/a	-	67	68	69	77	77

Output 1.5.									
Number of assessment visits subject to quality assurance (new)	-	108	17	10	9	44		22	44
Number of advisory visits subject to quality assurance (new)	-	129	41	21	20	44		22	44
Number of assessment QA visits carried out by national staff (new)	-	108	14	10	9	44		22	44
Number of advisory visits carried out by national staff	-	129	35	8	10	44		22	44
Immediate Objective 2									
Output 2.1.									
Number of press releases or similar communications issued by BWV designed to influence policy debates (new)	-	12	4/year	3	1	4		-	1
Number of country policies changed as a result of Better Work's activities and facilitation (35)	-	3	No. of country policies changed due to BW activities	1	1	1	-	-	-
Output 2.2.									
Number of workers who receive direct communication from the programme via SMS (new)	1,500	7,600	3,500	1,401	115		-	-	20,000
Number of workers who participated in annual BWV Safety event (new)	-	12,400	3,000	3,400	n/a		3,800	-	3,200
Output 2.3.									
Number of ILO and IFC projects with whom BWV is actively coordinating (new)	4	4	4	4	4	4		-	1

Immediate Objective 3									
Output 3.1.									
Number of factories in the North registered in the programme (new)	-	10	n/a	n/a	n/a	40	25	23	N/A
Output 3.2.									
Number of factories that pilot new service model (new)	n/a	n/a	n/a	n/a	n/a		-	-	3
Output 3.3.									
Number of footwear factories registered in the programme	-	n/a	10	3	n/a		4	1	7
Number of assessments carried out in footwear factories	-	n/a	3	n/a	3		4	1	7
Output 3.4.									
Number of environmental assessments carried out	-	n/a	n/a	n/a	-		-	-	-
Immediate Objective 4									
Percentage of cost recovery (28)	38	40	Percentage of cost recovery	48	N/A	50	39	31	35
Total programme revenue in the reporting period (27)	577,616	-	Total progr revenue in reporting period	872,172	360,838	329,608	830,000	\$814,553	702,376
Per worker cost of the programme (30)	7.96	7.16	Per worker cost of the programme	7.26	3.28	6.14	7.16	\$2.58	2.58
Output 4.1.									

Percentage of international buyers registered with BWV not duplicating BW assessments (new)	n/a	n/a	n/a	41	40			N/A	N/A
Output 4.2.									
<b>Number of factories that unenrolled from the programme (6)</b>	-	not more than 1% per year	1	3	5	1	1	1	1
Output 4.3.									
Number of staff participating in EA training sessions (new)	18	n/a	21	18	17			17	22
Output 4.4.									
Percentage of management positions held by national staff (new)	73	78	73	73	73			8	10
Immediate Objective 5 (HRSDC Project)									
Output 5.1.									
Government demonstrates active support for encouraging industry participation (incentives or subsidies, legislation) and/or promotes BWV in government strategy (competitiveness, labour inspection policy, etc) (yes/no)	no	yes	no	no	ongoing			yes	yes
MOUs in place that describe the nature and scale of cooperation (could include zero tolerance protocol and cap building activities) (yes/no)	yes	yes	yes	yes	yes	yes		yes	yes

MOLISA inspectors receive additional cap building from BWV aligned and coordinated with the ILO ILAB MOLISA needs assessment (yes/no)	no	yes	yes	No	In discussion	yes		yes	yes
Output 5.2.									
Number of trainers from district and federation unions trained by the project in delivering union and PICC training.	7	54	12	9	10	16		-	
Number of enterprises participating in the union training and union members trained	-	541/1080	158/300	83	56	188/380		-	
Percentage of PICC union members able to raise ideas of workers at their factory during PICC meetings and liaise with the trade union on these issues	50	75	60	60	60	70		70	75
Output 5.3.									
Number of joint events with VCCI	-	6	2	1	1	2		1	2
Factory Focus Group is expanded to be representative of all participating provinces, meets quarterly, and provides constructive feedback to the programme	no	yes	yes	no	yes	yes		yes	yes
Number of factories returning BWV feedback survey	1	75	25	4	-	25		-	75



