



**O'BRIEN &
ASSOCIATES**
I N T E R N A T I O N A L

INDEPENDENT MULTI-PROJECT EVALUATION

**IMPROVING LABOR LAWS AND LABOR ADMINISTRATION
WITHIN THE NEW INDUSTRIAL RELATIONS FRAMEWORK
(NIRF)
AND
BETTER WORK VIETNAM, UNION CAPACITY DEVELOPMENT
COMPONENT (BWV-UCD)**

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LIST OF ACRONYMS

ACTRAV	Bureau for Workers’ Activities of the ILO
APHEDA	Australian People for Health, Education and Development Abroad
BWG	Better Work Global
BWV	Better Work Vietnam
BWV-UCD	BWV-Union Capacity Building/Development component
CBA	Collective Bargaining Agreement
CPTPP	Comprehensive and Progressive Agreement for Trans-Pacific Partnership
CTA	Chief Technical Advisor
DIRWA	Department of Industrial Relations and Wage
DOLISA	(Provincial) Department of Labor, Invalids and Social Affairs
EA	BWV Enterprise Advisors
EU	European Union
FDI	Foreign Direct Investment
FOL	(Provincial) Federations of Labor
FOA	Freedom of Association
FPRW	Fundamental Principles and Rights at Work (ILO Declaration, 1998)
FTA	Free Trade Agreement
GoV	Government of Vietnam
GTU	Grassroots Trade Union (enterprise or factory-level union)
HCMC	Ho Chi Minh City
ICD	International Cooperation Department (MOLISA)
IFC	International Finance Corporation
ILAB	Bureau of International Labor Affairs
ILO	International Labor Organization
IR	Industrial Relations
IZTU	Industrial Zone Trade Union (district-level union)
M&E	Monitoring and Evaluation
MOLISA	Ministry of Labor, Invalids and Social Affairs

MPG	Management Procedures and Guidelines (2017)
NIRF	New Industrial Relations Framework
OTLA	Office of Trade and Labor Affairs
PICC	Performance Improvement Consultative Committees
PMP	Performance Monitoring Plan
RF	Results Framework
ToR	Terms of Reference
TPR	Technical Progress Report
TUSSO	Trade Union Solidarity Support Organizations
USG	United States Government
USDOL	United States Department of Labor
VCCI	Vietnam Chamber of Commerce and Industry
VGCL	Vietnamese General Confederation of Labor

EXECUTIVE SUMMARY

Since 2001, the United States Department of Labor (USDOL), Bureau of International Labor Affairs (ILAB) has supported a number of technical cooperation projects aimed at promoting effective industrial relations in Vietnam. Two of these projects are presented in this evaluation: the still-active Improving Labor Laws and Labor Administration within the New Industrial Relations Framework (NIRF) project, and the recently completed Better Work Vietnam-Union Capacity Development (BWV-UCD) component (Phases I and II).

NIRF Project: USDOL provided a total of US \$4 million to the ILO to implement the NIRF project over a 42-month period (Oct. 1, 2016 to March 31, 2020). This project was designed to assist Vietnam in carrying out the reforms required under the U.S.-Vietnam “Consistency Plan,” which was linked to the now obsolete 12-nation Trans-Pacific Partnership (TPP). After the U.S. withdrew from TPP, the NIRF project underwent a series of revisions but retained its original medium-term objectives: (1) reform laws and regulations governing industrial relations; (2) assist the GoV to manage new national IR policy including the registration of labor unions of workers’ choosing; and (3) strengthen the labor inspection system at the national and local/provincial levels.

The NIRF project ultimately aspires to promote the development of an effective legal and institutional foundation for a new industrial relations framework in Vietnam compatible with ILO’s Declaration on Fundamental Principles and Rights at Work (FPRW), in full consideration of national conditions and with a specific focus on freedom of association (C. 87) and the right to collective bargaining (C. 98). Toward this end, the ILO developed four smaller projects within the NIRF program, each with a different donor and area of emphasis: USDOL (Labor Inspection; Labor Administration; Labor Law); Japan (promotion of collective bargaining and social dialogue between social partners); Canada (IR Database); and European Union (ILO Conventions). The current evaluation focuses specifically on the USDOL-funded NIRF project.

BWV-UCD Project: In 2011, USDOL provided funding to the ILO/IFC Better Work program to implement the Better Work Vietnam-Union Capacity Development (BWV-UCD) component, which sought to improve industrial relations in the apparel sector and strengthen trade union capacity at the grassroots/enterprise level and upper level (provincial Federations of Labor). The six-year project was implemented in two phases: Phase I from November 2011 to December 2013 for US \$640,000, and Phase II from October 2014 to November 2017 for US \$1,664,160.

The BWV-UCD component utilized a multi-faceted approach involving three implementing partners—Union Aid Abroad (hereinafter referred to as APHEDA), which is ILO-ACTRAV’s implementing partner, the ILO-IR project, and BWV. The project had three immediate objectives: (1) improve industrial relations in factories participating in BWV; (2) strengthen the capacity of trade union members participating in the Performance Improvement Consultative Committees (PICC) of BWV; and (3) strengthen the capacity of trade union leaders at the enterprise (grassroots) level, and of the provincial Federations of Labor (FOL). The project also aimed to increase the capacity of BWV’s Enterprise Advisors (EAs) on industrial relations issues and international labor standards. During Phase I the project implemented activities in Ho Chi Minh City, Binh Duong and Dong Nai provinces in the southern part of Vietnam. In Phase II the project

expanded activities into an additional two provinces in the south—Long An and Tay Ninh, and two provinces in the north—Hanoi and Hai Duong.

Evaluation Purpose and Methodology

This multi-project evaluation sought to (1) assess the performance and achievements of each project; (2) identify strengths and weaknesses in the respective project designs and implementation strategies; (3) enhance the ability of project implementers (ILO and country partners) to learn from and manage project results with an emphasis on project sustainability; and (4) document good practices and lessons learned that could benefit current and future projects of the primary audience of this report: USDOL and implementing organizations (ILO, BWV and APHEDA), and Vietnamese social partners (MOLISA, VGCL, VCCI and others).

The evaluation was conducted over a six-week period extending from April to June 2018. The projects were assessed separately based on two distinct sets of evaluation questions that were contained in the evaluation TOR (Annex A). These questions placed greater emphasis on the NIRF project due to uncertainties in the project approval process. The NIRF evaluation included many of the standard evaluation questions regarding project relevance and strategic fit, design, performance monitoring, efficiency, effectiveness, and sustainability. The BWV-UCD evaluation highlighted good practices that resulted from the highly successful project design and coordination among the three implementing partners—BWV, ILO-IR project and ILO-ACTRAV (through its implementing partner, APHEDA).

The data collection methodology was primarily qualitative in nature. Quantitative data were obtained from project documents and reports and incorporated into the analysis. Data collection methods and stakeholder perspectives were triangulated for many of the evaluation questions to bolster the credibility and validity of the results. Separate interview protocols were developed and followed, with adjustments for each person’s background knowledge and level of involvement in project activities.

Major Findings and Conclusions – NIRF Project Evaluation

Relevance and Strategic Fit: The current project strategies remain aligned to the original labor reform obligations outlined in the now obsolete TPP Consistency Plan, albeit with a longer time line. Tripartite stakeholders remain committed to the implementation of project activities, driven in part by the labor obligations of the new generation of FTAs—CPTPP and EU-Vietnam FTA. This level of commitment demonstrates the ongoing relevance of project strategies in meeting current labor reform priorities, but also highlights the importance of establishing a project timeline that anticipates potential delays in project approval and start-up.

Project Design and Performance Monitoring: The NIRF project follows a results-based design approach that provides a logical sequence of cause-and-effect events that collectively contribute to the achievement of the long-term outcome. The project strategies identified for MTO 1 and MTO 3 are specific, measurable and attainable if the critical assumptions hold true. Recent changes to MTO 2 strategies have resulted in a more cohesive focus on strengthening DIRWA’s capacity to develop and implement new industrial relations policies and practices, but have excluded some

fundamental mandates such as the proper procedure to register new trade unions. The vast majority of performance indicators identified in the most recent PMP (June 2, 2018) are specific, measurable, verifiable and directly linked to the medium-term and short-term objectives.

Efficiency and Effectiveness: There was significant underspending of the project's total budget during its first 18 months due to delays in project implementation. These protracted delays were caused in part by the time required for project strategy revisions and approval following the U.S. exit from TPP. The expenditures for MTO 1 activities are notably low, considering that nearly three-quarters of its planned activities are in varying stages of implementation; the low burn rate suggests that many are still in the early stages. For MTO 2 and particularly for MTO 3, the large number of planned activities still awaiting initiation and full implementation will likely require the anticipated six-month extension period (through September 2020) and additional funding.

There are clearly identifiable internal and external factors that have facilitated project progress, including the establishment of a competent project team that has engaged social partners during the design and implementation phases with support from regional and global ILO technical experts. Most of the factors hindering project progress have fallen outside of the project's control, but highlight the need for the donor and implementing organization to be more vigorous in the identification of potential obstacles to achievement of project outcomes, and inclusion of these barriers in the project's critical assumptions.

Regarding the current NIRF project management structure, it is neither ideal nor sustainable; however, the proposed new management structure will include a chief technical advisor (CTA) solely for the USDOL-funded NIRF project as required under the cooperative agreement between USDOL and ILO. This singular focus will enable the CTA to fulfill the specified job responsibilities to a much greater extent.

Sustainability: Since December 2015 Vietnam has maintained its general commitment to aligning its labor law framework with the ILO FPRW Declaration. Recently, this commitment became stronger and more specific with the launch of the labor code revision process. This, and the fact that the project has secured the commitment of key tripartite stakeholders and successfully developed appropriate strategies to achieve planned outcomes, bodes well for the future sustainability of project impacts. It follows that many of the STOs are likely to be achieved to a reasonable degree during the course of the project provided that essential conditions for sustainability are met and supported by project stakeholders.

Recommendations – NIRF Project

The following recommendations are based upon the findings and conclusions of the NIRF evaluation.

- (1) **Anticipate the time required for project approval:** Donors and donor recipients should anticipate a rigorous and often lengthy approval process of the GoV for technical cooperation projects in excess of US \$2 million. Realistic initiation dates, work plans, and timelines should be established during the project design phase. As an alternative, donors should consider granting smaller awards (< 2 million USD) on a more frequent basis to expedite the approval process.
- (2) **Strengthen strategies aimed at building the capacity of DIRWA:** NIRF project staff should focus MTO 2 strategies on building DIRWA's capacity to administer new industrial relations policies and practices. Priority should be given to all mandates that promote freedom of association, the effective recognition of the right to collective bargaining, and dispute resolution.
- (3) **Strengthen performance indicators for MTO 2:** NIRF project staff should adjust the performance indicators related to MTO 2 such that they directly measure the effectiveness of IR policy administration. This requires a clear determination of administrative factors that can serve as direct and quantifiable measures of workplace compliance such as verification of freedom of association, collective bargaining, and dispute resolution. Project staff should consider conferring with the USDOL OTLA M&E coordinator when finalizing the performance indicators.
- (4) **Strengthen the project management structure:** The new chief technical advisor (CTA) who will be hired to replace the current interim project manager should have the competencies to (a) manage the USDOL-funded NIRF project, (b) advise project staff on implementation of activities, and (c) confer with project partners on issues related to Vietnam's new industrial relations framework. The new CTA should fully commit to the designated level of effort as stated in the USDOL Cooperative Agreement.
- (5) **Continue to promote and strengthen strategies for sustainability:** The ILO should continue to support the labor law revision process; the development of new industrial relations policies and practices; and the development of the new case management inspection system. The social partners should continue to ensure the inclusion of consultative processes in new or revised laws, and the development of a plan to scale-up successful industrial relations models. MOLISA and DOLISAs should ensure that labor inspectors are actively using the case management system and providing feedback. Finally, USDOL should support the process of developing, implementing, and conducting the necessary follow-up to institutionalize an effective case management information system for the labor inspectorate.

Major Findings and Conclusions – BWV-UCD Project Evaluation

Influence on Legislative Processes and Outcomes: The BWV program's Performance Improvement Consultative Committees (PICC) provided an effective bipartite social dialogue model within Vietnam for the inclusion of compulsory social dialogue as part of the revised 2012 Labor Code and the development of Decree 60 implementation guidelines. While both PICC and the enterprise social dialogue mechanism bring worker and management representatives together to discuss workplace conditions, committee members viewed the PICC process as a more efficient

and effective mechanism to resolve workplace non-compliance issues and other immediate worker concerns based on the small group format and face-to-face interaction. At the same time, they recognized the enterprise social dialogue mechanism as the legally mandated platform for workers and managers to discuss bilateral workplace issues.

Impact of Trade Union Capacity Building: Project capacity-building efforts significantly strengthened the skills and confidence of GTU members on PICC to effectively participate in the bipartite social dialogue process. The provision of additional training with follow-up support from FOL trainers effectively reinforced GTU members' newly acquired skills and further strengthened the linkages between FOLs and GTUs. Furthermore, the training of trainers (TOT) implemented by APHEDA and BWV was instrumental in transforming the FOL training methodology from one-way, instructor-focused teaching to active, student-centered learning. This resulted in a more effective delivery of trainings targeting the GTU members, and suggested the potential for scaling-up the TOT approach to include Vietnam's other provincial FOLs through the VGCL National Training Center.

Influence on Improved Industrial Relations: The BWV-UCD component made timely contributions toward strengthening the industrial relations environment in BWV enterprises and in the larger country context through (a) modeling an effective bipartite social dialogue mechanism in PICC; (b) strengthening GTU leaders ability to effectively represent workers' interests; (c) strengthening the linkages between upper-level trade unions and GTUs; and (d) increasing the capacity of BWV EAs to promote and facilitate effective industrial relations in BWV factories. The impact of these contributions was made greater by a project design whose corresponding strategies promoted local ownership of project outcomes.

Impact on BWV Enterprise Advisors: The BWV EAs demonstrated significant growth in their knowledge and promotion of industrial relations issues over the course of the project, particularly in the area of social dialogue. The mentoring and coaching of the EAs by international IR experts, combined with the support provided by BWV EA industrial relations specialists, added to the EAs' effectiveness in carrying out their advisory and assessment services. The practical experience gained by EAs in establishing and facilitating the BWV PICCs led to their recognition as national experts in the area of enterprise social dialogue. Their continued interest in promoting industrial relations in BWV enterprises demonstrates their genuine commitment and that of the larger Better Work program.

Sustainability: The project's multi-level capacity-building strategies targeting enterprise GTU representatives, upper-level trade unions, and BWV EAs contributed greatly to the long-term impact of enhanced industrial relations in BWV participating factories. This approach and resultant outcomes have remained relevant amidst ongoing changes in Vietnam's labor code, revisions to trade union law, and trade negotiations. The observed resilience of the project's capacity-building strategies coupled with local stakeholders' demonstrated commitment to supporting project goals bodes well for the long-term sustainability of project outcomes.

Recommendations – BWV-UCD Component

The following recommendations are based on the findings and conclusions of the BWV-UCD component evaluation. They are intended to guide USDOL, ILO and APHEDA in the development and implementation of future union capacity development projects within or outside of BWV participating enterprises, and reinforce the demonstrated effectiveness and sustainability of project outcomes.

- (1) **Strengthen the enterprise social dialogue mechanism:** APHEDA and BWV should actively support the strengthening of enterprise social dialogue mechanisms. Firstly, APHEDA should consider conducting an analysis of good practices found in workplace social dialogue mechanisms and disseminate these results to enterprises for integration into their respective social dialogue structures. Secondly, BWV EAs should consider resuming their advisory role with government lawmakers during the revision of Implementation Decree 60, specifically regarding (a) the democratic selection of GTU leaders; (b) formation of smaller committees or subcommittees for enhanced dialogue; and (c) the joint development of an enterprise improvement plan.
- (2) **Promote the expansion of FOL capacity-building activities through the VGCL training center:** BWV and APHEDA should study the cost and feasibility of expanding the project's TOT program through the VGCL National Training Center in order to train the remaining provincial FOL trainers. The current cadre of FOL trainers should conduct the TOTs with technical backstopping from APHEDA TOT trainers to ensure proper application of the student-centered teaching methodology, and to assist in the development of a plan to provide support and follow-up to new trainers.
- (3) **Scale-up efforts to train GTU leaders:** APHEDA should promote and expand the FOL-led capacity-building activities targeting GTU leaders inside and outside of Better Work factories. This would strengthen the linkages between upper-level unions and GTUs, and further reinforce the enterprise social dialogue mechanism. The FOL-led trainings targeting GTU leaders should utilize existing training materials produced by APHEDA that focus on the core trade union skills of social dialogue, bottom-up union organizing, collective bargaining, and negotiation. These trainings would better prepare GTU leaders for the anticipated ratification of ILO Conventions 87 and 98 on freedom of association and the right to collective bargaining.
- (4) **Strengthen the cadre of BWV EA industrial relations specialists:** Better Work Global and Better Work Vietnam should continue to support and strengthen the EA industrial relations specialists in their advisory role by offering them periodic opportunities for professional development and collaboration. Furthermore, EA specialists should expand their role by monitoring the impact of their efforts on industrial relations in the workplace and subsequently share good practices and lessons learned with BWV staff, the larger BW program, and tripartite stakeholders.
- (5) **Promote future collaboration among complementary implementing partners:** BWV should engage in future collaborative efforts to strengthen the capacity of grassroots trade unions. BWV should facilitate pilot activities to demonstrate good practices aligned with the

new industrial relations framework. The successful collaboration between BWV, the ILO-IR project and APHEDA (through ACTRAV) offers several good practices in terms of the three entities playing interlocking and complementary roles to strengthen trade union capacity at the grassroots and provincial levels.

I PROJECT CONTEXT AND DESCRIPTIONS

1.1. CONTEXT RELATED TO THE NEW INDUSTRIAL RELATIONS FRAMEWORK

Vietnam rejoined the ILO in 1992, and as such has committed itself to supporting the 1998 *ILO Declaration on Fundamental Principles and Rights at Work* (FPRW). The ILO FPRW Declaration commits Member States to respect and promote core international labor standards, whether or not they have ratified the relevant ILO Conventions.¹ Until recently, Vietnam has been slow to complete the necessary legal and institutional changes to fully align with the ILO FPRW Declaration. In 2007, Vietnam ratified ILO Convention 29 concerning forced labor, but three core conventions still remain to be ratified: Conventions 87, 98 and 105.

Vietnam established its first Labor Code in 1994 during a gradual transition from a centrally planned economy to a socialist-oriented market economy. With 198 articles arranged in 17 chapters, the 1994 Labor Code outlined Vietnam's labor provisions and labor relations in a comprehensive manner.² As the number of foreign direct investment enterprises increased, however, labor relations became increasingly diverse, dynamic and complex.³

As labor relations continued to evolve in Vietnam, labor disputes appeared more frequently. The Vietnamese National Assembly passed a new Labor Code in 2012 that established requirements for workers and employers to engage in workplace dialogue, collective bargaining, and collective bargaining agreements.⁴ These important industrial relations changes were followed by a series of decrees that provided details and guidelines for implementing key industrial relations practices.

The Labor Code is currently in a new round of revisions, driven, in part, by the labor obligations outlined in what the ILO calls a “new generation” of free trade agreements: The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and the EU-Vietnam FTA. These Labor Code revisions are expected to further align Vietnamese labor laws with core international labor standards as outlined in ILO's 1998 FPRW Declaration; they are expected to be finalized by the end of 2018 and presented to the National Assembly in early 2019.

¹ The ILO Declaration on Fundamental Principles and Rights at Work recognizes the following core international labor standards: i) freedom of association (C-87), ii) right to collective bargaining (C-98), iii) protection against forced or compulsory labor (C-29,105), iv) abolition of child labor, (C-138,182) and v) protection against discrimination at work (C-100,111)

² ILO, “Vietnam Labor Code dated 23 June 1994.” *National Laws on Labor, Social Security and Related Human Rights (NATLEX)*, <http://www.ilo.org/dyn/natlex/docs/WEBTEXT/38229/64933/E94VNM01.htm>

³ Clark, Simon, Chang-Hee Lee, et. al., “From Rights to Interests: The Challenge of Industrial Relations in Vietnam,” *Journal of Industrial Relations*, 49 (4), September 2007, publication downloaded on 21 May 2018, <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.602.2460&rep=rep1&type=pdf>

⁴ Vietnam Labor Code dated 18 June 2012. English translation provided by the Ministry of Labor, Invalids and Social Affairs, International Cooperation, <http://www.parliament.am/library/ashxatanqayinorensqreger/vietnam.pdf>

1.2. CONTEXT RELATED TO VIETNAMESE TRADE UNIONS IN TRANSITION

By law, the entire Vietnamese workforce currently is represented by a single trade union confederation—the Vietnamese General Confederation of Labor (VGCL). This is expected to change, however, as Vietnam is committed to adopting laws that are aligned with ILO Core Conventions and to ratifying all core international labor standards including ILO Conventions 87 and 98 on freedom of association and the right to collective bargaining.⁵

The VGCL has progressed during the transition by allowing grassroots trade unions (GTU) at the enterprise level to participate to a greater extent in decision-making processes. The VGCL also has supported and promoted the interaction between upper-level unions at the district and provincial levels (FOLs and IZTUs) and GTU officers in an effort to strengthen core trade union skills such as social dialogue and negotiation.

The ILO Better Work program and international Trade Union Solidarity Support Organizations (TUSSOs) such as APHEDA have played an important role in supporting the VGCL by (a) building the capacity of FOL trainers and GTU officers, and (b) establishing an effective model for social dialogue in the workplace. This support will become imperative as the VGCL transitions from a single national trade union with close ties to party and state to one offering autonomous representation for workers.

1.3. PROJECT DESCRIPTIONS

For the past 15 years, the United States Department of Labor (USDOL), Bureau of International Labor Affairs (ILAB), Office of Trade and Labor Affairs (OTLA) has supported a number of technical cooperation projects aimed at promoting effective industrial relations in Vietnam. Two of these projects are the focus of this evaluation: the still-active New Industrial Relations Framework (NIRF) project, and the recently completed Better Work Vietnam-Union Capacity Development (BWV-UCD) component (Phase I and II). Table 1 offers a summary of each project with their respective timeframes, funding amounts, implementing organizations and social partners, and key strategies. A more in-depth description of the two projects will follow Table 1.

Table 1: Multi-Project Evaluation of USDOL-Funded Projects in Vietnam

Project Title	Project Timeframe and Funding Amount (USD)	Implementing Organization and Social Partners	Key Strategies	Notes
Improving Labor Laws and Labor	October 1, 2016 – March 31, 2019 \$3,000,000	ILO in cooperation with the Ministry of Labor, Invalids	Provide technical assistance during the labor law reform process	On December 8, 2017, USDOL allocated an additional \$1,000,000 and provided a 12-

⁵ The GoV has demonstrated political commitment to labor law reform and ratification of ILO Conventions 87 and 98 through the issuance of several key decisions and policies, strategic plans, and trade agreements, which are listed in Section 3.1.2, Table 4.

Project Title	Project Timeframe and Funding Amount (USD)	Implementing Organization and Social Partners	Key Strategies	Notes
Administration within the New Industrial Relations Framework (NIRF)	March 30, 2019 – March 31, 2020 \$1,000,000	and Social Affairs (MOLISA)	• Provide support for new governmental bodies managing IR issues • Strengthen the capacity of the labor inspectorate	month extension from March 30, 2019 to March 31, 2020.
Better Work Vietnam-Union Capacity Development Phase I	Nov. 2011-Dec. 2013 \$640,000	ILO Better Work Vietnam program, ILO Bureau for Workers' Activities (ACTRAV), Union Aid Abroad-APHEDA in cooperation with provincial FOLs and enterprise GTUs	• Strengthen the capacity of FOL trainers at provincial level • Strengthen the capacity of grassroots trade union representatives on PICC committees • Strengthen the capacity of BWV Enterprise Advisors on industrial relations issues	- ILO was the grantee, in cooperation with ILO Better Work program, ACTRAV and ILO Industrial Relations project in Vietnam. APHEDA served as the external implementing partner for ACTRAV. - The trade union partners included FOLs in three provinces where BWV had participating enterprises.⁶
Better Work Vietnam-Union Capacity Development Phase II	Oct. 2014-Nov. 2017 \$1,664,160	ILO Better Work Vietnam program, Union Aid Abroad-APHEDA	(Same as above, plus): • Strengthen the network of FOL trainers • Strengthen the capacity of trade union leaders participating in enterprise social dialogue mechanism	- Strategies were scaled-up to include a total of seven provinces where BWV had participating factories⁷

⁶ During phase I, BWV-UCD activities were implemented in Ho Chi Minh City, Binh Duong and Dong Nai provinces in southern Vietnam

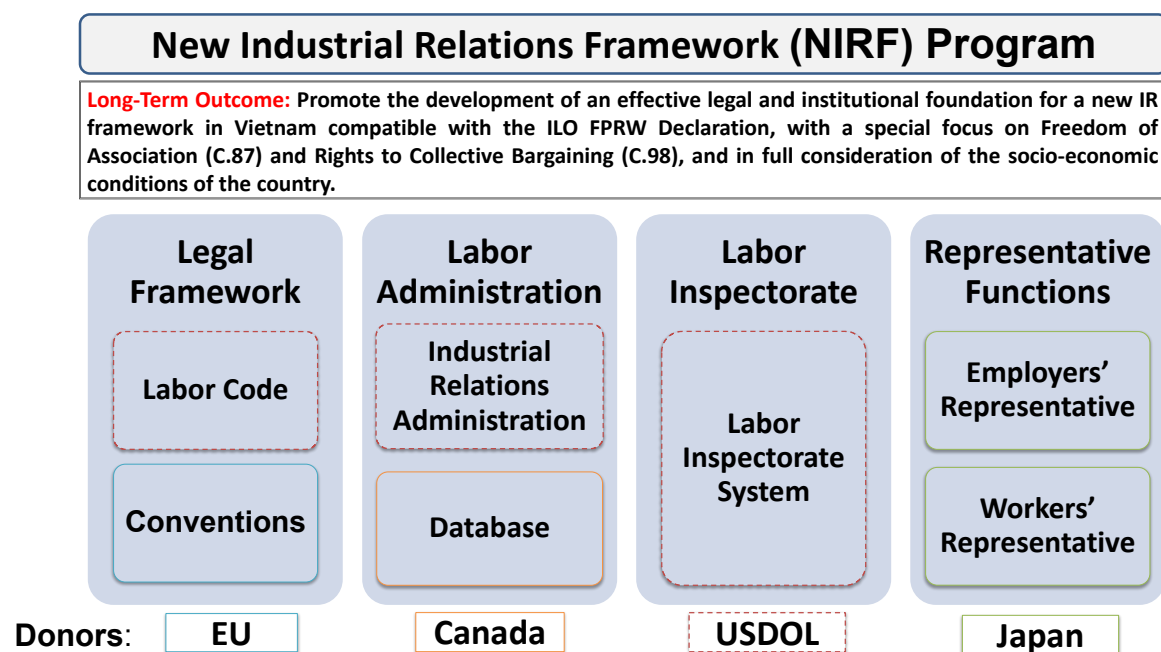
⁷ During phase II, BWV-UCD activities were implemented in Ho Chi Minh City, Binh Duong, Dong Nai, Tay Ninh, and Long An provinces in the south; and Hanoi and Hai Duong provinces in the north

1.3.1. Improving Labor Laws and Labor Administration within the New Industrial Relations Framework Project (NIRF) 2016-2019

In September 2016, USDOL signed an 18-month cooperative agreement (October 1, 2016 – March 30, 2019) in the amount of 3 million USD with the International Labor Organization (ILO) to implement the “Improving Labor Laws and Labor Administration within the New Industrial Relations Framework (NIRF)” project. On December 8, 2017, USDOL allocated an additional 1 million USD and provided a 12-month extension from March 30, 2019 to March 31, 2020. The additional funding has been restricted, however, pending approval of revised project expenditures.

The original project was designed to assist Vietnam in carrying out reforms required under the U.S.-Vietnam “Consistency Plan,” which was linked to the now obsolete 12-nation Trans-Pacific Partnership (TPP). After the U.S. withdrew from TPP, the NIRF project underwent a series of revisions that retained the original medium-term objectives: (1) Reform laws and regulations governing industrial relations; (2) Create and assist new bodies within the government to manage new national IR policy including the registration of labor unions of workers’ choosing; and (3) Strengthen the labor inspection system at the national and local/provincial levels.

The NIRF project aspires to promote the development of an effective legal and institutional foundation for a new industrial relations framework in Vietnam compatible with the ILO FPRW Declaration, in full consideration of national conditions and with a specific focus on freedom of association (C. 87) and the right to collective bargaining (C. 98). Toward this end, the ILO developed a comprehensive NIRF program made up of four smaller projects with different donors and specific areas of emphasis: USDOL (Labor Inspection; Labor Administration; Labor Law); Japan (promotion of collective bargaining and social dialogue between social partners); Canada (IR Database); and European Union (ILO Conventions). The current evaluation will focus specifically on the USDOL-funded NIRF project; the other three components will be mentioned within the larger context of project outputs and outcomes and resultant synergies. The GoV assigned the Ministry of Labor, Invalids and Social Affairs (MOLISA) to work with ILO on the execution of NIRF (see Figure 1).

Figure 1: Promoting New Industrial Relations Framework Program⁸

1.3.2. Better Work Vietnam-Union Capacity Development Component (2011-2017)

In September 2011, USDOL signed a two-year cooperative agreement with the ILO/IFC Better Work program and the ILO Bureau for Workers' Activities (ACTRAV) for US \$640,000 to support the Better Work Vietnam-Union Capacity Development (BWV-UCD) project. The project had three immediate objectives: (1) Improve industrial relations in factories participating in BWV; (2) Strengthen the capacity of trade union members participating in the Performance Improvement Consultative Committees (PICC) of BWV; and (3) Strengthen the capacity of trade union executive committee members at the enterprise (grassroots) level, and of the provincial Federations of Labor (FOL). The project also aimed to increase the capacity of BWV's Enterprise Advisors (EAs) on industrial relations issues and international labor standards. During this first phase the project implemented activities in Ho Chi Minh City, Binh Duong and Dong Nai provinces in the southern part of Vietnam.

In October 2014, USDOL extended its support for the BWV-UCD project for another three years with an additional US \$1,664,160. This second phase expanded the Phase I activities into an additional two provinces in the south—Long An and Tay Ninh, and two provinces in the north—Hanoi and Hai Duong. Phase II of the project incorporated capacity-building activities that targeted trade union officers participating in the enterprise social dialogue mechanism. The project also implemented capacity-building strategies with provincial FOL trade unions so that they, in turn,

⁸ Source: ILO-NIRF Project

could train and support grassroots trade union officers participating in the enterprise social dialogue mechanisms. Finally, the project scaled-up efforts to build the capacity of BWV EAs to effectively promote social dialogue and freedom of association in participating factories.

II EVALUATION PURPOSE AND METHODOLOGY

2.1. EVALUATION PURPOSE

This multi-project evaluation aims to (1) assess the performance and achievements of each project; (2) identify strengths and weaknesses in the respective project designs and implementation strategies; (3) enhance the ability of project implementers (ILO and country partners) to learn from and manage project results with an eye toward project sustainability; and (4) document good practices and lessons learned that could benefit current and future projects of the primary audience of this report: USDOL and implementing organizations (ILO, BWV and APHEDA), and Vietnamese social partners (MOLISA, VGCL, VCCI and others).

With specific regard to the NIRF project, this evaluation aims to:

- Identify successful strategies, key challenges, and ways in which to overcome barriers;
- Determine the feasibility of implementing the project strategies proposed in the revised Project Document sent on June 2, 2018, given the time remaining;
- Identify project strategies likely to bring about achievement of the project's desired results and have the greatest long-term impact and sustainability.

2.2. EVALUATOR

An external evaluator with a background in labor, education and public health conducted the final evaluation. The evaluator has extensive experience in planning and implementing education and training programs on labor-related issues for worker organizations, employers and government representatives focusing on workers' rights, occupational safety and health, and adult literacy issues.

The evaluator has conducted over 35 evaluations of international development projects in Latin America and Southeast Asia, including two previous evaluations in Vietnam in 2013 and 2015. Projects evaluated focused on workers' rights, child labor, and occupational health and safety. The evaluator, in consultation with USDOL, ILO and APHEDA project staff, was responsible for developing the evaluation methodology, conducting interviews and other data collection processes, analyzing the data, and preparing the evaluation report.

2.3. METHODOLOGY

The methodology used for the data collection was primarily qualitative in nature. Quantitative data were obtained from project documents and reports and incorporated into the analysis. Data collection methods and stakeholder perspectives were triangulated for many of the evaluation questions to bolster the credibility and validity of the results. A structured interview protocol was followed, with adjustments for each person's background knowledge and level of involvement in project activities. The data collection process included a document review, development of data collection tools, field visits, stakeholder interviews, and the compilation of data into a matrix for final analysis.

Evaluation Schedule: The evaluation was conducted over a six-week period extending from April to June 2018. The evaluator reviewed project documents and developed interview guides prior to carrying out the fieldwork in Vietnam. The majority of the data analysis and writing of the report took place between May 21 and June 26. The complete schedule of evaluation activities appears in the evaluation ToR, Annex A.

Data Collection: Evaluation questions developed by USDOL and ILO served as the basis for the guides and protocols used in the key informant interviews and document reviews. The master interview guide can be found in Annex B. A description of the methods employed to gather primary and secondary data appears below.

- *Document Reviews:* The evaluator reviewed and referenced numerous project documents and other reference publications throughout the evaluation. For the NIRF project evaluation, these documents included the adjusted Project Document (June 2, 2018), adjusted performance monitoring plan (PMP), quarterly technical progress reports, legal documents (Labor Code and implementation decrees) and other supporting documents obtained during the fieldwork component. Annex C shows a complete list of the documents reviewed. For the BWV-UCD component, the evaluator reviewed the project’s final reports, PMP, training materials and other supporting documents obtained during the fieldwork component.
- *Key Informant Interviews:* The evaluator conducted interviews with a range of stakeholders in northern and southern Vietnam. A total of 72 persons (36 males and 36 females) were interviewed individually or in small groups. These stakeholders represented the ILO in Vietnam; ILO regional and global offices; the Ministry of Labor, Invalids and Social Affairs (MOLISA); a national employer association (VCCI); trade unions at the central, provincial and grassroots levels; PICC committees at BWV factories; Union Aid Abroad-APHEDA; local media; and the U.S. Government. Table 2 provides a summary of the stakeholder groups interviewed, their respective sample size, and group characteristics. A complete list of individuals interviewed appears in Annex D.

Table 2: Stakeholders, Sample Size and Sample Characteristics

Stakeholder Group	Sample Size		Sample Characteristics
	M	F	
Ministry of Labor, Invalids and Social Affairs (MOLISA)	5	4	MOLISA vice-minister; representatives from International Cooperation Department, Department of Industrial Relations and Wage Administration, Labor Inspectorate and Legal Affairs
Department of Labor, Invalids and Social Affairs (DOLISA)	2	0	Provincial DOLISA representatives from Hai Phong
Vietnam Chamber of Commerce and Industry (VCCI)	0	2	National employer organization in Vietnam
Vietnamese General Confederation of Labor (VGCL)	2	1	National trade union; Interviews conducted with representatives from the Departments of International Cooperation, Industrial Relations, and Organizing
Federations of Labor (FOL)	9	5	Upper-level trade unions at the provincial level; FOL trainers implemented the PICC and trade union skills

Stakeholder Group	Sample Size		Sample Characteristics
	M	F	
			training courses; FOL members interviewed in HCMC, Dong Nai, Hai Duong and Ha Noi provinces
Media	0	1	Journalist from Saigon Times covering national industrial relations issues
International Labour Organization (Country, Regional and Global)	8	6	NIRF project staff in Vietnam; ILO Regional staff in Bangkok and Global staff in Geneva that provide technical backstopping to NIRF project
ILO Better Work (Country, Regional and Global)	3	6	Better Work Vietnam Program Manager and Enterprise Advisors; Better Work Regional and Global technical advisors
U.S. Government	2	3	USDOL/ILAB International Relations Officers; U.S. Embassy political advisor
Union Aid Abroad-APHEDA	2	1	Australian trade union support organization with local office in Hanoi; implementing organization of the BWV-UCD project
Performance Improvement Consultative Committee (PICC) members in BWV factories	3	7	Better Work's bipartite Performance Improvement Consultative Committees (PICCs); focus groups conducted with worker and management committee members at two apparel factories in Dong Nai and Hai Duong
Total	36	36	

Stakeholder Meeting: The evaluator conducted a debriefing meeting in Hanoi on May 11, 2018 with 20 NIRF project stakeholders to present preliminary findings, solicit clarification, and gather further input regarding project strategies. A separate debriefing was held with BWV-UCD project staff via conference call on May 23, 2018. A complete list of stakeholder participants for both debriefings can be found in Annex E.