## Annex 5: *Better Work* 35 M&E indicators

	Indicators <sup>59</sup> (yellow are key performance indicators)
1	Number of new factories registered in the reporting period
2	Number of total factories in the programme
3	Total number of workers in the programme
4	Number of women workers
5	Percentage of workers in BW factories over total number of workers in the sector
6	Number of factories that un-enrolled from the programme
7	Number of previously registered factories that stopped operations in the reporting period
8	Number of compliance assessment reports completed in the reporting period
9	Average number of days between an assessment visit and the factory's receipt of the final report
10	Average factory non-compliance rate
11	Average compliance effort
12	Percentage of factories revisited in the reporting period that have improved compliance over the last visit
13	Percentage of factories with at least one trade union
14	Percentage of assessed factories with a current valid collective bargaining agreement
15	Percentage of factories with functional grievance mechanisms
16	Average number of strikes per factory in the reporting period
17	Number of advisory visits in the reporting period
18	Number of factories with a functioning PICC
19	Percentage of women among PICC workers
20	Percentage of factories implementing recommended changes
21	Number of factories participating in <i>Better Work</i> training courses in the reporting period
22	Number of participants in <i>Better Work</i> training in the reporting period
23	Percentage of women participants in training
24	Number of PAC meetings in the reporting period
25	Number of buyer participants in the programme
26	Number of buyer partners in the programme
27	Total programme revenue in the reporting period
28	Percentage of cost recovery

<sup>59</sup> Seven indicators are considered key performance indicators requested by the *Better Work* Global Team and IFC and are highlighted in yellow.

	<b>Indicators<sup>59</sup></b> (yellow are key performance indicators)
29	Percentage of annual budget spent in the reporting period
30	Per worker cost of the programme
31	Number of EAs employed in the programme by the end of the reporting period
32	Number of days per EA dedicated to factory assessments
33	Number of days per EA dedicated to advisory services
34	Number of mentions of Better Work included in reports by other policy actors
35	Number of country policies changed as a result of Better Work's activities and facilitation

**Table 9: Indicator progress over reporting period**

	Indicators	Target 2013	Jan-Jun	July-Dec	Target 2014	Jan-June 2014	July-Dec 2014	Target 2015	Unofficial estimate 2.6.15
1	Number of new factories registered in the reporting period	50	10	14	60	55	52		57 50 since Jan 2015
2	<b>Number of total factories in the programme</b>	231	195	202	260	251	300	75	<b>356</b>
3	<b>Total number of workers in the programme</b>	262620	231,260	244,847	286,000	325,117	384,228	400,000	456,558
4	Number of women workers	0	175,571	188,190	N/A	264,229	312,262	N/A	371,014
5	<b>Percentage of workers in Better Work factories over total number of workers in the sector</b>	10	11.56	12.24	11	13	15	15	<b>18</b>
6	Number of factories that unenrolled from the programme	1	3	5	1	5	2	0	0
7	Number of previously registered factories that stopped operations in the reporting period	0	5	2	0	1	1	N/A	1
8	Number of compliance assessment reports completed in the reporting period	208	63	80	221	69	93	60	80
9	Average number of days between an assessment visit and the factory's receipt of the final report	29	27	21	22	16	24		26
10	Average factory non-compliance rate	0	35	30	N/A	34	35	N/A	
11	Average compliance effort	NA	0.50	9	N/A	1	4	N/A	
12	<b>Percentage of factories revisited in the reporting period that have improved compliance over the last visit</b>	99	40	79	100	48	58	50	
13	Percentage of factories with at least one trade union	0	100	100	N/A	100	100	100	100