Limitations: Findings for this evaluation are based on information collected from background documents and interviews with tripartite stakeholders in Vietnam. The evaluator depended on Vietnamese interpreters to conduct the majority of meetings with government and trade union stakeholders. The accuracy and usefulness of the evaluation findings relies on the integrity of the information provided to the evaluator from the available sources and the interpreters, as well as the ability of the evaluator to triangulate this information.

III FINDINGS – NIRF PROJECT

The following findings are based on fieldwork interviews with project stakeholders and a review of project documents and reports. The findings address the questions in the TOR (indicated by italics) and are organized according to the following evaluation areas: project relevance and strategic fit, project design and performance monitoring, effectiveness and efficiency, and sustainability. Findings pertaining to the BWV-UCD project appear in Section VI.

3.1. RELEVANCE AND STRATEGIC FIT

- *To what extent is the project relevant to the priorities and needs of the Government of Vietnam and local stakeholders considering the constantly changing internal and external environment?*
- *If still relevant, what is preventing the NIRF project from being approved by the Government of Vietnam?*

This section examines (a) the relevance of the NIRF project design to stakeholders' current priorities and needs; (b) the GoV's commitment to labor law reform; and (c) the GoV's project approval process.

3.1.1. Relevance of NIRF Project Design

The original NIRF project document was developed in mid-2016 as a direct response to the Technical Assistance Program (TAP) specified in the TPP Consistency Plan.⁹ After the United States withdrew from TPP in January 2017, the pressure and commitment to labor law reform were reduced, and the project approval process became exceedingly slow. This time gap provided an opportunity for the ILO to discuss the NIRF project design with key partners including MOLISA, VGCL and VCCI. Each confirmed their commitment to implementing project activities according to the original immediate objectives. Table 3 summarizes the general labor reform obligations identified in the Consistency Plan and the project strategies that currently address these issues.

Table 3: Assessment of Current Project Strategies Addressing Labor Reform Obligations

Labor Reform Obligations	Current Project Strategies Addressing Reform Issues
Legal Reforms	• Adoption of new legal instruments to improve compatibility of Vietnam's labor laws with 1998 ILO Fundamental Principles and Rights at Work (FPRW) - Increase awareness of tripartite constituents and general public on effective

⁹ USTR, "United States-Vietnam Plan for the Enhancement of Trade and Labor Relations," 4 February 2016, <https://ustr.gov/sites/default/files/TPP-Final-Text-Labor-US-VN-Plan-for-Enhancement-of-Trade-and-Labor-Relations.pdf>

Labor Reform Obligations	Current Project Strategies Addressing Reform Issues
	industrial relations and ILO FPRW - Provide technical assistance to MOLISA in drafting revised/new legal instruments, in full consideration of Vietnam's socio-economic conditions
Institutional Reforms	• Development and implementation of effective industrial relations policies by labor administration to promote sound industrial relations in full consideration of the FPRW - Establish or strengthen tripartite coordination mechanisms for effective industrial relations - Provide technical guidelines to strengthen implementation decrees for the national labor law, with a particular focus on promotion of collective bargaining and social dialogue - Enhance industrial relations services at different levels of the labor administration system
Capacity Building	• Effective application of labor law, with a focus on industrial relations challenges in full consideration of the FPRW - Strengthen the capacity of the labor inspection system to effectively enforce and promote compliance with national laws that align with FPRW - Improve efficiency of the labor inspection system through the introduction of an information management system

Discussion: The current project strategies remain aligned to the original labor reform obligations outlined in the now obsolete TPP Consistency Plan. The steadfast commitment of tripartite stakeholders to implementing project activities demonstrates the ongoing relevance of project strategies in meeting current labor reform priorities.

3.1.2. Political Commitment

The GoV has demonstrated political commitment to labor law reform and ratification of ILO Conventions 87 and 98 through the issuance of several key decisions and policies, strategic plans, and trade agreements. Those issued between the last quarter 2015 and the first quarter 2018 are summarized in Table 4. Verification of these actions was based on online publications produced by the United Nations in Vietnam, ILO and MOLISA, and the project's Technical Progress Reports.

Table 4: Decisions and Agreements Made Demonstrating Commitment to Labor Reform

Policy Decision or Trade Agreement/	Date	Description of Policy or Agreement
Prime Minister Decision No. 2528	December 2015	The Prime Minister Decision No. 2528 lists the ratification of ILO Conventions 87 and 98 as a top priority for the period from 2016 to 2020.

Policy Decision or Trade Agreement/	Date	Description of Policy or Agreement
on Ratification of ILO Conventions ¹⁰		
Party Resolution No. 06-NQ/TW on Effective Implementation of International Economic Integration Process	November 2016	The Resolution refers to improving the legal framework regulating social relations, especially industrial relations, as Vietnam joins new-generation free trade agreements. The Resolution confirmed Vietnam's commitment to labor law and IR reform, including new worker organizations, at the highest level of political decision-making.
MOLISA report on implementation of PM's Decision 2528 ¹¹	September 2017	The Ministry of Labor, Invalids and Social Affairs (MOLISA) submitted a plan to the National Assembly outlining a timetable for labor code revision and preparatory steps towards ratification of C. 87, 98 and 105.
Labor Code Dossier ¹²	December 2017	The MOLISA legal department published a dossier marking formal commencement of the labor code revision process, but it did not include freedom of association-related policy.
Prime Minister annual address to MOLISA	January 2018	The Prime Minister gave his support to MOLISA on labor code revision in view of CPTPP and EU-Vietnam FTA.
Legislative Agenda	June 8, 2018	Revised Labor Code was approved to go on the legislative agenda of the National Assembly for May and October 2019
EU-Vietnam FTA	December 2015	The EU-Vietnam FTA, which is expected to enter into force by the end of 2018, requires each party to (a) respect, promote and effectively implement all core international labor standards in accordance with ILO's Fundamental Principles and Rights at Work, and (b) ratify all outstanding ILO Core Conventions.
CPTPP and side agreements ¹³	March 2018	- Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP): The labor chapter requires all signatory countries to adopt core international labor standards including freedom of association and the right to collective bargaining. - Bilateral Side Agreements affirm Vietnam's commitment to the application of the CPTPP labor chapter and dispute settlement chapter but provide for a delay in parties requesting sanctions for up to five years.

¹⁰ United Nations, One Strategic Plan between the Government of the Socialist Republic of Vietnam and the United Nations in Vietnam 2017-2020, http://www.un.org.vn/en/publications/doc_details/542-one-strategic-plan-2017-2021.html

¹¹ ILO, Technical Progress Report submitted to USDOL, March 2018

¹² Ibid

¹³ Government of Canada, "Comprehensive and Progressive Agreement for Trans-Pacific Partnership, Side Instruments Involving Canada." 8 March 2018, http://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/cptpp-ptpgp/text-texte/sl_la-vietnam.aspx?lang=eng - 5

Discussion: Since December 2015 Vietnam has demonstrated its commitment to improving the labor law framework through an ongoing process intended to lead to the implementation of core international labor standards and ratification of all outstanding ILO Core Conventions. This has been driven, in part, by the labor obligations of the new generation of FTAs—CPTPP and EU-Vietnam FTA. The revised Labor Code has been approved to go on the legislative agenda of the National Assembly in May and October 2019. MOLISA officials expect the ratification of C. 98 in 2019, C. 105 in 2020 and C.87 before the end of 2023.

3.1.3. Project Approval Process

According to MOLISA officials, all international cooperation projects with funding amounts in excess of 2 million USD must undergo a rigorous planning and approval process that ultimately is decided by the Prime Minister. This process takes at least six months or more if internal and external conditions are constantly changing. Such was the case for the NIRF project, which originally was conceived as a Technical Assistance Program described in the TPP Consistency Plan. After the United States pulled out of TPP in January 2017, tripartite stakeholders needed time to reassess the relevance of project objectives. This delay turned out to be a positive event that resulted in each party independently determining the need for labor reform in line with the now obsolete TPP Consistency Plan. Table 5 summarizes the GoV’s key planning and approval procedures for international cooperation projects.

Table 5: GoV Planning and Approval Procedures for International Cooperation Projects¹⁴

Project Planning and Approval Procedures	Description of Procedures
Feasibility Study and Needs Assessment	The GoV first conducts a feasibility study and needs assessment to ensure that sufficient reason exists to support the project concept and viability of the proposed strategies.
Project Concept Note	The implementing agency sends a project concept note to the Ministry of Planning and Investment (MPI) before developing the required Project Investment Proposal (PIP).
Project Investment Proposal (PIP)	The implementing agency prepares the PIP and sends it to the MPI, requesting their support and assistance in submitting the PIP to the Prime Minister for approval. Prime Minister approval of the PIP often takes up to six months.
Project Document	The final Project Document is developed when the Prime Minister approves the PIP.

Discussion: Project concepts are often discussed during the annual bilateral US-Vietnam Labor Dialogue, with both parties agreeing on the need for a technical cooperation program. In the case of the NIRF project, the GoV recognized the immediate need for technical assistance as outlined in the TPP Consistency Plan. The project concept note was developed and sent to the MPI, which

¹⁴ Government Decree 16/2016 ND-CP dated 16/03/2016 on management and use of official development assistance (ODA) and concessional loans of foreign donors, <http://vbpl.vn/TW/Pages/vbpqen-toanvan.aspx?ItemID=11065>

then led to the development of the PIP and the first Project Document in October 2016. The relatively smooth project approval procedures were abruptly halted, however, when the United States pulled out of TPP in January 2017. This forced a restart of the approval process within an entirely different political context. MOLISA submitted a new concept note to the MPI in October 2017, which was approved in November 2017. This was followed by the development of a new PIP, which was submitted to the Prime Minister and approved on May 23, 2018. At the same time, the ILO made significant revisions to the original Project Document, which was still pending USDOL approval at the time of the mid-term evaluation.

3.2. PROJECT DESIGN AND PERFORMANCE MONITORING

- *Does the project have a logical and realistic design with clearly defined outcomes and outputs? Are further project design modifications needed in the second half of the project, and why?*
- *How appropriate and useful are the performance indicators described in the PMP in assessing the project's progress at outcome and output levels? Are the means of verification for the indicators appropriate?*

This section addresses the validity of the NIRF project design by examining its internal logic as outlined in the project's Results Framework. This section also reviews the appropriateness and usefulness of the performance indicators and means of verification as described in the performance monitoring plan (PMP).

3.2.1. Results-based Design

USDOL requires a results-based design approach for its technical cooperation projects that emphasizes outcomes over specific activities or outputs. The Results Framework (RF) graphically depicts the project strategy through a logical sequence of cause-and-effect events. Together, these events or interventions collectively contribute to the achievement of the long-term outcome. The project's Results Framework (Annex F) followed the RF template contained in the 2015 Management Procedures and Guidelines (MPG), which was the most current at that time. Since then, USDOL has released an updated 2017 MPG with revisions to the Results Framework terminology.¹⁵

The following assessment of the NIRF project design components (Table 6) and the discussion that follows is based on the RF terminology of the 2015 MPG.¹⁶ It focuses on the extent to which the long-term outcome, medium-term and short-term objectives, and associated outputs and activities support a results-based design as per the RF guidelines contained in the 2015 MPG.

¹⁵ USDOL ILAB, "Management Procedures and Guidelines for Cooperative Agreements with OTLA, 2017." https://www.dol.gov/sites/default/files/documents/ilab/2017_12_22_OTLA_MPG_F_0.pdf

¹⁶ USDOL ILAB, "Management Procedures and Guidelines for Cooperative Agreements with OTLA, 2015." https://www.dol.gov/ilab/grants/OTLA_2015_09_10_FY2015_MPG.pdf

Table 6: Assessment of NIRF Project Design Components (2015 MPG RF Guidelines)¹⁷

Assessment of Long-term Outcome
A results-based design approach identifies the long-term outcome as the impact that a project seeks to attain or toward which it is intended to contribute. The NIRF project's identified long-term outcome is appropriate in its breadth and scope and describes the situation that is expected to exist at the end of the project. The project is likely to significantly contribute to its attainment through implementation of activities at multiple levels.
Assessment of Medium-term Objectives
A results-based design approach identifies the medium-term objectives as specific, measurable, and attainable changes or improvements in policies, knowledge, skills, behaviors or practices that a project expects to accomplish that contribute to the long-term outcome. The project's MTO 1 is specific, measurable, and attainable provided that the critical assumptions hold true. MTO 2 is non-specific with regard to responsible entity, and is difficult to measure due to broadness of scope. MTO 3 specifically identifies labor inspectorate as the responsible entity, and is measurable based on stated target (see Table 7).
Assessment of Short-term Objectives
A results-based design approach identifies the short-term objectives as smaller milestones that should be achieved as part of attainment of medium-term objectives or a long-term outcome. These objectives also should be specific, measurable, and attainable changes or improvements in policies, knowledge, skills, behaviors or practices that a project expects to accomplish. A majority of the short-term objectives are logical, measurable and adequate to support the achievement of the project's medium-term objectives and long-term outcome. In the case of STO 1.1, it will be difficult to measure an increase in the level of media reporting without an established baseline; furthermore, the relationship between increased reporting and increased awareness as a result of this reporting is unclear and difficult to measure (see Table 7). With regard to STO 1.2, the level of participation of social partners in the consultation process is measurable; however, the type or extent of their input and its relationship to increased compatibility of Vietnam's labor laws with ILO FPRW is unclear.
Assessment of Supporting Outputs
A results-based design approach identifies the outputs as tangible results (i.e., products, services or systems) produced as a result of project activities. Outputs must support both short-term and medium-term objectives. Each of the project outputs is logical, represents a tangible result of one or more project activities, and has a direct causal link to one or more of the short or medium-term objectives.
Assessment of Activities
A results-based design approach identifies activities as specific actions carried out by the project to produce outputs. The activities included in the project's Results Framework are logical and sufficient to achieve the project outputs, so long as the critical assumptions hold true (see Annex G for complete list of project activities). The degree to which each activity is necessary is difficult to assess during the project's early implementation and should be reassessed later on during the project's implementation.
Assessment of Project Assumptions
Both critical assumptions are fundamental to the project's success but are not within the project's control.

Discussion: The NIRF project's Results Framework explains how results will be achieved by depicting a cause-and-effect relationship between project activities, outputs and outcomes. The project's long-term outcome—bringing Vietnam's labor law, institutions and industrial relations practices in line with international labor standards as outlined in the ILO FPRW Declaration—is

¹⁷ Sources: (1) USDOL ILAB, *Management Procedures and Guidelines for Cooperative Agreements with OTLA*, 2017; (2) NIRF revised Project Document (June 2, 2018)

clearly the driving force behind the project’s design. MTO 1, which focuses on labor law reform, is specific, measurable and attainable if the critical assumptions hold true. The same can be said for MTO 3, which focuses on strengthening the effectiveness of the labor inspectorate as measured by increased compliance with current and evolving national labor laws. MTO 2, however, is not specific regarding changes or improvements to IR policies or practices that the project expects to accomplish, nor does it clearly identify the responsible entity. As such, it is difficult to measure. Recent revisions to the MTO 2 short-term objectives, outputs and activities submitted to USDOL on June 2, 2018 provide updated information that more adequately supports this medium-term objective. These revisions are discussed below.

Revisions to MTO 2: During the fieldwork for this mid-term evaluation, USDOL expressed concern over the previous MTO 2 project strategies that proposed working with the tripartite National Wage Council (NWC) on wage reform, rather than with the Department of Industrial Relations and Wage (DIRWA), whose mandate includes developing and implementing policies related to the industrial relations chapters of the Labor Code.¹⁸ In response, the ILO eliminated strategies aimed at strengthening the NWC and redirected its focus to enhancing the mandates of DIRWA with regard to developing and implementing coherent industrial relations policies and practices. This resulted in a more cohesive and measurable MTO 2 strategy, but one that lacked key mandates such as proper procedures to register new trade unions. The latter is a fundamental and necessary component of the administration of the reformed labor laws. According to project staff, however, MTO 2 strategies are still evolving and now will focus on the promotion of collective bargaining and new mediation approaches to interest disputes. As expressed by one interviewee, *“These strategies will play an important role in paving the way for new industrial relations practices under the revised Labor Code.”*

3.2.2. Performance Indicators

A performance monitoring plan (**PMP**) is required of all USDOL ILAB/OTLA projects. The PMP is a tool that assists in the management of project monitoring, analysis, evaluation, and reporting of progress made toward the achievement of stated project objectives. A well-designed PMP enables a project to compare data over time by clearly defining performance indicators, specifying the method and frequency of data collection, and identifying the parties responsible for data collection and analysis. The performance indicators serve as benchmarks for determining whether or not a project has successfully produced its outputs and achieved its stated objectives. USDOL’s MPG performance indicator guidelines stipulate, “Indicators should be factual, verifiable, and clearly linked to an objective or output. They should be specific in magnitude and in time.”¹⁹

¹⁸ The Department of Industrial Relations and Wage (DIRWA) is a unit within MOLISA. It was established in February 2017 as a result of merging the Labor and Wage Department and the Center for Industrial Relations Development. DIRWA’s roles and responsibilities are listed on the MOLISA website: <http://www.molisa.gov.vn/en/Pages/Detail-organization.aspx?tochucID=1>

¹⁹ USDOL ILAB, *Management Procedures and Guidelines for Cooperative Agreements with OTLA*, 2015. https://www.dol.gov/sites/default/files/OTLA_2015_09_10_FY2015_MPG.pdf

The NIRF project completed its PMP in February 2018, at which time performance indicators, baseline values and end-of-project target values were defined. Subsequent changes made to the project design in May 2018 required project staff to modify the performance indicators, targets and means of verification in a revised logical framework and corresponding PMP. The outcome indicators (OTC) at the medium-term and short-term objective levels of the revised PMP, along with the specified targets and means of verification (MoV), are assessed in Table 7 according to the criteria described in USDOL's MPG (2015):

- 1) Are the indicators specific, verifiable and clearly linked to the objective?
- 2) Do the indicators determine whether or not the project has successfully achieved the objective?