	Indicators	Target 2013	Jan-Jun	July-Dec	Target 2014	Jan-June 2014	July-Dec 2014	Target 2015	Unofficial estimate 2.6.15
14	Percentage of assessed factories with a current valid collective bargaining agreement	0	95.24	91.25	N/A	94	96.77		
15	Percentage of factories with functional grievance mechanisms	0	85.17	78.75	N/A	86	90.32	0	
16	Average number of strikes per factory in the reporting period		0.05	0.05	N/A	4	0.01	N/A	
17	Number of advisory visits in the reporting period	1620	258	344	1620	278	348	65	
18	Number of factories with a functioning PICC	107	181	90	107	94	96	0	
19	Percentage of women among PICC workers	80	69.23	61	80	0	63		
20	Percentage of factories implementing recommended changes	100	97.79	99.47	100	100	99.58	50	
21	Number of factories participating in Better Work training courses in the reporting period	200	105	101	200	278	107		
22	Number of participants in Better Work training in the reporting period	4750	1352	1006	5,500	94	683	3700	4,817
23	Percentage of women participants in training		67.3	67.89	70	60	77.31		60.62
24	Number of PAC meetings in the reporting period	2	1	1	2	100	1	N/A	1
25	Number of buyer participants in the programme	46	29	31	N/A	51	22	0	21
26	Number of buyer partners in the programme	46	22	19	N/A	24	29		29
27	<b>Total programme revenue in the reporting period</b>	872172	\$360,838	329,608	\$830,000	\$110,100	\$702,376	800,000	
28	<b>Percentage of cost recovery</b>	48	N/A	50	39		35	57	
29	Percentage of annual budget spent in the reporting period	90	32.29	64	N/A	31	68		

	Indicators	Target 2013	Jan-Jun	July-Dec	Target 2014	Jan-June 2014	July-Dec 2014	Target 2015	Unofficial estimate 2.6.15
30	Per worker cost of the programme	7.26	\$3.28	\$6.14	7.16	3	2.58	7.95	
31	Number of EAs employed in the programme by the end of the reporting period	22	18	17	22	20	22	0	26
32	Number of days per EA dedicated to factory assessments	7	3.5	3.5	7	33	34.84	0	
33	Number of days per EA dedicated to advisory services	8	12.5	12.5	12	62	27.00		
34	Number of mentions of Better Work included in reports by other policy actors	10	5	2	10	4	0		
35	Number of country policies changed as a result of Better Work's activities and facilitation	1	1	1	1	0	0		

## **Annex 6: Integrating gender equality concerns in BWV**

### ***Gender inequalities in the workplace***

All BWV stakeholders acknowledge that the majority of workers in the apparel sector in Vietnam are female. Some BWV partners such as APHEDA are striving to ensure that all training material incorporate gender equality issues; and that information resources are selected to reflect gender neutral and non discriminatory policies. Some indicators presented by BWV are sex disaggregated.

A representative from VGCL highlighted that in law inequalities do not exist. Yet, many interviewed reported that gender discrimination is prevalent in Vietnam. For example it was reported during the evaluation that most union representatives are men. In recruitment the garment industry disaggregates into male/female tasks (e.g. ironing/porters in warehouses are male tasks as require 'power'; women better sewers). Equivalent salaries for female workers were anecdotally said to be 80 percent of their male counterparts. Representatives from VGCL stated that female workers do not realise that they are being discriminated against in salaries, so do not bring this issue to the fore or ask for court representation. Although no workers reported issues in relation to maternity, it was reported that many factories prefer not to hire pregnant workers. Factories rarely hire people with disability.

One of the BW research briefs focuses on gender equality at the workplace in Vietnam and outlines some findings which may be relevant for BWV to tackle more comprehensively. Upon reviewing BWV documentation, it appeared that more emphasis is required with regard to empowerment and what this can mean for garment workers. The recommendations stemming from the BWV gender equality at the workplace baseline findings could be examined and some addressed for the remainder of Phase II.