Table 7: Assessment of Outcome Indicators for Medium-term and Short-term Objectives²⁰

Outcome Indicators linked to MTOs (partial list)	Assessment
MTO 1: National labor laws and legal instruments are revised to be compatible with the ILO FPRW in full consideration of the socio-economic conditions of the country OTC: Level of alignment between the revised Labor Code and its implementation instruments and ILO FPRW Target: Increased alignment in at least 4 out of 8 FPRW standards; Increased alignment of revised Labor Code with FPRW relating to gender equality. MoV: Reports of the ILO Committee of Experts; recommendations under Article 22 of the ILO Constitution; Copies of 2012 LC and the adopted revised LC and supporting documents; comparison with baseline gap/legal analyses MTO 2: Labor administration more effectively administers national IR policy OTC: National and provincial action plans on IR developed and adopted to implement IR priorities identified through tripartite consultation Target: 1 national action plan MoV: Copies of national IR Comprehensive Master Plan for 2019 and provincial action plans MTO 3: Labor inspectorate effectively enforces and promotes compliance with national labor laws in industrial relations OTC: Level of compliance with national labor laws in employment and industrial relations at target enterprises Target: At least 40% of recommendations relating to IR made in target enterprise (30) following labor inspections are implemented within set timeframe (30 days) MoV: Enterprise inspection reports; Annual labor inspectorate report	The outcome indicators for MTO 1 and MTO 3, in combination with the target information, are specific, verifiable and clearly linked to the objectives. The means of verification for these two outcome indicators are factual and reliable. With regard to MTO 2, the outcome indicator is indirectly, but not directly, linked to the objective in terms of the development of clearly articulated national and provincial action plans as a necessary milestone to administering national IR policy. However, this outcome indicator and its corresponding target and means of verification cannot measure or verify the <i>effective</i> administration of national IR policy. In addition, as provincial action plans are a component of the means of verification for MTO 2, these also should be included as part of the target.

²⁰ Sources: (1) USDOL ILAB, Management Procedures and Guidelines: Cooperative Agreements, 2013 and 2015; (2) NIRF Project Document (ProDoc) and PMP submitted to USDOL on June 2, 2018

Outcome Indicators linked to STOs	Assessment
STO 1.1: Increased awareness about effective industrial relations and ILO FPRW among tripartite constituents and general public OTC: Level of reporting on industrial relations and ILO FPRW in media disaggregated by media outlet and topic Target: Increase in frequency of report on IR and ILO FPRW in the media (%TBD) MoV: Media monitoring reports, mini-surveys STO 1.2: Drafted revised/new legal instruments make Vietnam's labor laws compatible with ILO FPRW in full consideration of the socio-economic conditions of the country OTC: Level of inclusion of social partners and social actors at national and provincial levels in consultation process of labor law revision Target: Representatives of workers, employers, local civil society from national and provincial levels take part in at least 1 consultation meeting each time an official draft of the labor code or implementing decrees are published. MoV: Event reports including agenda, list of participants, photos, meeting minutes, project monitoring reports	The outcome indicator for STO 1.1 lacks specificity regarding expected percent increase in media reporting to determine achievement of the short-term objective, highlighting the importance of establishing a baseline prior to implementation of project activities. In addition, the relationship between increased reporting on effective IR and increased awareness as a result of this reporting is unclear and difficult to measure. Regarding STO 1.2, the type or extent of input from social partners in the consultation process and its relationship to increased compatibility of Vietnam's labor laws with ILO FPRW is unclear.
STO 2.1: Tripartite partner coordination mechanisms for effective industrial relations established and strengthened OTC: Number of working groups involving tripartite partner for IR coordination established and functioning Target: One working group at national level (National Project Steering Committee) that meets semi-annually, and two groups at the provincial level that meet annually MoV: Project progress report, TORs of working groups, meeting minutes of group meetings STO 2.2: National policies, regulations and guidelines effectively promote collective bargaining and social dialogue OTC: Number of policy/law implementation guidelines and technical guidelines adopted that improve or highlight alignment of labor regulations and policies with international labor standards Target: 2 decrees and 1 technical guideline MoV: Copies of updated law implementation or technical guiding documents on IR issues produced with project's contribution STO 2.3: New approaches to the mediation of collective interest disputes developed and tested OTC: % of TOT trainees on labor dispute settlement that have developed and implemented action plans for rolling out the training Target: 50% TOT trainees trained have action plans for rolling out the training MoV: Training reports, monitoring reports OTC: Availability of labor dispute settlement procedure for collective interest dispute, which is developed, finalized and adopted by MOLISA based on the evidence and pilot. Target: the procedure for labor dispute settlement developed and adopted MoV: Copy of diagnosis report on labor dispute settlement service; copy of the guidelines for labor dispute settlement mechanism for collective interest dispute; project progress reports.	The outcome indicator for STO 2.1 tells us what is being measured to verify strengthened tripartite coordination (number of functioning tripartite working groups). The means of verification are general but should ultimately confirm the meeting and functioning of working groups at the national and provincial levels. The outcome indicator for STO 2.2 is specific, factual, verifiable and clearly linked to the short-term objective. Regarding STO 2.3, the second outcome indicator added in the most recent version of the project's PMP further clarifies the way in which both indicator measurements support the achievement of STO 2.3.
STO 3.1: Capacity of labor inspectorates to effectively enforce and promote compliance with national laws in line with ILO FPRW is increased	The outcome indicator for STO 3.1 is specific in magnitude (% change in knowledge), time (after completing

OTC: % change in knowledge among labor inspectors who participate in training activities organized with the project support Target: 30% increase after the training (among 20 people trained) MoV: Training reports including agenda, list of participants, photos, results of training, monitoring and evaluation STO 3.2: Labor inspection system is more efficient as a result of the introduction of the case management system OTC: Faster cycle for preparation, conduct and follow-up actions by enterprises in response to labor inspection recommendation in pilot provinces, facilitated by improved information management system Target: Faster by 20% MoV: Baseline and end-line assessment reports	training), and the specific change being measured (increased IR related knowledge). The means of verification should include a comparison between pre- and post-training skills or knowledge. The outcome indicator for STO 3.2 is specific in magnitude (% change in efficiency of labor inspection system) and is wholly dependent upon valid baseline and end-line measurements.
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Discussion: The vast majority of performance indicators identified in the most recent PMP (June 2, 2018) are specific, measurable, verifiable and directly linked to the medium-term and short-term objectives. The updated PMP also contains a revised MTO 2 outcome indicator that corrected a shortcoming identified during the mid-term evaluation fieldwork, in which measurement of the indicator relied on perception rather than factual evidence. The updated MTO 2 outcome indicator is directly related to the objective with regard to the development of national and provincial action plans as a necessary milestone to administering national IR policy, but currently neither it nor its corresponding target or means of verification are sufficient to directly measure or verify the degree of *effectiveness* with which national IR policy is administered. Direct measures of effective administration of national IR policy would include clearly articulated and quantifiable forms of verification of workplace compliance with national IR policy, such as documentation of freedom of association, collective bargaining and dispute resolution.

3.3. EFFECTIVENESS AND EFFICIENCY

This section addresses the efficiency and effectiveness of planned project interventions. The ToR questions have been grouped into the following sub-sections, each with a discussion of key findings: (a) allocation of project resources and expenditure rates; (b) likelihood of achieving project outcomes; and (c) effectiveness of project management capacities.

3.3.1. Allocation of Project Resources and Expenditure Rates

- *Have resources been allocated/ used strategically to achieve its three medium-term outcomes (MTOs)? To what extent have the expenditures been cost-effective so far*
- *How should the project reallocate resources or adjust activities in order to improve the achievement of its MTOs?*

The June 2, 2018 submission of the updated Project Document presents a detailed, outcomes-based budget that tracks the cost of project outcomes and the outputs and activities that support them. Table 8 provides a summary of these budget allocations for activities under each medium-term objective (MTO), along with the direct and indirect administrative costs.

Table 8: NIRF Project Budget Allocations²¹

Item	Amount (USD)	% Total Budget
Direct Labor Costs	1,120,952	37.4%
Operating Costs	433,290	14.4%
MTO 1 – National labor laws and legal instruments are revised to be compatible with the ILO Declaration on Fundamental Principles and Rights at Work in full consideration of the socio-economic conditions of the country	342,500	11.4%
MTO 2 – Labor administration more effectively administers national industrial relations policy	213,500	7.1%
MTO 3 – Labor inspectorate effectively enforces and promotes compliance with national labor laws in industrial relations	268,128	8.9%
Monitoring & Evaluation (M&E)	150,075	5%
Provision for Cost Increases	126,422	4.2%
Indirect Costs (Program support)	345,133	11.5%
Total	3,000,000	100%

Discussion: The amount allocated to direct labor costs is consistent with other Cooperative Agreements entered into by USDOL’s Office of Trade and Labor Affairs (OTLA) with the ILO, averaging between 37% to 39% of total expenditures.²² The project’s operating costs also are consistent with similar USDOL-funded projects, averaging between 10% to 20% of total expenditures. Funding for programmed activities accounts for approximately one quarter of the budget—a reasonable proportion for a project whose focus is technical support, but potentially insufficient in the case of the NIRF project whose MTO 3 includes the planning, development and implementation of a case management information system for the labor inspectorate. Provision of training and follow-up for the system’s users and the need for ongoing adjustments also collectively add to the cost of this objective. Currently, the project budgeted USD \$100,000 for the development and piloting of this system. As compared to other similar systems of USDOL projects, this amount is not sufficient and likely will require additional funds in order to be fully realized.

Expenditure Rates: Table 9 shows the project’s allocated funds by category and actual expenditures as of March 31, 2018, the most recent date for which data are available.

²¹ Source: NIRF Project Outcomes-based Budget (Updated June 2, 2018)

²² Comparison based on a review of five USDOL Cooperative Agreements with the ILO and other non-governmental organizations evaluated within the last five years.

Table 9: NIRF Project Expenditures as of March 2018 by Budget Line Item²³

Item	Budgeted Amount (USD)	Expensed as of March 31, 2018 (USD)	Percent Expended
Direct Labor Costs	1,120,952	444,497	40%
Operating Costs	433,290	99,262	23%
MTO 1	342,500	37,110	11%
MTO 2	213,500	13,377	6%
MTO 3	268,128	17,644	7%
Monitoring & Evaluation (M&E)	150,075	10,417	7%
Provision for Cost Increases	126,422	0	0%
Indirect Costs (Program support)	345,133	81,025	23%
Total	3,000,000	703,332	23%

Discussion: By March 31, 2018, the NIRF project had spent approximately 23% of its total budget, leaving 77% of the original allocation available for the remaining 12 months of the project. The vast majority of these spent funds were used to cover direct labor costs, including substantial time and expenditure associated with multiple revisions of the Project Document. Operating costs and indirect costs (program support) accounted for the other two largest categories of expenditures during this time period. The observed underspending in the first 18 months was at least partially attributable to delays in the project approval process by the GoV and USDOL, which is necessary for project partners to fully engage in project activities.

Of the three medium-term objectives, MTO 1 reported the largest expenditure for activities supporting the development of the revised labor code, including the design and implementation of communication campaigns and awareness-raising initiatives. This expenditure only amounted to 11% of the apportioned funds for this objective (USD \$37,110). According to NIRF project staff, some initiated events such as media briefings have incurred no cost; other activities have been funded through general ILO funds. Of the \$37,110 spent on MTO 1 thus far, slightly more than half of this amount has been spent on technical support for the labor code revision process (STO 1.2); the remainder has primarily funded the awareness-raising campaigns for tripartite partners and the public on ILO FPRW (STO 1.1).

Reported expenditures for MTO 2 and MTO 3 also have been minimal at 6% and 7%, respectively, and have been related to the assessment reports that contributed toward outputs under STO 2.2, STO 3.1, and STO 3.2 based on data reported in the March 2018 project implementation plan. It is logical to assume that the remainder of the allocated funds will be accessed and utilized once the project approval process is complete and project partners are able to move forward with implementation of planned activities by the current end date of March 31, 2020.

²³ Source: NIRF Project, Monitoring of Disbursement through March 2018

3.3.2. Likelihood of Achieving Project Outcomes

- *What is the likelihood that planned activities, outputs and outcomes will be completed or achieved on time?*
- *What are internal and external factors that have hindered or facilitated achievement of the desired outcomes?*

The project work plan submitted to USDOL on June 2, 2018 (Annex G) lists a total of 56 activities under the three MTOs that are slated for completion by March 2019. Table 10 lists the total number of planned activities under each MTO and the number that had been initiated by May 31, 2018. Activities were identified as “initiated” if one or more of its sub-activities had been initiated.

Table 10: NIRF Project Activities Initiated by May 31, 2018²⁴

MTO	Total Number of Activities Planned	Number of Activities Initiated by May 31, 2018	% of Activities Initiated by May 31, 2018
1	17	13	76%
2	20	4	20%
3	18	5	28%

Discussion: By the end of May 2018, MTO 1 had initiated 76% of its planned activities but had spent only 11% of its allocated budget. The low burn rate suggests that a majority of MTO 1 activities focusing on technical support for the labor code revision process (STO 1.2) and the awareness-raising campaigns (STO 1.1) are still in the early stages of implementation. In the absence of activity completion rates, the activity initiation data provided a general overview of project progress but were non-specific with regard to indicating the degree of completion of sub-activities within each main activity. As such, it is possible that some of the MTO 1 activities were farther along in their implementation than others at the time of this evaluation.

Significantly fewer MTO 2 and MTO 3 activities had been initiated by the end of May 2018, likely due to delays in the implementation of MTO 1. Specifically, the U.S. withdrawal from TPP resulted in a period of uncertainty from January 2017 until early 2018. Government partners were reluctant to start implementation of project activities at a time when political leaders had yet to provide clear direction regarding labor law reform or given official project approval. This delay in the labor law reform process slowed the initiation of activities under MTO 1 and subsequently activities under MTO 2 and MTO 3. Progress also may have been hindered by additional internal and/or external factors (see Table 11). Given the anticipated project extension through September 2020, it is reasonable to expect completion of all planned activities under the three MTOs provided hindrances are identified and removed.

²⁴ Source: NIRF Project Communication, updated June 2018

Internal and External Factors Affecting Project Progress: During the evaluation stakeholder meeting, tripartite partners provided input on the key factors that have facilitated or hindered project progress. These are listed in Table 11 and grouped according to internal or external factors.

Table 11: Internal and External Factors Facilitating or Hindering Project Progress²⁵

Internal Factors Facilitating Project Progress	External Factors Facilitating Project Progress
• Highly qualified and dedicated project team working closely with technical departments of MOLISA and social partners • Technical backstopping from ILO Industrial Relations, Labor Law and Labor Inspection experts in Bangkok and Geneva • Integration and coordination with project components funded by Japan, Canada and EU resulting in comprehensive project design • Active participation by project staff in regional and global industrial relations networks	• Tripartite stakeholder engagement and buy-in; sense of project ownership • Good working relationship between project partners and ILO project staff • Previous experience of tripartite partners, all of whom have participated in previous USDOL-funded projects • Good practices resulting from previous projects implemented by the ILO • Annual labor dialogue between USDOL and MOLISA that provides a forum to discuss labor challenges, progress and technical cooperation
Internal Factors Hindering Project Progress	External Factors Hindering Project Progress
• Change in project management structure resulting in a reduction of total staff dedicated to the project	• U.S. exit from TPP, necessitating a project redesign • Delays in labor code approval process • Delay in project approval process by GoV, which requires three strictly enforced steps • Delay in project approval process by USDOL, which was contingent upon GoV approval (which occurred on May 23, 2018) before entering into the final approval process • Difficulty matching the funding allocation timeline with a realistic project implementation plan, given the multiple external delays • Requirement that the project must comply with and operate under guidelines of ILO and MOLISA, in addition to USDOL

Discussion: Tripartite partners are strongly committed to achieving the project’s long-term outcome through full participation in the planned activities under each of the three MTOs. Their positive working relationship with project staff, contributions to the project design, and previous participation in USDOL technical cooperation projects have created momentum toward achievement of project outputs and outcomes. Such an achievement, however, remains contingent upon (a) USDOL final approval of the current project, (b) USDOL approval of the ILO’s expenditure plan for the additional \$1 million awarded, (c) USDOL approval of the six-month

²⁵ Source: Project Stakeholder Interviews and Stakeholder Meeting Comments, May 2018

extension end date of September 2020, and (d) timely resolution of the other external factors currently hindering project progress.

3.3.3. Effectiveness of Project Management Capacities

- *To what extent do project management capacities and staffing arrangements support or limit the achievement of the planned results?*
- *Is there any need to adjust the project's management and staffing structure?*
- *Is the project working effectively with other non-USDOL-funded components of the NIRF program to avoid duplication of resources or efforts?*

The ILO's original project management structure included a full-time program manager who was expected to manage and implement four projects (USDOL, Japan, Canada and EU) under the NIRF Program, and report directly to the director of the ILO Country Office for Vietnam. Other key project staff included an international labor law expert that technically supports activities under MTO 1; one national coordinator with expertise in industrial relations policy and social dialogue that manages activities under MTO 2; and one national coordinator with expertise in labor inspection that manages activities under MTO 3. In addition, the project has an M&E officer that coordinates performance monitoring activities, and a communications officer that coordinates the project's advocacy and communications strategies.

Elimination of Program Manager Position: The program manager was expected to manage all four projects and serve as an expert advisor on a broad range of industrial relations issues in Vietnam. In addition, the program manager was expected to serve as the donor liaison, a responsibility that included managing all communication with all four donors and submitting their respective technical progress reports. While there was some disagreement among current and former project staff on the reasons for eliminating the program manager position, the proposed new management structure includes a chief technical advisor solely for the USDOL-funded NIRF project as required under the cooperative agreement between USDOL and ILO. Until the CTA post is filled, the ILO Country Director in Vietnam will provide the necessary project oversight.

Stakeholders' Expectations of Project CTA: Project partners had very high expectations of the project's chief technical advisor. They stressed during interviews the importance of the CTA having both managerial skills and sufficient technical expertise to advise tripartite stakeholders on industrial relations issues. As stated by one GoV official, *"The CTA should be the chief technical advisor and manage the project. Manage means administrative. Technical assistance is different. In terms of industrial relations, we need an expert."* At the time of the mid-term evaluation, the ILO was conferring with USDOL to identify a suitable CTA exclusively for the USDOL-funded NIRF project, without any responsibilities for the three other projects within the NIRF program.

Technical backstopping: The technical backstopping officers in the ILO Regional and Global offices provide important technical input and guidance to project staff in all three areas of emphasis—labor law and international labor standards, industrial relations, and labor inspection. The industrial relations expert who advises staff under MTO 1 and MTO 2 is widely respected among project stakeholders. For MTO 3, both regional and global ILO technical backstopping

officers have extensive experience in developing and implementing similar case management systems with labor inspectorates in other developing countries. The national coordinator of MTO 3 successfully engaged these international experts in the system's strategic planning phase, which occurred in mid-June 2018.

Coordination with Non-USDOL-funded Components: The NIRF project is part of the broader NIRF program that also includes smaller projects funded by Japan, Canada and the European Union (see Figure 1). The project funded by the Government of Japan supports the development of innovative approaches to collective bargaining and social dialogue. The EU is supporting the implementation of the Trade and Sustainable Development Chapter of the EU-Vietnam FTA. The project funded by Canada establishes the industrial relations data and information system for evidence-based industrial relations policy development. The four projects are coordinated by the ILO Country Project Director and together are working to achieve the same long-term objective: to promote the development of an effective legal and institutional foundation for a new industrial relations framework in Vietnam that is compatible with the ILO FPRW Declaration.

With the exception of the project director position that has yet to be determined, the key project staff, along with the ILO technical backstopping officers are competent and fully capable of supporting all project activities and achieving the planned results. These efforts are supported further by the effective coordination with non-USDOL-funded projects, creating positive synergy.

Several mechanisms have been built into the NIRF program design to ensure coordination between the four projects. These mechanisms include (a) an interlocking staff structure between the USDOL-funded NIRF project and the other three non-USDOL-funded projects (with the exception of the soon-to-be-appointed USDOL project director) in which project coordinator staff simultaneously implement activities for two of the NIRF program projects; (b) coordination of the four projects' activities to complement their respective efforts and enhance overall results; for example, anticipated pilot activities under STO 2.3 on new approaches to collective interest mediation will be carried out in full coordination with the Japan project; and (c) the intention to create a tripartite national project steering committee for the larger NIRF program.

3.4. SUSTAINABILITY

- *To what extent are the project's outcomes likely to be durable and maintained by local stakeholders after external assistance has ended?*
- *What actions should the ILO, GoV and USDOL take to ensure sustainability of the impacts produced by this project beyond the remaining period of the project?*

USDOL requires all grantees to develop a sustainability plan that lays out a clear strategy for sustaining project outcomes after the project ends. Such a strategy must specify the conditions necessary for local stakeholders to maintain project outcomes, as well as the roles and responsibilities of project staff to ensure that these conditions are met and objectives are achieved. All USDOL-funded technical cooperation projects must include as part of this plan a strategy for

building local capacity as a means to promote project results beyond the life of the project.²⁶ The sustainability plan is intended to be a living document, inasmuch as it should be submitted to USDOL on a biannual basis and contain updates on adjustments made to the project strategies based on information generated from the ongoing data collection.

3.4.1. Sustainability Strategy

The NIRF project developed a draft sustainability plan as part of its most recent Project Document (June 2, 2018). In this draft plan, several conditions are identified for sustainability of the project outcomes under each MTO, along with a list of 34 project activities that contribute toward sustainability. These activities fall into three categories that correspond to the three MTOs: (1) technical support to help ensure that the new Labor Code is aligned with ILO's FPRW and is passed by the National Assembly; (2) capacity-building efforts aimed at DIRWA in order to deliver on its mandate to administer national industrial relations policies related to collective bargaining and dispute resolution; and (3) strengthening of the labor inspection system in order to more effectively enforce and promote compliance with national labor laws in industrial relations.

3.4.2. Supporting the Conditions Necessary for Sustainability

Table 12 summarizes the conditions necessary for sustainability as identified by the project in its draft sustainability plan, as well as a description of the role and type of support that project stakeholders can provide to promote these conditions from an evaluation perspective.

Table 12: Supporting the Conditions Necessary for Sustainability²⁷

MTO	Conditions for Sustainability Identified by Project	Role of Stakeholders to Promote Conditions for Sustainability
<u>MTO 1:</u> National labor laws and legal instruments are revised to be compatible with the ILO FPRW in full consideration of the socio-economic conditions of the country	• Ensure national legislation and implementing decrees come into line with FPRW • Use communication approaches, technical knowledge and awareness raising approaches to change the mindset and approach to lawmaking	ILO: Provide support to MOLISA throughout the lawmaking process in organization of expert workshops with tripartite decision-makers and National Assembly members to address key issues of labor code revision, share research, and encourage evidence-based decision making GoV: Engage trade unions and employer organizations to play an active role in tripartite consultations to ensure that resulting laws reflect a consultative process
<u>MTO 2:</u> Labor administration	• GoV reorients its national industrial relations policy away from outdated	ILO: Support the development of new models for mediation of collective interest

²⁶ USDOL ILAB, *Management Procedures and Guidelines for Cooperative Agreements with OTLA*, 2015. https://www.dol.gov/sites/default/files/OTLA_2015_09_10_FY2015_MPG.pdf

²⁷ Reference: Author and NIRF Sustainability Plan, June 2018

MTO	Conditions for Sustainability Identified by Project	Role of Stakeholders to Promote Conditions for Sustainability
more effectively administers national industrial relations policy	prescriptive, legalistic and top-down manner, toward a more promotional, service oriented and facilitative mode of policy design and implementation • GoV develops a coherent policy on wages and collective bargaining, which will create institutional space and incentives for social partners to gradually develop social dialogue and collective bargaining on a voluntary basis • GoV experiments with new approaches to industrial relations such as mediation of collective interest disputes, which will be replicated beyond target localities	disputes, including preventive mediation, in actual industrial relations processes in target localities Social Partners: Worker and employer organizations actively participate in policy workshops to review the pilot results and develop a plan for scaling-up and replicating effective approaches to mediation of collective interest disputes
MTO 3: The labor inspectorate effectively enforces and promotes compliance with national labor laws in industrial relations	• Inspection procedures simplified to reduce the timeframe spent for each inspection visit cycle • Labor inspection strategic planning involves the participation of social partners, and targets the identified IR related non-compliance challenges • Labor inspectors provided with proper training and inspection tools to target non-compliance challenges, especially IR related issues • Labor inspectors' social partners engaged and supporting inspection visits as well as planning work	ILO: Facilitate the participation of tripartite actors in developing and rolling out the new case management inspection system MOLISA and DOLISAs: Require active participation of labor inspectors at the central and local levels to utilize the case management system during inspection work and provide feedback on its strengths, weaknesses and/or any adjustments that are necessary USDOL: Support the complete process of developing, implementing, and conducting the necessary follow-up to institutionalize an effective labor inspectorate case management information system

Discussion: The NIRF project's sustainability plan is in its early stages since the project has yet to implement the vast majority of its activities, and data have not yet been collected. In the absence of such evidence it is not possible to assess either quantitatively or qualitatively the extent to which the planned outcomes are being met; verifiable evidence of progress for each MTO must exist before reliable conclusions can be drawn regarding sustainability.

That said, the project has successfully developed appropriate strategies to achieve the planned outcomes and has secured the commitment of the key tripartite stakeholders; it follows that many of the STOs are likely to be achieved to a reasonable degree by the new project end date of September 2020. The conditions for sustainability presented in Table 12 highlight the fundamental elements that must be present in order to successfully achieve the three medium-term objectives. From an evaluation perspective, it is essential in the case of MTO 1 that national legislation and implementing decrees successfully come into line with ILO FPRW. With regard to MTO 2, it is essential that DIRWA have sufficient technical capacity to establish effective industrial relations

systems as per their mandates,²⁸ and that pilots of new approaches to mediation of collective interest disputes be carried out in order to identify an effective model that can be scaled-up over time, particularly after the adoption of the revised labor code. For MTO 3 it is essential that the case management inspection system for the labor inspectorate be developed and implemented on time with the participation of key tripartite stakeholders, including the labor inspectors, to provide critical feedback. Furthermore, labor inspectors at the central and local levels must be trained on the purpose and correct implementation of this system in order to create critical buy-in before initiating efforts to scale-up. Finally, the labor inspection system must demonstrate improved efficiency and effectiveness as a result of the introduction of the case management system. USDOL's role in supporting this entire process will be critical for its future sustainability.

The ILO also will play an important role in promoting the conditions for sustainability, particularly with regard to (a) supporting the labor law revision process; (b) developing new mediation models for collective interest disputes to facilitate collective bargaining; and (c) developing and implementing the new case management information system for the labor inspectorate. The social partners also will play an important role with regard to ensuring the inclusion of consultative processes in new or revised laws, and developing a plan for scaling-up successful approaches to mediation of collective interest disputes. MOLISA and DOLISAs will play a role in ensuring that labor inspectors are actively using the case management system and providing important feedback.

²⁸ DIRWA's roles and responsibilities are listed on the MOLISA website:
<http://www.molisa.gov.vn/en/Pages/Detail-organization.aspx?tochucID=1>

IV CONCLUSIONS – NIRF Project

The following conclusions are based on an analysis of the report findings. They are organized according to the four evaluation areas: relevance and strategic fit; project design and performance monitoring; efficiency and effectiveness; and sustainability.

4.1. RELEVANCE AND STRATEGIC FIT

- The current project strategies remain aligned to the original labor reform obligations outlined in the now obsolete TPP Consistency Plan, albeit with a longer time line and less immediate pressure. Tripartite stakeholders are committed to the implementation of project activities driven, in part, by the labor obligations of the new generation of FTAs—CPTPP and EU-Vietnam FTA. This level of commitment demonstrates the ongoing relevance of project strategies in meeting current labor reform priorities.
- The rigorous planning and approval process of GoV for technical cooperation projects in excess of 2 million USD requires a project timeline that anticipates potential delays in project approval and start-up. In the case of the NIRF project, abrupt changes in the scope and purpose of the original design caused a delay in the project’s initiation of nearly 20 months.

4.2. PROJECT DESIGN AND PERFORMANCE MONITORING

- The NIRF project design follows a results-based design approach that provides a logical sequence of cause-and-effect events that collectively contribute to the achievement of the long-term outcome. The project strategies identified for MTO 1 and MTO 3 are specific, measurable and attainable if the critical assumptions hold true. The recent changes to MTO 2 strategies have resulted in a more cohesive focus on strengthening DIRWA’s capacity to develop and implement new industrial relations policies and practices, but have excluded some fundamental mandates such as the proper procedure to register new trade unions.
- The vast majority of performance indicators identified in the most recent PMP (June 2, 2018) are specific, measurable, verifiable and directly linked to the medium-term and short-term objectives. The outcome indicator for MTO 2 currently does not directly measure or verify achievement of this objective; rather, it is an indirect measurement, which may be a necessary milestone but does not measure the degree of *effectiveness* with which national IR policy is administered. Anticipated modifications to MTO 2 in the final Project Documents should improve measurability of the short-term objectives.

4.3. EFFICIENCY AND EFFECTIVENESS

- There was significant underspending of the project’s total budget during its first 18 months due to delays in project implementation. These protracted delays were partially caused by the time required for project strategy revisions and approval following the U.S. exit from TPP. Expenditures for MTO 1 activities are notably low, considering that nearly three-quarters of its planned activities are in varying stages of implementation; the low burn rate

suggests that many are still in the early stages. For MTO 2 and particularly for MTO 3, the large number of planned activities still awaiting initiation and full implementation will likely require the anticipated six-month extension period and additional funding.

- There are clearly identifiable internal and external factors that have facilitated project progress, including the establishment of a competent project team that has engaged social partners during the design and implementation phases with support from regional and global ILO technical experts. Most of the factors hindering project progress have fallen outside of the project's control, but highlight the need for the donor and implementing organization to be more vigorous in the identification of potential obstacles to achievement of project outcomes, and inclusion of these barriers in the project's critical assumptions.
- The interim project management structure is neither ideal nor sustainable; however, the proposed new management structure will include a chief technical advisor (CTA) solely for the USDOL-funded NIRF project as required under the cooperative agreement between USDOL and ILO. This singular focus will enable the CTA to fulfill the specified job responsibilities to a greater extent.

4.4. SUSTAINABILITY

- The NIRF project's sustainability plan is in its early stages; the project has yet to implement the vast majority of its activities, and data have not yet been collected. In the absence of verifiable evidence, it is not possible to quantitatively or qualitatively assess the extent to which the planned outcomes are being met, thereby precluding a reliable conclusion with regard to sustainability.
- Since December 2015 Vietnam has maintained its general commitment to improving the labor law framework in alignment with the ILO FPRW Declaration. Recently, this commitment has become stronger and more specific with the launch of the labor code revision process. This, and the fact that the project has secured the commitment of key tripartite stakeholders and successfully developed appropriate strategies to achieve planned outcomes, bodes well for the future sustainability of project impacts. It follows that many of the STOs are likely to be achieved to a reasonable degree during the course of the project, provided that essential conditions for sustainability are met and supported by project stakeholders (see Table 12).
- The NIRF project staff, social partners and USDOL all play important roles in promoting the conditions for sustainability. The ILO can support the labor law revision process, the development of new industrial relations policies and practices, and the development of the new case management inspection system. The social partners can ensure the inclusion of consultative processes in new or revised laws, and the development of a plan to scale-up successful industrial relations models. MOLISA and DOLISAs can ensure that labor inspectors are actively using the case management system and providing feedback. Finally, USDOL can support the complete process of developing, implementing, and conducting the necessary follow-up to institutionalize an effective case management information system for the labor inspectorate.

V RECOMMENDATIONS – NIRF Project

The following recommendations are based upon the findings and conclusions of the NIRF project evaluation.

- (1) **Anticipate time required for project approval:** Donors and donor recipients should anticipate a rigorous and often lengthy approval process of the GoV for technical cooperation projects in excess of 2 million USD. Realistic initiation dates, work plans, and timelines should be established in the project design phase. As an alternative, donors should consider granting smaller awards (< 2 million USD) on a more frequent basis to expedite the approval process.
- (2) **Strengthen strategies aimed at building the capacity of DIRWA:** NIRF project staff should focus MTO 2 strategies on building DIRWA's capacity to administer new industrial relations policies and practices. Priority should be given to all mandates that promote freedom of association, the effective recognition of the right to collective bargaining, and dispute resolution.
- (3) **Strengthen performance indicators for MTO 2:** NIRF project staff should adjust the performance indicators related to MTO 2 such that they directly measure the effectiveness of IR policy administration. This requires a clear determination of administrative factors that can serve as direct and quantifiable measures of workplace compliance such as verification of freedom of association, collective bargaining, and dispute resolution. Project staff should consider conferring with the USDOL OTLA M&E coordinator when finalizing the performance indicators.
- (4) **Strengthen project management structure:** The new chief technical advisor (CTA) who will be hired to replace the current interim project manager should have the competencies to (a) manage the USDOL-funded NIRF project, (b) advise project staff on implementation of activities, and (c) confer with project partners on issues related to Vietnam's new industrial relations framework. The new CTA should fully commit to the designated level of effort as stated in the USDOL Cooperative Agreement.
- (5) **Continue to promote and strengthen strategies for sustainability:** The ILO should continue to support the labor law revision process; the development of new industrial relations policies and practices; and the development of the new case management inspection system. The social partners should continue to ensure the inclusion of consultative processes in new or revised laws, and the development of a plan to scale-up successful industrial relations models. MOLISA and DOLISAs should ensure that labor inspectors are actively using the case management system and providing feedback. Finally, USDOL should support the process of developing, implementing, and conducting the necessary follow-up to institutionalize an effective case management information system for the labor inspectorate.

VI FINDINGS – BWV-UCD COMPONENT

This section focuses on the second project assessed in USDOL’s Technical Cooperation Portfolio in Vietnam: Better Work Vietnam-Union Capacity Development (BWV-UCD) component that was funded in two phases: Phase I from November 2011 to December 2013 for \$640,000 USD; and Phase II from October 2014 to November 2017 for \$1,664,160 USD. This project sought to improve industrial relations in the apparel sector and strengthen trade union capacity at the grassroots/enterprise level and upper level (provincial Federations of Labor) in a total of seven provinces in southern and northern Vietnam. The project utilized a multi-faceted approach involving three implementing partners—Union Aid Abroad APHEDA (ACTRAV’s implementing partner), the ILO-IR project, and BWV.

APHEDA implemented activities directly related to the capacity building of trade union representatives on the Performance Improvement Consultative Committees (PICC) of BWV, as well as trade union leaders at the grassroots/enterprise level and the provincial Federations of Labor. The project directly interfaced with the BWV program by building the capacity of BWV Enterprise Advisors (EA) on industrial relations issues and international labor standards. The project also interfaced with the ILO-IR project in its initiatives to pilot innovative approaches to union organization, collective bargaining and social dialogue in participating BWV factories.

The following findings address the questions contained in the evaluation ToR that focus on the project’s impact and sustainability (see Annex A). These findings are based on fieldwork interviews with project stakeholders and a review of project documents and reports, including two previous evaluations conducted by the evaluator.