### ***Sexual harassment***

Although asked, no one interviewed (workers, management, social partners) reported that issues of sexual harassment in the workplace arises. A BWV staff member reported that cultural issues in reporting prevail, and compared to other BW countries sexual harassment is not a big challenge.

Yet sexual harassment emerged in the Tufts research.<sup>60</sup> ILO/BW investigated further and Vietnam

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<sup>60</sup> See Tufts Discussion Papers 14 & 16: Sexual Harassment in Apparel Firms: Firm Structure, Organizational Culture and Incentive Systems; Sexual Harassment in the Workplace: How does it Affect Firm Performance and Profits?

recently (May 2015) developed a code of practice on sexual harassment in the workplace (endorsed by MOLISA, VGCL, and VCCI). This is an important step in the process of addressing the issue. The Code gives practical guidance on what is meant by sexual harassment in the workplace, how it can be prevented, and what steps should be taken if it occurs. BWV has produced training materials /slides on sexual harassment that are integrated into other training, and held workshops. BWV could continue to disseminate information about sexual harassment in the workplace, and help to move it beyond a taboo subject. More openness with regard to addressing it may be necessary.

## **Annex 7: More details of training provided by BWV**

### ***Broad list of training topics offered by BWV***

1. SST supervisory training programme for line managers
  - a. DISNEY – they fund this course, up to 80% for factory workers,
2. Generic ToT
  - a. For Labour inspectors
  - b. FoL trainers
  - c. BW qualified trainers
  - d. ToT for induction work, train HR manager to train new workers about workers rights
3. Single issue training – topics:
  - a. Negotiation training
  - b. Quality
  - c. Productivity,
  - d. OSH
  - e. HR
  - f. Working place cooperation
  - g. Labour law training

### ***Training provided by APHEDA***

Australian People for Health, Education and Development Abroad (APHEDA) has a 28 year history of education and training experience in Vietnam and brings technical expertise of the Australian trade union educators to the project. This collaboration of Better work Vietnam, ILO CO Hanoi and ACTRAV/APHEDA continues the partnerships and synergies built up on this program since Better Work first launched in Vietnam in 2009. Activities are designed to enhance the ability of union members to actively participate in improvement planning and allow them to coordinate proactively with management at their factories. Through BWV APHEDA provide specialized Training of Trainers (ToT) for FoL, who subsequently train trade union representatives in factories. The ILO Industrial Relations project provides capacity building around improving structures, the roles of trade union at factory level; and multi-enterprise collective bargaining.

### **APHEDA training materials include:**

- Social Dialogue for Trade Union Enterprise Leaders
- Introduction to Collective Bargaining Agreement for Trade Union Enterprise Leaders (for TU representatives in Factory)
- Guide Book for FoL training to deliver PICC I training.
- Guide Book for FoL training to deliver PICC II training.
- Key Skills for grassroots union leaders in Vietnam.
- Information for workers about Trade Unions



## **Annex 8: Collaboration between BW and Tufts University**

Tufts University from Massachusetts USA have been working with BW to conduct impact assessments of Better Work in order to identify the Better Work Program impact on: factory productivity; profitability; business opportunities and supply chain position; economic growth in Vietnam; factory organisation and business practice; and the wellbeing of workers and their families.

Tufts University collected baseline data in Vietnam in 2010 and 2011. They trained local research partners to collect the data and use Tufts survey instruments to document changes in the basic characteristics of the BWV apparel firms, including on demographics, workplace conditions and impacts beyond the workplace. According to the lead researcher at Tufts, three types of information products are produced.

- A set of summary statistics called summary or internal reports (e.g. Better Work Impact Assessment, October 2014; Second Internal Report Better Work Monitoring and Evaluation, 15 May 2013; Better Work Impact Assessment Manager Report, June 2013)
- Working papers, based on theoretical models for example: Discussion Papers 11: Interpreting (Non)Compliance: The Role of Variegated Capitalism in Vietnam's Garment Sector (the following page has a full list of discussion papers). Better Work Vietnam)
- Papers that examine and provide results with regard to the functioning of business. These papers help partners (buyers and factories in particular) to become more interested in BW, realising that national reputation is what really matters in some countries. For example if a factory has a record of compliance, buyers will wish to stay with that factory, and if a country has a good compliance record, International Buyers will stay in these countries.

### ***List of research reports from Vietnam***

Discussion Papers	10	Do Factory Managers Know What Workers Want?	<a href="http://bit.ly/SPtukX">http://bit.ly/SPtukX</a>
Discussion Papers	11	Interpreting (Non)Compliance: The Role of Variegated Capitalism in Vietnam's Garment Sector	<a href="http://bit.ly/SPtukX">http://bit.ly/SPtukX</a>
Discussion Papers	13	Analysing Better Work Data from a Gender Perspective: A Preliminary Exploration of Worker Surveys with a Focus on Vietnam	<a href="http://bit.ly/1keV8Nl">http://bit.ly/1keV8Nl</a>
Discussion Papers	14	Sexual Harassment in Apparel Firms: Firm Structure, Organizational Culture and Incentive Systems	<a href="http://bit.ly/1hxOtyv">http://bit.ly/1hxOtyv</a>
Discussion Papers	15	Is There a Business Case Against Verbal Abuse? Incentive Structure, Verbal Abuse, Productivity and Profits in Garment Factories	<a href="http://bit.ly/1JMDGj">http://bit.ly/1JMDGj</a>
Discussion Papers	16	Sexual Harassment in the Workplace: How does it Affect Firm Performance and Profits?	<a href="http://bit.ly/1FWSfzc">http://bit.ly/1FWSfzc</a>
Discussion Papers	17	Are Sweatshops Profit-Maximizing? – Answer: No. Evidence from Better Work Vietnam	<a href="http://bit.ly/1CRtFuY">http://bit.ly/1CRtFuY</a>
Impact Brief		Better Work Vietnam	<a href="http://bit.ly/1jsZ7Gp">http://bit.ly/1jsZ7Gp</a>
Impact Assess.		Vietnam Baseline Report: Worker Perspectives from the Factory and Beyond	<a href="http://bit.ly/1Om8Qv">http://bit.ly/1Om8Qv</a>
Policy Brief		The Business Case for Quality Jobs- Evidence from Better Work	<a href="http://bit.ly/1tma1U">http://bit.ly/1tma1U</a>
Policy Brief		Women, Work & Development- Evidence from Better Work	<a href="http://bit.ly/1tOjFRn">http://bit.ly/1tOjFRn</a>
Research Brief		Garment Factory Characteristics and Workplace Sexual Harassment	<a href="http://bit.ly/1rfOOPS">http://bit.ly/1rfOOPS</a>
Research Brief		Improving Business Outcomes by Understanding What Matters to Workers	<a href="http://bit.ly/1hcWlpx">http://bit.ly/1hcWlpx</a>
Research Brief		Gender Equality at the Workplace? Baseline Findings from Better Work Vietnam	<a href="http://bit.ly/1yAktQl">http://bit.ly/1yAktQl</a>
Research Brief		The Case Against Verbal Abuses in Garment Factories	<a href="http://bit.ly/1OIC5kZ">http://bit.ly/1OIC5kZ</a>
Research Brief		Working Conditions, Productivity and Profitability – Evidence from Better Work Vietnam	<a href="http://bit.ly/1HdSFTt">http://bit.ly/1HdSFTt</a>
Case Study		Better Work Vietnam Shows Path for Labour Law Reform	<a href="http://bit.ly/1yyRZXj">http://bit.ly/1yyRZXj</a>

## Annex 9: Evaluator observations on BWV policy briefs

Although the policy and research briefs were generally considered to be succinct and contain very clear messages, the following observations were noted during the evaluation.