6.1. INFLUENCE ON LEGISLATIVE PROCESSES AND OUTCOMES

- *Has the project influenced legislative processes and outcomes?*

Labor Code Revisions (2012) and Implementation Decree 60 (2013): In 2012 the GoV made several significant revisions to the Labor Code in order to improve industrial relations, including the obligation to establish a bipartite social dialogue mechanism in the workplace.²⁹ An Implementation Decree (Decree 60) followed in 2013 that provided the regulations and guidelines for planning and implementing this social dialogue mechanism.³⁰ The BWV program’s Performance Improvement Consultative Committees (PICC) provided an effective bipartite social dialogue model within Vietnam for the inclusion of compulsory social dialogue as part of the revised 2012 Labor Code and the development of Decree 60 implementation guidelines. MOLISA officials, trade union representatives and employer representatives highlighted several good

²⁹ Clause 3, Article 63 of the 2012 Labor Code stipulated that enterprises must establish a dialogue mechanism at the workplace, <http://www.ilo.org/dyn/natlex/docs/MONOGRAPH/91650/114939/F224084256/VNM91650.pdf>

³⁰ Decree No. 60/2013/ND-CP of June 19, 2013 detailing clause 3, Article 63 of the Labor Code regarding the implementation of regulations requiring a social dialogue mechanism at the workplace, http://www.ilo.org/dyn/natlex/natlex4.detail?p_lang=en&p_isn=94441

practices from the PICC model that were integrated in Decree 60 guidelines; however, there are gaps between the two social dialogue mechanisms. Table 13 compares key aspects of these two social dialogue mechanisms.

Table 13: Comparing Key Aspects of BWV’s PICC and Enterprise Social Dialogue

Key Aspects	Performance Improvement Consultative Committee (PICC)	Enterprise Social Dialogue Mechanism (Decree 60)
Purpose	Bipartite committee established as part of BWV to discuss serious non-compliance issues identified in the workplace assessment, and jointly decide on practical solutions for improvement	Legal mechanism to ensure sharing of information between workers and managers to improve bilateral understanding of workplace production, labor contracts, CBAs, internal rules and policies, and working conditions
Characteristics of committee members	Equal numbers of management and worker representatives, with at least one worker representative from the trade union executive committee	Equal numbers of management and worker representatives from the trade union executive committee
Committee selection process	Worker representatives elected through a participatory secret ballot election process without management presence	Worker representatives elected during the annual labor conference, with participation from the employer, trade union executive members, and employees
Frequency of meetings	Once per month	Once every three months unless requested by the employer or workers’ collective to meet sooner
Discussion topics	Progress on enterprise improvement plan that focuses on non-compliance issues found during the BWV assessments; topics evolve as issues are resolved, often including topics similar to those discussed in the enterprise social dialogue meetings	Production issues, implementation of labor contracts, CBAs, internal rules and policies, working conditions, requests either party have for the other, topics that both parties wish to discuss
Worker input and feedback	Worker representatives consult with workers before attending PICC meetings, and report back to them after PICC meetings	Trade union executive committee members consult with workers before enterprise social dialogue committee meetings

Discussion: Both the Performance Improvement Consultative Committees (PICC) and the enterprise social dialogue mechanism give workers and managers the opportunity to engage in constructive dialogue to address workplace concerns. Both require equal representation from workers and managers; however, the PICC worker representatives are elected directly from the factory floor through a participatory and secret ballot process that does not include management, while the worker representatives on the enterprise social dialogue mechanism are selected at the annual conference of laborers that is attended by employer representatives and selected employees.

The PICC election process is overseen by the enterprise grassroots trade union (GTU) with guidance from Better Work Vietnam Enterprise Advisors (EAs).

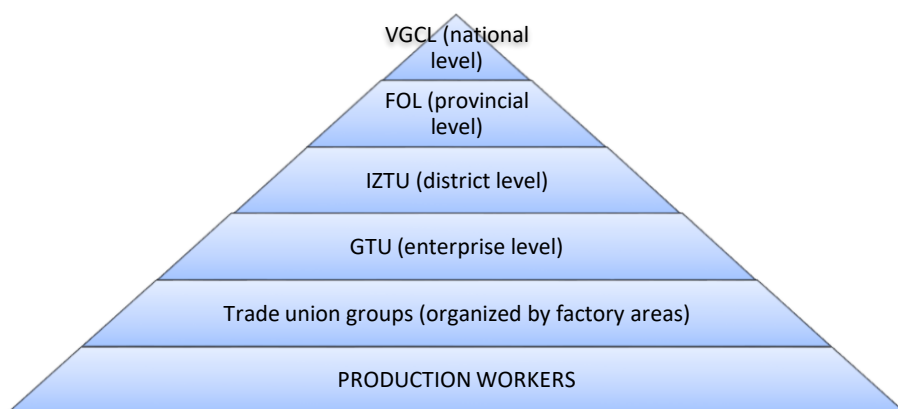
The enterprise social dialogue mechanism is the legal platform to ensure sharing of information between workers and managers; it is generally much larger than the PICC and its meetings are not conducted as often. A BWV representative pointed out, however, that the preparatory process required for the enterprise social dialogue meetings is a heavy administrative burden for factory management, contributing to their reluctance to fully comply with the 90-day time period between each meeting. While key issues can overlap such as workplace conditions, the PICC meetings focus on an improvement plan to resolve BWV non-compliance issues, while the enterprise social dialogue mechanism focuses on larger production issues, workplace policies, collective agreements and working conditions. During interviews, PICC worker-management committee members pointed out the different speeds with which the two social dialogue processes resolve worker concerns: PICC tends to resolve issues more quickly, while the enterprise social dialogue mechanism tends to experience delays in decision-making due to the formal steps involved. As expressed by one employer representative, *“During the PICC meetings, we dialogue face-to-face sitting at the same table. We have learned how to get things done more efficiently.”*

6.2. IMPACT OF TRADE UNION CAPACITY-BUILDING STRATEGIES

- *How has the project contributed to building the capacity of trade unions?*
- *What impact has the project had on the linkages between the enterprise-level trade unions, PICCs, and upper-level trade unions?*
- *How has the project impacted the capacity of FOLs, through the engagement of their staff in the PICC ToT?*

The BWV-UCD component developed three training programs to build the capacity of enterprise GTU leaders: (a) PICC I that enhanced the knowledge and skills of the GTU representatives to more effectively participate on the BWV PICC; (b) PICC II that built on the knowledge and practical experience gained by GTU leaders in the PICC process; and (c) core trade union skills targeting GTU leaders within and outside of the BWV participating factories. In addition, BWV also organized several PICC events, which provided GTU leaders and PICC workers’ representatives with the opportunity to learn and share experiences with each other.

These trade union capacity-building strategies directly supported VGCL’s emphasis on (a) promoting greater participation of GTUs at the enterprise level in decision-making processes affecting the rights and interests of workers, and (b) developing stronger linkages between upper-level trade unions and GTUs (see Figure 2, Vietnamese trade union structure). To this end, FOL trainers in the seven participating provincial Federations of Labor were instructed in training methodology and adult learning principles through APHEDA-led TOTs. The active-learning skills acquired in the TOT were applied in the FOL-led training courses for enterprise GTU leaders represented on the PICC and enterprise social dialogue committees. BWV also provided four TOTs for FOL trainers on advisory skills and core labor standards.

Figure 2: Vietnam Trade Union Structure³¹

Impact on FOL trainers: During interviews, FOL trainers, shown in the picture below, stated that the project TOTs transformed their training methodology from one-way, instructor-focused teaching to active, student-centered learning. The trainers stressed the importance of scaling-up the TOT activities to include the other 58 provincial FOLs in Vietnam, potentially through the VGCL national training center recently established to provide continuing education to leaders from upper-level trade unions (district, provincial and central levels). It should be noted that the center already has integrated the project’s curriculum on core trade union skills; however, replication of the FOL TOT program will depend largely on the availability of funds from within the VGCL or from outside donors.

FOL trainers also spoke of the significant impact that PICC trainings had in “closing the gap” in communication between the FOLs and GTUs. FOL representatives described their initial apathy toward GTUs prior to the project: *“We conducted meetings and trainings with GTU leaders because it was our mandate, but we never really knew the issues facing factory workers until we started supporting them through the PICC trainings.”* FOL trainers then described the impact of observing their GTU “students” in an actual PICC meeting; trainers came away with a greater understanding of the issues at the enterprise level and a heightened awareness of how to best support the GTU leaders.

The FOL leaders emphasized the impact of the core trade union skills training offered to GTU leaders both inside and outside of BWV participating factories. As expressed by one FOL leader,

³¹ The VGCL currently represents the entire Vietnamese workforce, but this is expected to change as Vietnam moves closer to adopting all core international labor standards and ratifying ILO Conventions 87 and 98 on freedom of association and the right to collective bargaining.

“This course helped us almost as much as it helped the GTU leaders. It forced us to examine our own knowledge and skills to be effective trade union representatives.” The core trade union skills course has become a permanent and integral component of trainings offered by the provincial FOLs and the national VGCL training center; training topics include collective bargaining, social dialogue and negotiation skills. FOL trainers pointed out, however, that trainings conducted in large plenary sessions limit the opportunity to conduct the small group and participatory activities contained in the curriculum.

Strengthened capacity of GTUs: Enterprise GTU leaders confirmed in interviews that the PICC trainings helped them to effectively contribute to the social dialogue process in PICC meetings through application of the skills learned in the course. They specifically pointed out the importance of assessing worker concerns, prioritizing issues, and effectively discussing concerns with management. The PICC II training and additional core trade union skills course served to further reinforce and build upon the GTU leaders’ skills and knowledge, which in turn strengthened the role of grassroots trade unions in negotiating on behalf of workers’ interests.

A national level VGCL representative reiterated the importance of building the capacity of GTU representatives on enterprise social dialogue committees, *“Effective social dialogue begins with building the capacity of the GTU representatives.”* She also emphasized the essential link between the GTUs and the FOLs, and felt that the project’s role in building the capacity of the FOLs had a direct impact on strengthening the capacity of the GTUs: *“This is the kind of bottom-up approach that the VGCL has been promoting over the past several years.”*



6.3. INFLUENCE ON IMPROVED INDUSTRIAL RELATIONS

- *How has the project helped improve the industrial relations environment in participating enterprises?*

The BWV-UCD component made some timely contributions to improved industrial relations. These were noted in the 2013 mid-term evaluation and the 2015 multi-project evaluation of USDOL’s technical cooperation portfolio^{32, 33} and included (a) modeling an effective bipartite

³² Gonzalez Arroyo, Michele, “Independent Mid-term Evaluation of the Union Capacity Building Component of the Better Work Vietnam Program, June 2013, https://www.dol.gov/sites/default/files/images/ilab/Vietnam_Midterm.pdf

³³ Gonzalez Arroyo, Michele, “Independent Evaluation, USDOL’s Technical Cooperation Portfolio Promoting Workers’ Rights in Vietnam,” December 2015, https://www.dol.gov/ilab/projects/summaries/Vietnam_USDOL_Multi-Project_Evaluation_Final_Report_wopii.pdf

social dialogue mechanism through PICC; (b) strengthening GTU leaders to effectively contribute to the PICC process; (c) strengthening the linkages between upper-level trade unions and GTUs; and (d) increasing the capacity of BWV EAs to promote and facilitate effective industrial relations in BWV factories. Contributions related to social dialogue and trade union capacity building were discussed in Sections 6.1 and 6.2. The contributions of the BWV EAs will be discussed in Section 6.4. The following section focuses on true stories from factory workers and managers that participated in the BWV-UCD component, including their impressions of the project's impact on improved industrial relations.

Democratic selection process: GTU representatives spoke highly of the PICC's selection process whereby committee members are directly elected by co-workers in their production unit through a secret ballot vote. This was their first experience with a democratic process, and it gave them a great sense of responsibility. As expressed by one interviewee, *"Being elected by my co-workers made me want to do a good job. My co-workers feel comfortable talking to me about their concerns. It is my job to document these concerns, present them to the committee, and let my co-workers know of any actions that will be taken."*

PICC discussion topics: The assessment report produced by the BWV Enterprise Advisors serves as the main focus of the initial PICC meetings. Committee members are instructed to study the report, discuss any non-compliance issues with co-workers, and prioritize the topics for discussion. As non-compliance issues get resolved or make their way through the resolution process, ongoing PICC forums focus on workplace concerns expressed by co-workers. During the evaluation interviews, PICC committee members listed a number of workplace concerns that were jointly resolved between workers and management representatives of the PICC. Some topics were subjective, e.g. "not enough food," while others touched on issues affecting the health and well-being of workers such as situations that caused physical or mental stress.

Types of solutions: The GTU leaders emphasized that it is much easier to reach an agreement with management in a PICC meeting than through the enterprise social dialogue mechanism: *"These are face-to-face meetings between workers and managers where we jointly work on solutions."* For example, in one case the supervisors often raised their voices at workers on the production line; this made workers feel anxious during their ten-hour work shift. The PICC members agreed that they needed to promote respect in the workplace. Together, they designed a

Figure 3: Banner in factory reminding employees to work quietly and in harmony



banner to hang from the factory ceiling in each production area to remind everyone to be respectful and to keep voices down (see Figure 5). PICC members mentioned other issues that had timely resolutions including those related to safety, overtime and productivity. While the latter two are usually reserved for discussions in the enterprise social dialogue mechanism, PICC members pointed out that some duplicity exists in the meeting topics.

6.4. IMPACT OF CAPACITY-BUILDING STRATEGIES ON BWV EAs

- *What impact has the project had on the BWV EAs and PICCs?*

The BWV Enterprise Advisors (EAs) are instrumental in promoting industrial relations in the BWV factories. They are responsible for providing assessment services to the factories to ensure compliance with national and international labor standards, and also provide advisory services on the set-up and organization of the PICCs. The BWV-UCD component sought to enhance the capacity of the EAs in the area of industrial relations so that they could more effectively promote IR issues as part of the BWV assessment and advisory services.

The evaluator had the opportunity to interview BWV Enterprise Advisors on three separate occasions over the course of five years: 2013, 2015, and 2018. Interviews in all three instances focused on the EAs' knowledge and promotion of IR issues while carrying out the advisory and assessment services. A total of five EAs were interviewed in 2018; two had participated in the 2013 and 2015 interviews, two had participated in the 2015 interview only, and one EA was new to the program. The evaluator was able to observe significant growth over time in different aspects of the EAs' knowledge and application of industrial relations issues during a period of ongoing changes in the implementing environment. A summary of this information appears in Table 14.

Table 14: EAs' Growth in Knowledge and Promotion of IR Issues (2013-2018)

Points of Comparison	2013	2015	2018
Project IR capacity-building activities targeting BWV EAs	Series of trainings for EAs on industrial relations issues Expert guidance/coaching of EAs to deliver quality advisory services and effectively form and run the PICCs	Advanced training courses on social dialogue and industrial relations; Labor Code revisions and implementation of Decree 60 Joint IR learning activities conducted by EAs with FOLs and VGCL	Active participation by EAs in discussions to revise the PICC guidelines in order to incorporate these revisions into the enterprise social dialogue mechanism
EAs' knowledge and promotion of industrial relations in BWV assessment and advisory services	EAs in 2013 stated that the concept of industrial relations was relatively new to Vietnam. They recognized the need to increase their knowledge of IR issues and learn from the experiences of other countries that have successfully promoted	EAs in 2015 understood their role in creating an "enabling environment" within an enterprise to promote sound industrial relations EAs provided examples of good practices that promoted industrial relations at the enterprise level	EAs in 2018 expressed confidence in their IR knowledge and expertise in the area of social dialogue EAs discussed the differences between PICC and the enterprise social dialogue mechanism, pointing out PICC good practices for potential

Points of Comparison	2013	2015	2018
	industrial relations in the garment sector	EAs contributed to ILO Better Work publication on promoting sound industrial relations BWV established a specialized group of EAs that advise other EAs on industrial relations issues	integration into the enterprise social dialogue mechanism

Discussion: The EAs demonstrated significant growth in their knowledge and promotion of industrial relations issues over the period spanning 2013 to 2018, particularly in the area of social dialogue. Interviews conducted in 2013 revealed that most of the EAs grappled with the “intangible” concepts of industrial relations, as well as how to promote good practices in their advisory services. The project’s capacity-building activities met this need in the project’s first phase (2013-2014) by providing EAs with a series of trainings on IR issues, and permitting industrial relations experts to shadow the EAs during their assessment and advisory services in order to mentor them on the effective application of knowledge and skills learned in the classroom. By 2015, the EAs were widely considered national experts in the area of social dialogue based on their experience with the PICCs. These experiences provided a number of good practices that were integrated that same year into a Better Work publication promoting sound industrial relations. In addition, the BWV program established a core group of EA industrial relations specialists to support other EAs in carrying out advisory and assessment services. In the recent 2018 interviews, EAs confidently discussed industrial relations in Vietnam. They spoke of a plan to revise the PICC guidelines for potential integration into the enterprise social dialogue mechanism, and strongly advocated the inclusion of the fundamental PICC principles of democratic election and continuous improvement in compliance.

6.5. SUSTAINABILITY OF PROJECT OUTCOMES

- *Are the outcomes and impacts produced by the UCD component sustainable without external donor support? If they are continuing beyond the life of the project, how are they presently being sustained?*
- *Has the project remained relevant in the changing political and trade environment in the country?*

The BWV-UCD component integrated sustainability strategies into its project design. These strategies focused on building the capacity of enterprise GTU leaders and provincial FOLs, and embedding industrial relations good practices within BWV factories and the wider garment sector. Table 15 presents the project’s key sustainability strategies, the outcomes and impacts resulting from these strategies, and evidence of sustainability of outcomes six months after the project’s end.

Table 15: BWV-UCD Sustainability Strategies, Key Outcomes and Evidence of Sustainability and Impact

Sustainability Strategies	Key Outcomes	Evidence of Sustainability and Impact
Strengthen the capacity of enterprise GTU representatives on BWV PICCs to effectively contribute to the improvement process	GTU leaders effectively represent workers with regard to PICC issues GTU leaders effectively integrate social dialogue good practices from PICC into the enterprise bipartite social dialogue mechanism	Current GTU leaders that participated in the training have gained knowledge and skills to effectively contribute to the PICC process and negotiate on behalf of workers' interests. The development of a comprehensive training curriculum and supporting materials could be used in future capacity-building efforts of PICC GTU representatives
Strengthen the capacity of upper level trade unions (IZTUs and FOLs) in targeted provinces to effectively support and train GTU members in export apparel factories	Strengthened linkages between the FOLs and GTUs as a result of greater bilateral interaction; provincial FOLs more aware of challenges facing GTUs and how to best support them The seven provincial FOL trainer networks are capable of delivering training courses to GTU leaders on PICC and enterprise social dialogue committees Strengthened delivery and effectiveness of all FOL training programs through integration of active-learning teaching methods within provincial FOLs	Training of FOL trainers has augmented the direct involvement of upper-level trade unions in the training and effective support of GTU leaders Core trade union skills course has become a permanent and integral component of trainings offered by provincial FOLs during quarterly plenary sessions Trainer networks formed in the seven participating FOLs continue to meet periodically to share training experiences and materials, and make contributions to the annual meeting of all provincial FOL trainers VGCL's National Training Center has included the core trade union skills course as a permanent component of trainings offered FOL trainers who participated in the project are serving as "specialized trainers" for courses offered by the VGCL National Training Center
Strengthen the capacity of Vietnamese trade unions to effectively promote bottom-up approaches to union organization <i>(part of the project's pilot initiatives)</i>	GTUs demonstrate bottom-up approaches to union organization, ensuring the participation of workers/trade union members in nominating and electing their leadership and setting their own union agenda Results of pilot demonstrated meaningful changes that provided trade unions with good practices to prepare and undertake a more comprehensive program for innovation and reform	Upper-level trade unions continue to develop, promote and adopt bottom-up approaches to union organizing and collective bargaining, including augmenting the role of GTUs in these processes GTUs continue to play an important role in decision-making processes within the PICC and enterprise social dialogue mechanism
Strengthen the capacity of BWV Enterprise Advisors (EAs) to effectively assess and advise on industrial relations issues and	BWV EAs effectively assess and advise on industrial relations issues in BWV participating factories BWV established a specialized group of EAs that advise other	Specialized group of EAs advise other EAs in setting-up and facilitating PICCs, and integrating industrial relations issues into the BWV advisory and assessment services

Sustainability Strategies	Key Outcomes	Evidence of Sustainability and Impact
international labor standards in participating factories and the wider apparel sector	EAs on industrial relations issues	BW Global provides industrial relations specialists to mentor and provide support and follow-up to EAs on IR issues BWV EAs continue to apply their knowledge of industrial relations issues in assessment and advisory work in BWV factories, with the potential to model this approach in Vietnam's larger garment sector

Discussion: The inclusion of sustainability strategies within the BWV-UCD component's project design resulted in greater sustainability of project outcomes through local ownership, which is the driving force of an effective sustainability strategy. The increased capacity of the GTU representatives on the PICC and the enterprise social dialogue mechanism was the result of the project's training of a core group of provincial FOL trainers. This permanent cadre of trainers provided ongoing training to GTU leaders and members, which strengthened the linkages between the FOLs and GTUs; broadened the FOLs' awareness of GTU industrial relations issues; and guided the focus of technical support and training offered by the FOLs. The project's capacity building of BWV EAs resulted in the development of a specialized group of EAs who now serve as a built-in mechanism for providing advice and support to other EAs in the set-up and facilitation of the PICCs, and managing industrial relations issues that arise as part of the assessment and advisory services. All of the project's capacity-building strategies and the resultant outcomes have remained relevant amidst ongoing changes in Vietnam's labor code, revisions in trade union law, and trade negotiations.

VII CONCLUSIONS – BWV-UCD Component

The following conclusions are based on an analysis of the report findings. They are organized according to the five evaluation areas: (1) project influence on legislative processes; (2) impact of trade union capacity-building strategies; (3) project influence on improved industrial relations; (4) impact of capacity-building strategies on BWV Enterprise Advisors; and (5) sustainability of project outcomes.

7.1. INFLUENCE ON LEGISLATIVE PROCESSES AND OUTCOMES

- The BWV program's Performance Improvement Consultative Committees (PICC) provided an effective bipartite social dialogue model within Vietnam for the inclusion of compulsory social dialogue as part of the revised 2012 Labor Code and the development of Decree 60 implementation guidelines. While both PICC and the enterprise social dialogue mechanism bring worker and management representatives together to discuss workplace conditions, committee members viewed the PICC process as a more efficient and effective mechanism to resolve workplace non-compliance issues and other immediate worker concerns based on the small group format and face-to-face interaction. At the same time, they recognized the enterprise social dialogue mechanism as the legally mandated platform for workers and managers to discuss bilateral workplace issues.

7.2. IMPACT OF TRADE UNION CAPACITY BUILDING

- Project capacity-building efforts significantly strengthened the skills and confidence of GTU members on PICC to effectively participate in the bipartite social dialogue process. The provision of additional training with follow-up support from FOL trainers effectively reinforced GTU members' newly acquired skills and further strengthened the linkages between FOLs and GTUs.
- The training of trainers (TOT) implemented by APHEDA and BWV was instrumental in transforming the FOL training methodology from one-way, instructor-focused teaching to active, student-centered learning. This resulted in a more effective delivery of trainings targeting the GTU members, and suggested the potential for scaling-up the TOT approach to include Vietnam's other provincial FOLs through the VGCL National Training Center.

7.3. INFLUENCE ON IMPROVED INDUSTRIAL RELATIONS

- The BWV-UCD component made timely contributions toward strengthening the industrial relations environment in BWV enterprises and in the larger country context through (a) modeling an effective bipartite social dialogue mechanism in PICC; (b) strengthening GTU leaders to effectively represent workers' interests; (c) strengthening the linkages between upper-level trade unions and GTUs; and (d) increasing the capacity of BWV EAs to promote and facilitate effective industrial relations in BWV

factories. The impact of these contributions was made greater by a project design whose corresponding strategies promoted local ownership of project outcomes.

7.4. IMPACT ON BWV ENTERPRISE ADVISORS

- The BWV EAs demonstrated significant growth in their knowledge and promotion of industrial relations issues over the course of the project, particularly in the area of social dialogue. The mentoring and coaching of the EAs by international IR experts, combined with the support provided by BWV EA industrial relations specialists, added to the EAs' effectiveness in carrying out their advisory and assessment services. The practical experience gained by EAs in establishing and facilitating the BWV PICC led to their recognition as national experts in the area of enterprise social dialogue. Their continued interest in promoting industrial relations in BWV enterprises demonstrates their genuine commitment and that of the larger Better Work program.

7.5. SUSTAINABILITY

- The project's multi-level capacity-building strategies targeting enterprise GTU representatives, upper-level trade unions, and BWV EAs contributed greatly to the long-term impact of enhanced industrial relations in BWV participating factories. This approach and resultant outcomes have remained relevant amidst ongoing changes in Vietnam's labor code, revisions to trade union law, and trade negotiations. The observed resilience of the project's capacity-building strategies coupled with local stakeholders' demonstrated commitment to supporting project goals bodes well for the long-term sustainability of project outcomes.

VIII RECOMMENDATIONS – BWV-UCD Component

The following recommendations are based on the findings and conclusions of the BWV-UCD component evaluation. They are intended to guide USDOL, ILO and APHEDA in the development and implementation of future union capacity development projects within or outside of BWV participating enterprises, and reinforce the demonstrated effectiveness and sustainability of project outcomes.

- (1) **Strengthen the enterprise social dialogue mechanism:** APHEDA and BWV should actively support the strengthening of enterprise social dialogue mechanisms. Firstly, APHEDA should consider conducting an analysis of good practices found in workplace social dialogue mechanisms and disseminate these results to enterprises for integration into their respective social dialogue structures. Secondly, BWV EAs should consider resuming their advisory role with government lawmakers during the revision of Implementation Decree 60, specifically regarding (a) the democratic selection of GTU leaders; (b) formation of smaller committees or subcommittees for enhanced dialogue; and (c) the joint development of an enterprise improvement plan.
- (2) **Promote the expansion of FOL capacity-building activities through the VGCL training center:** BWV and APHEDA should study the cost and feasibility of expanding the project's TOT program through the VGCL National Training Center in order to train the remaining provincial FOL trainers. The current cadre of FOL trainers should conduct the TOTs with technical backstopping from APHEDA and BWV TOT trainers to ensure proper application of the student-centered teaching methodology and to assist in the development of a plan to provide support and follow-up to new trainers.
- (3) **Scale-up efforts to train GTU leaders:** APHEDA should promote and expand the FOL-led capacity-building activities targeting GTU leaders inside and outside of Better Work factories. This would strengthen the linkages between upper-level unions and GTUs, and further reinforce the enterprise social dialogue mechanism. The FOL-led trainings targeting GTU leaders should utilize existing training materials produced by APHEDA that focus on the core trade union skills of social dialogue, bottom-up union organizing, collective bargaining, and negotiation. These trainings would better prepare GTU leaders for the anticipated ratification of ILO Conventions 87 and 98 on freedom of association and the right to collective bargaining.
- (4) **Strengthen the cadre of BWV EA industrial relations specialists:** Better Work Global and Better Work Vietnam should continue to support and strengthen the EA industrial relations specialists in their advisory role by offering them periodic opportunities for professional development and collaboration. Furthermore, EA specialists should expand their role by monitoring the impact of their efforts on industrial relations in the workplace and subsequently share good practices and lessons learned with BWV staff, the larger BW program, and tripartite stakeholders.
- (5) **Promote future collaboration among complementary implementing partners:** BWV should engage in future collaborative efforts to strengthen the capacity of grassroots trade unions. BWV should facilitate pilot activities to demonstrate good practices aligned with

the new industrial relations framework. The successful collaboration between BWV, the ILO-IR project and APHEDA (through ACTRAV) offers several good practices in terms of the three entities playing interlocking and complementary roles to strengthen trade union capacity at the grassroots and provincial levels.

ANNEXES

ANNEX A: TERMS OF REFERENCE

An Independent Multi-Project Evaluation of Improving Labor Laws and Labor Administration within the New Industrial Relations Framework and Better Work Vietnam, Union Capacity Development Component

The U.S. Department of Labor (USDOL) has contracted O'Brien and Associates, International (OAI) to undertake an external evaluation of the *Improving Labor Laws and Labor Administration within the New Industrial Relations Framework* (NIRF) and *Better Work Vietnam (BWV) - Union Capacity Development (UCD) Component* projects in Vietnam. Both project are funded by USDOL and implemented by the International Labor Organization (ILO). The evaluation is intended to assess and document the achievements of the project, assess the likelihood of sustaining key project outputs and results, and document lessons learned that could be applied to other USDOL-funded projects.

The following Terms of Reference (TOR) serves as the framework and guidelines for the evaluation. It is organized according to the following sections.

1. Background of the Projects
2. Purpose, Scope, and Audience
3. Evaluation Questions
4. Evaluation Management and Support
5. Roles and Responsibilities
6. Evaluation Methodology
7. Evaluation Milestones and Timeline
8. Deliverables and Deliverable Schedule
9. Evaluation Report

1. Background of the Projects

Improving Labor Laws and Labor Administration within the New Industrial Relations Framework (2016-2019).

The project assists the government and social partners in Vietnam in bringing Vietnam's law, institutions and industrial relations practices in line with international labor standards, with a particular focus on freedom of association and effective recognition of the right to collective bargaining, while considering local contexts and the needs of Vietnamese workers, businesses and society.

This program will support Vietnam's legislation, government bodies, and labor inspectorate to better serve the needs of Vietnamese workers, businesses, and society. The project's key counterparts include the Ministry of Labor Invalid and Social Affairs (MOLISA), The People's

Committees, and the Department of Labor Invalid and Social Affairs (DOLISA), Industrial Relations Unit (IR Unit).

The project's objectives are summarized below.

1. Reforming laws and regulations governing industrial relations.
2. Creating and assisting new bodies within the government in managing the NIRF including the registration of labor unions of workers' choosing.
3. Strengthening the labor inspection system at national and regional levels.

The project strategy includes the following components:

- Organize tripartite working groups convening government representatives, employers, and workers to champion NIRF in their respective institutions.
- Support a task force, composed of MOLISA and DOLISA, to establish new industrial relations bodies.
- Assist the Industrial Relations Unit in creating a plan for training on effective mediation and arbitration.

Better Work Vietnam (BWV) - Union Capacity Development (UCD) Component (2011-2018).

The BWV-UCD project is funded by USDOL and jointly implemented by three implementing partners: the Bureau for Workers' Activities (ACTRAV), the ILO's Industrial Relations project (ILO IR) in Hanoi, and the Better Work Vietnam program. The Australian Council of Trade Unions, Union Aid Abroad (APHEDA) serves as ACTRAV's implementing partner in Vietnam.

The goal of this project is to support decent work in the apparel sector by increasing the capacity of unions to effectively represent workers in export textile factories. The immediate objectives of the UCD component are the following:

- Strengthened capacity of the union members of the Performance Improvement Consultative Committees (PICCs) in BWV to contribute to the improvement process.
- Increased capacity of enterprise level unions, the textile and garment workers union and the Federations of Labor in BWV-targeted provinces to effectively represent workers in export-oriented workplaces within the garment sector.
- Strengthened capacity of the Vietnamese trade unions by piloting initiatives for innovation of union organization in an expanded number of BWV participating factories.
- Increased capacity of the team of BWV Enterprise Advisors on industrial relations issues and international labor standards.

2. Purpose, Focus, and Audience of Evaluation

The purpose of the multi-project evaluation is to:

1. Assess the projects' performance and achievements.
2. Enhance the learning and management of results among USDOL's implementers (ILO and country partners).
3. Capture key good practices and lessons learned that could be important to the Vietnamese stakeholders, ILO and USDOL for future labor-related projects in Vietnam.

Specifically, for the NIRF project, the evaluation aims to:

4. Identify what is working well, key challenges, and recommendations on how to overcome challenges.
5. Determine the feasibility of implementing project strategies proposed in the revised ProDoc sent on February 13, 2018 given the time left on the project and the political will of the Government of Vietnam and other relevant stakeholders.
6. Identify implementation strategies that will lead to maximum impacts and ensure the achievement of the project's desired results.

The project will be evaluated through the lens of a diverse range of stakeholders that participate in and are intended to benefit from the project's interventions. Data will be collected from selected project documents and reports and interviews with key project personnel, partners, and stakeholders in Vietnam.

The primary **audiences** of the evaluation are USDOL and ILO. Both organizations intend to use the evaluation report to determine the strengths and weaknesses of the project design and implementation.

3. Evaluation Questions

To serve these purposes, this final evaluation will focus on documenting key achievements and lessons that USDOL and ILO can apply to similar projects, and the likelihood of sustaining key results and outputs.

NIRF

Relevance and strategic fit

1. To what extent is the project relevant to the priorities and needs of the Government of Vietnam and local stakeholders considering the constantly changing internal and external environment? If still relevant, what is preventing the NIRF project from being approved by the Government of Vietnam?

Validity of the project design

2. Does the project have a logical and realistic design with clearly defined outcomes and outputs? Are further project design modifications needed in the second half of the project, and why?

3. How appropriate and useful are the performance indicators described in the PMP in assessing the project's progress at outcome and output levels? Are the means of verification for the indicators appropriate?
4. Are the assumptions stated in the latest version of the ProDoc realistic?

Effectiveness and efficiency

5. To what extent have the expenditures been cost-effective so far? To what extent do planned expenditures duplicate other ILO efforts? What is the likelihood that planned activities, outputs and outcomes will be completed or achieved on time?
6. Are the planned interventions likely to be the most efficient way to achieve the desired outcomes compared to alternatives? What are internal and external factors that have hindered or facilitated achievement of the desired outcomes?
7. To what extent do project management capacities and staffing arrangements support or limit the achievement of the planned results? Is there any need to adjust the project's management and staffing structure?
8. Have resources been allocated/ used strategically to achieve its three medium-term outcomes (MTOs)? What are the factors that have hindered timely delivery of outputs? What measures have been put in place to mitigate further delays?
9. How should the project reallocate resources or adjust activities in order to improve the achievement of its MTOs? Is the remaining project period sufficient to achieve its MTOs?
10. Is the project working effectively with other non-USDOL-funded components of the NIRF program to avoid duplication of resources or efforts?

Sustainability

11. To what extent are the project's outcomes likely to be durable and maintained by local stakeholders after external assistance has ended? What actions should the ILO, GoV and USDOL take to ensure sustainability of the impacts produced by this project beyond the remaining period of the project?

Cross-cutting issues

12. Given that NIRF is at an early stage of implementation engaging with some of the same issues, stakeholders and institutions as the BWV/UCB project, what, if anything, should the NIRF project learn from the BWV/UCB project that could increase its effectiveness/impact?

BWV/UCD

1. Has the project influenced legislative processes and outcomes?

2. Has the project remained relevant in the changing political and trade environment in the country?
3. How has the project contributed to building the capacity of trade unions and helped improve the industrial relations environment in participating enterprises?
4. How has the project impacted the capacity of VGCL/ FOLs, through the engagement of their staff in the PICC ToT?
5. What impact has the project had on the BWV EAs and PICCs?
6. Are the outcomes and impacts produced by the UCD component sustainable without external donor support? If they are continuing beyond the life of the project, how are they presently being sustained?
7. What impact has the project had on the linkages between the enterprise-level trade unions, PICCs, and upper-level trade unions?

4. Evaluation Management and Support

Michele González Arroyo will serve as the lead evaluator. Michele conducted the multi-project evaluation of USDOL-funded projects in Vietnam in 2015 and the midterm evaluation of the Union Capacity Development component of the ILO Better Work Program in 2013. Based on experience gained from the previous evaluations, Michele is familiar with the key private sector and government actors that will help her focus the key informant interviews and focus group discussions. In addition, Michele developed a highly effective professional working relationship with ILO managers and implementers during the previous evaluations.