- Not all policy/research briefs contain the date on the cover page.<sup>61</sup> Ensure the date of publication is visible clearly on cover pages.
- The research briefs should aim for a wider audience beyond ILO constituents, such as other UN agencies, the World Bank, other government ministries, large NGOs or foundations, smaller organisations, other Vietnamese businesses, other donor organisations. However it may be important to ascertain whether national partners are keen on such wider dissemination of all reports.
- In this regard, some research briefs are easier to read if the reader already knows about *Better Work* the Programme. For example not all readers, (particularly those not completely fluent in English) will initially understand that ‘*Better Work*’ is a programme. If read for the first time, the phrase ‘*Better Work*’ can seem like an order or a statement, an expectation or an ideal situation. It would be best to write ‘*Better Work*’ in italics or parenthesis and always explain what it is in a very short sentence. For example ‘*Better Work*’ is a programme that seeks to improve working conditions in garment industries and increase productivity.. Thus assume that the audience does not know anything at all about ‘*Better Work*’. However this does not mean a lot of more detail is required. A few simple standard sentences explaining *Better Work* would be helpful, particularly for readers not familiar with BW jargon or ILO language.
- In their current format, it is often unclear in the summary on page 1 which ‘recent research’ the brief is referring to. Often the research approach is outlined on page 2, but the body who conducted the research is not mentioned, nor the research period clear (was the baseline in 2010 and the impact found in 2013?) nor the sex disaggregation of male/female workers (were their differences in perceptions?). It is important that the year(s) during which the research took place is on page 1 of the brief. Should a significant event occur, such as a major change in law, or a factory catastrophe, readers would like to know instantly if this was pre or post the event.<sup>62</sup> Suggest that all research briefs include a box with the number of factories and workers /managers included in the particular research the brief is referring to, the time period the study covers, and some details on who conducted this study. This would help to authenticate the research upon which the brief is based, and provide simply summarised information for those who read the brief to verbalise the results to others (in a non-academic way).
- The ILO, IFC and Tufts university logo should be on the first page to authenticate the research. If the brief is picked up, a reader may not realise that the brief is based on solid research work by a reputable university linked to the UN, and may instead treat it like NGO advocacy material.
- Some titles of the research briefs could be shortened, avoiding jargon. For example “*Improving Business Outcomes by Understanding what Matters to Workers*” could shorten to “*Improving business by understanding workers.*”

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<sup>61</sup> E.g. *The Business Case for Quality Jobs, Evidence from Better Work*; or *Gender equality at the workplace, Baseline findings from Better Work Vietnam*.

<sup>62</sup> For example the research brief *Gender equality at the workplace, Baseline findings from Better Work Vietnam* contains the methodology on page 2 rather than page 1.

## Annex 10: Resources for linking research to policy

The following reports are specifically designed for development type research to be better linked to policy influence and contain useful tips that may help *Better Work* in this regards.

Young, J. and Court, J. (2004) Bridging Research and Policy in International Development: An Analytical and Practical Framework." RAPID Briefing Paper 1.

<http://www.odi.org.uk/resources/download/168.pdf>

Start, D. and Hovland, I. (2004). "Tools for policy impact: a handbook for researchers" ODI

<https://www.ndi.org/files/Tools-for-Policy-Impact-ENG.pdf>

Hovland, I (2007) Making a difference: M&E of Policy Research Working Paper 281 ODI, July 2007

[http://betterevaluation.org/sites/default/files/Hovland\\_making\\_WP281\\_0.pdf](http://betterevaluation.org/sites/default/files/Hovland_making_WP281_0.pdf)

Bridging research and policy – annotated bibliography ODI

<http://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/182.pdf>

## **Annex 11: Types of topics discussed at Buyers Forums**

At Buyers Forums, buyers often want to know in detail how BWV procedures work, and query the performance of particular factories. Briefing sessions on Vietnamese laws and regulations is commonly sought by Buyers. Without BW many Buyers would not have connections to social partners. Types of topics discussed at Buyers Forums are outlined below.

1. Topics raised in 2013 included for example how to differentiate factories at different levels, how to transfer greater ownership to factories themselves, and national social partners.
2. At the Global Buyers Forum in San Francisco in 2013, how to build better supplier ownership and accountability and introduce a scoring system to tier factories was discussed.
3. At the 2014 Global Buyers Forum at New York, the new model of assessment and advisory services was presented for discussion. Plans for public disclosure were discussed, and Buyers committed their support to BW efforts to roll out the public disclosure element. Opportunities to strengthen BW's buyer partnership for greater impact was discussed.
4. A regional buyers' forum in 2014 focused on this the self assessments pilots as well as social dialogue implementation.
5. A Vietnamese buyer forum in 2014 (with 57 representatives from 27 international brands, as well as representatives from VGCL, VCCI, MOLISA and VITAS) discussed the current TPP negotiations, the fire and building safety study, and the use of unauthorised subcontractors in the garment supply chain.

A particular challenge for factories relates to lead time for an order, which inevitably leads to workers having to do overtime. Unreasonable demands and prices are sometimes made by buyers. The BWV organised Buyers Forum may be the place to introduce these issues. BWV is striving to get high profile leaders of VCCI or MOLISA to attend Buyers Forums. EAs felt that international buyers can appear more supportive and understanding of the bigger picture than national buyers. Although some buyers get more involved in factory level improvement plans, and do joint visits,<sup>63</sup> the overall thrust of work with international buyers tends to be at the *BWG* level.

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<sup>63</sup> BWV are keen to remain independent of the Buyers, so factories do not view them as part of buyers.

## **Annex 12: Stakeholders view of changes with regard to working conditions and social dialogue**

Examples of changes in working conditions and BWV impact according to interviewees during the mid-term evaluation include:

- A government representatives stated that the government find BW helpful for their day to day management of factory labour related issues.
- A buyer also reported that due to BWV the government listens to more sides with regard to labour issues.
- A BWG specialist, EA staff, and trade union representatives stated that participating factories are increasingly becoming independent of management.
- Gradually some BWV factories are able to carry out social dialogue activities through the PICC without EAs facilitating the process.
- A representatives from VGCL felt that BWV encourages workers to join the trade union. In particular employees are now aware of the importance of the business making profit. He felt that working through the issues raised during the assessment allows all stakeholders to consider regulations collaboratively. However he cautioned that business require time to put in place improvements.
- There have been less labour disputes since the project according to one social partner in Dong Nai province.
- The IR focal point reported to BWG that although it is difficult to change the culture within factories, in factories where the union is playing a role, it is being effective in raising issues through verbal grievance procedures, partly as a result of the inputs from BWV.
- An official from MOLISA reported that the expansion of BWV from the south to the north of the country demonstrates that BWV has impact. BWV is practical, feasible and in demand.
- An official from MOLISA said that factories reduce the cost of production and enhance law enforcement in factories implementing changes as a result of the BWV assessment, training and advice.
- A BWV official felt that the most successful aspect of BWV to date is changing the mind set of factory managers in terms of promoting social dialogue through the PICC. This becomes a habit.
- A representative of the social partners outlined that BWV is contributing towards building the relationship between employers and employees, as well as to the trade union.
- A representatives from VGCL felt that both employers and employees awareness of labour laws are increased through BWV. Assessment tools help to justify compliance with Vietnamese labour law. Overall he reported that BWV helps to understand the role of the Trade union.
- The management of one factory visited for this evaluation mentioned that a reduction in labour disputes was evident from having the PICC in place. Both factory visited for this review reported that limiting the number of audits from buyers was a considerable advantage for them, having joined BWV.



# Annex 13: Organigram of BWV



2015

## BETTER WORK VIETNAM