Michele is an education, training and evaluation expert. She has twenty years of practical experience planning and implementing education and training programs for hundreds of workers, community leaders and labor representatives focusing on occupational safety and health, workers' rights, discrimination, and adult literacy issues. In addition to her teaching, training and research experience, Michele has conducted over 30 evaluations of international development projects in Asia and Latin America. Projects focused on workers' rights, child labor and occupational health and safety. In Asia, Michele has evaluated projects for USDOL and ILO in Vietnam, Cambodia, and Indonesia.

Roles and Responsibilities

The evaluator is responsible for conducting the independent final evaluation according to the terms of reference (TOR). She will:

- Receive, respond to or incorporate input from ILO and USDOL on the initial TOR draft
- Finalize and submit the TOR and share (concurrently) with ILO and USDOL
- Review project background documents
- Review the evaluation questions and refine the questions, as necessary
- Develop and implement an evaluation methodology (i.e., surveys, conduct interviews, review documents) to answer the evaluation questions

- Conduct planning meetings/calls, as necessary, with USDOL and ILO
- Decide composition of field visit interviews to ensure objectivity of the evaluation
- Present verbally preliminary findings to project field staff and other stakeholders as determined in consultation with USDOL and ILO
- Prepare an initial draft (48-hour and 2-week reviews) of the evaluation report and share with USDOL and ILO
- Prepare and submit final report

USDOL is responsible for:

- Providing input to the TOR
- Reviewing proposed evaluator
- Providing project background documents to the evaluator (responsibility is shared with ILO)
- Obtaining country clearance
- Briefing ILO on upcoming visit and work with them to ensure coordination and preparation for evaluator
- Reviewing and providing comments of the draft evaluation report
- Approving the final draft of the evaluation report
- Participating in the pre- and post-trip debriefing and interviews
- Including USDOL-evaluation contract COR on all communication with evaluator

ILO is responsible for:

- Reviewing the TOR; providing input, as necessary, directly to the evaluator and agreeing on final draft
- Providing project background materials to the evaluator as requested
- Preparing a list of recommended interviewees
- Scheduling meetings for field visit and coordinating all logistical arrangements
- Reviewing and providing comments on the draft evaluation reports
- Organizing, financing, and participating in the stakeholder debrief
- Providing local transportation to meetings and interviews
- Including USDOL program office on all written communication with evaluator

5. Evaluation Methodology

The evaluation shall draw on six methods: 1) review of documents, 2) review of operating and financial data, 3) interviews with key informants, 4) field visits, 5) a stakeholder meeting to present and discuss preliminary findings, and 6) a post-trip debrief call with USDOL and ILO.

Document Review: The evaluator will review the following documents before conducting any interviews or trips in the region.

- The Project Document (ProDoc)
- Previous evaluation reports
- Cooperative Agreement (CA)
- Technical Progress Reports (TPRs), financial reports, and donor comments
- Reports on specific project activities
- Training materials
- Trip reports, field visits, meetings, needs assessments and other reports
- Results Framework/Logic Model, PMP, Data Tracking Tables and performance indicators
- Work plans and budgets
- Any other relevant documents

Interviews with key informants: Interviews are to be conducted with key program stakeholders (by phone, Skype or in-person) including (but not limited to):

- USDOL project management team
- Relevant ILO officials in Geneva and ILO regional team in Bangkok
- ILO Vietnam officials and project key personnel and staff
- Government counterparts and related agencies
- Civil society organizations participating in or supporting project activities
- Other collaborating projects and partners, as appropriate

Fieldwork in Vietnam: The evaluator will meet the project directors and project teams to discuss the purpose and logistics of the evaluation. In addition, the project team will assist the evaluator to schedule interviews with the key informants listed above and any others deemed appropriate.

The evaluator will interview some key informants separately and others in small focus groups, as appropriate. The evaluator will work with project staff to develop a list of criteria that will be used to select a non-random sample of site visits / key informants to interview. Interviews with all relevant ILO representatives outside Vietnam will be conducted by telephone (or Skype) once the fieldwork is completed.

The exact itinerary will be determined based on scheduling and availability of interviewees. Meetings will be scheduled in advance of the field visit by the project staff, coordinated by the designated project staff, in accordance with the evaluator's requests and consistent with these terms of reference. All interviews and meetings will be conducted in English or translated into Vietnamese with the assistance of a professional translator. *The evaluator must conduct interviews with beneficiaries and stakeholders without the participation of any project staff.*

USDOL is interested to learn from and apply good practices to its projects as well as communicate them to USDOL audiences through its communication strategy. To contribute to this compilation of good practices, the evaluator will identify and document good practices and successes during interviews with project beneficiaries and stakeholders along with pictures (when feasible) and

compelling quotes that evoke the person's hopes for the future. The goal is to show how ILAB-funded interventions help USDOL meet its mission by telling the story of a particular person whose life has either been transformed as a result of the project or who is better able to positively impact the lives of others thanks to the project. The purpose of these vignettes is to raise awareness of international worker rights and the work ILAB is doing to advance them. Any pictures or quotes gathered by the evaluator from interviewees should be accompanied by a signed waiver (see Attachment A) granting USDOL the right to use and publish their name, words, and photo through any medium in USDOL publications.

Stakeholder debriefings: Before departure from Vietnam, the evaluator will conduct a debriefing meeting with project staff and key stakeholders to present and discuss initial findings of the evaluation and solicit input from stakeholders.

Post Trip Debriefings: Upon return from Vietnam, the evaluator will provide a post-trip debrief by phone to relevant USDOL and ILO staff to share initial findings and seek any clarifying guidance needed to prepare the report. Upon completion of the report, the evaluator will provide a debriefing to relevant USDOL and ILO staff on the evaluation findings, conclusions, and recommendations, as well as the evaluation process. In discussing the evaluation process, the evaluator will clearly describe the constraints generated by the retrospective nature of this evaluation methodology and data collection and how those constraints could be avoided in future evaluations.

Ethical Considerations: The evaluator will observe utmost confidentiality related to sensitive information and feedback elicited during the individual and group interviews. To mitigate bias during the data collection process and ensure a maximum freedom of expression of the implementing partners, stakeholders, communities, and beneficiaries, implementing partner staff will generally not be present during interviews. However, implementing partner staff may accompany the evaluator to make introductions whenever necessary, to facilitate the evaluation process, make respondents feel comfortable, and to allow the evaluator to observe the interaction between the implementing partner staff and the interviewees.

Limitations: The scope of the evaluation specifies up to three weeks of fieldwork, which is not enough time to visit all of the project sites to undertake data collection activities. As a result, the evaluator will not be able to consider all sites when formulating her findings. All efforts will be made to ensure that the evaluator is visiting a representative sample of sites, including some that have performed well and some that have experienced challenges.

This is not a formal impact assessment. Findings for the evaluation will be based on information collected from background documents and in interviews with stakeholders, project staff, and beneficiaries. The accuracy of the evaluation findings will be determined by the integrity of information provided to the evaluator from these sources and the ability of the latter to triangulate this information.

6. Evaluation Milestones and Timeline

Activity	Date	Products/Comments
Prepare and submit TOR	Mar 21	Draft TOR
Evaluator logistics and briefing call with USDOL	TBD	
Doc reviews, methodology, data collection instruments	April 2-5	Final evaluation questions Methodology section Instruments
Fieldwork in Vietnam	May 2-18	Preliminary findings presentation
Stakeholder Meeting	May 13 and 18	Power Point presentation slides
USDOL and ILO debrief calls (separately)	TBD	Debrief notes
Analysis and report writing	May 21-June 11	
Send first draft report for 48-hour review	June 11	Draft Report 1
Revise and send second draft report for 2-week review	June 14	Draft Report 2
Finalize and send final report	July 2	Final Report

** These dates depend on when USDOL and ILO provide comments to evaluator*

7. DELIVERABLES AND DELIVERABLE SCHEDULE

- A. Finalized TOR with USDOL and ILO consensus, March 21, 2018
- B. Method to be used during field visit, including itinerary, April 5, 2018
- C. Stakeholder debriefing meeting/presentations, May 13 and 18, 2018
- D. USDOL and ILO debrief calls, TBD
- E. Draft Report 1 to USDOL and ILO, June 11, 2018
- F. Draft Report 2 to USDOL and ILO by June 14, 2018
- G. Final Report to USDOL and ILO by July 2, 2018

8. Evaluation Report

The evaluator will complete a draft report of the evaluation following the outline below and will share it with USDOL and ILO for an initial 48-hour review. Once the evaluator receives comments, they will make the necessary changes and submit a revised report. USDOL and ILO will have two weeks (ten business days) to provide comments on the revised draft report. The evaluator will produce a second draft incorporating the comments from USDOL and ILO where appropriate, and provide a final version within three days of having received final comments.

The final version of the report will follow the format below (page lengths by section illustrative only) and be no more than 30 pages in length, excluding the annexes:

Report

1. Title page (1)
2. Table of Contents and Lists (tables, graphs, etc.) (1)
3. Acronyms (1)
4. Executive Summary (4-5)
5. Background and Project Description (1)
6. Purpose of Evaluation (1)
7. Evaluation Methodology (1)
8. Findings - This section should be organized around the six key issues outlined in the TOR (20)
 - a. Relevance and Strategic Fit
 - b. Validity of the Project Design
 - c. Project Progress and Effectiveness
 - d. Effectiveness of Management Arrangements
 - e. Efficiency of Resource Use
 - f. Impact Orientation and Sustainability
9. Lessons Learned and Good Practices (2)
10. Conclusions (2)
11. Recommendations (2)
12. Annexes
 - Terms of reference
 - Strategic framework
 - Project PMP and data tables
 - Project workplan
 - List of meetings and interviews
 - Any other relevant documents

ANNEX B: INTERVIEW GUIDE

USDOL Multi-project Evaluation in Vietnam Interview Guide

NIRF

Relevance and Strategic Fit

1. To what extent is the project still relevant to the current priorities and needs of the Government of Vietnam and local stakeholders? If still relevant, what is preventing the NIRF project from being approved by the Government of Vietnam?

Validity of the project design

2. Does the project have a logical and realistic design with clearly defined outcomes and outputs? Are further project design modifications needed in the second half of the project?
3. How appropriate and useful are the performance indicators described in the PMP in assessing the project's progress at outcome and output levels? Are the means of verification for the indicators appropriate?
4. Are the assumptions stated in the latest version of the ProDoc realistic? What evidence is there that the Labor Code revisions will be submitted by the end of 2018 and adopted by the NA by the end of 2019?

Effectiveness and Efficiency

5. To what extent have the expenditures been cost-effective so far? What is the likelihood that planned activities, outputs and outcomes will be completed or achieved on time? Should the project reallocate resources or adjust activities in order to improve the achievement of its MTOs?
6. What are internal and external factors that have hindered or facilitated achievement of the desired outcomes?
7. To what extent do project management capacities and staffing arrangements support or limit the achievement of the planned results? Is there any need to adjust the project's management and staffing structure?
8. Have resources been allocated/ used strategically to achieve its three medium-term outcomes (MTOs)? What are the factors that have hindered timely delivery of outputs? What measures have been put in place to mitigate further delays?
9. Is the project working effectively with other non-USDOL-funded components of the NIRF program to avoid duplication of resources or efforts?

Sustainability

10. To what extent are the project's outcomes likely to be durable and maintained by local stakeholders after external assistance has ended? What actions should the ILO, GoV and USDOL take to ensure sustainability of the impacts produced by this project beyond the remaining period of the project?

Cross-cutting Issues

11. Given that NIRF is at an early stage of implementation engaging with some of the same issues, stakeholders and institutions as the BWV/UCB project, what, if anything, should the NIRF project learn from the BWV/UCB project that could increase its effectiveness/impact?

BWV/UCD

1. Has the project influenced legislative processes and outcomes?
2. Has the project remained relevant in the changing political and trade environment in the country?
3. How has the project contributed to building the capacity of trade unions and helped improve the industrial relations environment in participating enterprises?
4. How has the project impacted the capacity of VGCL/ FOLs, through the engagement of their staff in the PICC ToT?
5. What impact has the project had on the BWV EAs and PICCs?
6. Are the outcomes and impacts produced by the UCD component sustainable without external donor support? If they are continuing beyond the life of the project, how are they presently being sustained?
7. What impact has the project had on the linkages between the enterprise-level trade unions, PICCs, and upper-level trade unions?

ANNEX C: LIST OF DOCUMENTS REVIEWED

General Reference Documents

1. The ILO Declaration on Fundamental Principles and Rights at Work (1992).
<https://www.ilo.org/declaration/lang--en/index.htm>
2. ILO, “Vietnam Labor Code dated 23 June 1994.” *National Laws on Labor, Social Security and Related Human Rights (NATLEX)*,
<http://www.ilo.org/dyn/natlex/docs/WEBTEXT/38229/64933/E94VNM01.htm>
3. Clark, Simon, Chang-Hee Lee, et. al., “From Rights to Interests: The Challenge of Industrial Relations in Vietnam,” *Journal of Industrial Relations*, 49 (4), September 2007, publication downloaded on 21 May 2018,
<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.602.2460&rep=rep1&type=pdf>
4. USTR, “United States-Vietnam Plan for the Enhancement of Trade and Labor Relations,” 4 February 2016, <https://ustr.gov/sites/default/files/TPP-Final-Text-Labor-US-VN-Plan-for-Enhancement-of-Trade-and-Labor-Relations.pdf>
5. United Nations, *One Strategic Plan between the Government of the Socialist Republic of Vietnam and the United Nations in Vietnam 2017-2020*,
http://www.un.org.vn/en/publications/doc_details/542-one-strategic-plan-2017-2021.html
6. Government of Vietnam, “Comprehensive and Progressive Agreement for Trans-Pacific Partnership, Side Instruments Involving Canada. 8 March 2018,”
http://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/cptpp-ptpgp/text-texte/sl_la-vietnam.aspx?lang=eng#5
7. Government of Vietnam, Decree 16/2016 ND-CP dated 16/03/2016 on management and use of official development assistance (ODA) and concessional loans of foreign donors,
<http://vbpl.vn/TW/Pages/vbpqen-toanvan.aspx?ItemID=11065>
8. Government of Vietnam, Clause 3, Article 63 of the 2012 Labor Code stipulated that enterprises must establish a dialogue mechanism at the workplace,
<http://www.ilo.org/dyn/natlex/docs/MONOGRAPH/91650/114939/F224084256/VNM91650.pdf>
9. ILO, Government of Vietnam, Decree No. 60/2013/ND-CP of June 19, 2013 detailing clause 3, Article 63 of the Labor Code regarding the implementation of regulations requiring a social dialogue mechanism at the workplace,
http://www.ilo.org/dyn/natlex/natlex4.detail?p_lang=en&p_isn=94441
10. USDOL ILAB, “Management Procedures and Guidelines for Cooperative Agreements with OTLA, 2015.”
https://www.dol.gov/ilab/grants/OTLA_2015_09_10_FY2015_MPG.pdf
11. USDOL ILAB, Management Procedures and Guidelines for Cooperative Agreements with OTLA, 2017.
https://www.dol.gov/sites/default/files/documents/ilab/2017_12_22_OTLA_MPG_F_0.pdf

Evaluations

12. Gonzalez Arroyo, Michele, “Independent Mid-term Evaluation of the Union Capacity Building Component of the Better Work Vietnam Program, June 2013, https://www.dol.gov/sites/default/files/images/ilab/Vietnam_Midterm.pdf
13. ¹ Gonzalez Arroyo, Michele, “Independent Evaluation, USDOL’s Technical Cooperation Portfolio Promoting Workers’ Rights in Vietnam,” December 2015, https://www.dol.gov/ilab/projects/summaries/Vietnam_USDOL_Multi-Project_Evaluation_Final_Report_wopii.pdf

Project Document, Work plan and TPRs – NIRF

14. ILO, Project Document (February and June 2018), “Developing a New Industrial Relations Framework in respect of the ILO Declaration on Fundamental Principles and Rights at Work (NIRF Project).”
15. Project Work Plan June 2018
16. Project Implementation Plan, February 2018
17. Output-based Budget, April 2018
18. Technical Progress Reports (seven reports from Jan. 2017 to April 2018)

BWV-UCD Project

Project Document, Workplan and TPRs

1. Project Document (PRODOC), “Better Work Vietnam: Union Capacity Development – Phase II”
2. Project Work Plan – 2014-2017
3. Performance Monitoring Plan (PMP) Phase I and Phase II
4. Final Technical Progress Report submitted March 2018

ANNEX D: LIST OF PERSONS INTERVIEWED

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ANNEX E: STAKEHOLDER MEETING PARTICIPANTS

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ANNEX F: BWV-UCD PROJECT RESULTS FRAMEWORK/LOGFRAME

Developmental impact: *To improve the lives and working conditions of garment workers in Vietnam through the development of a strong, representative and responsive labor movement and improved adherence to national labor laws and international labor standards.*

Immediate Objective 1: *Union members of PICCs in BWV will have strengthened their capacity to contribute to the factory's compliance improvement process*

Output 1.1. Improvement in ability of the union members of the PICCs to represent workers voices in regard PICC issues is demonstrated.

- Create training places for PICC union representatives
- Establish baseline and follow up survey of union PICC reps
- Provide Training of Trainers program for core trainers of PICC courses
- Produce PICC training manuals and PICC guidebooks
- Recruit and place Technical Advisors/Trainers
- Organise meetings of Project Steering and Monitoring Committees
- Develop coaching materials between PICC union members
- Maintain monitoring and management system
- Conduct internal evaluation and learning

Immediate Objective 2: *Factory level unions, the garment workers' union and the Federations of Labor in BWV-targeted provinces will have increased their capacity to effectively represent workers in export-oriented workplaces within the garment sector.*

Output 2.1. District and Provincial unions in targeted provinces are better able to support factory level unions.

- Train new trainers in teaching methods from participating PFOLs
- Support trainers to apply skills learnt previously in their workplace training, build in peer support and review and provide training on content and methods for information sessions
- Support Trainers Learning Networks (Provincial)
- Establish key trainers group to lead curriculum development and mentoring sustainably post project
- Recruit and place Technical Advisors/Trainers

Output 2.2. Union capacity in organizing workers in export-oriented garment factories is increased and unions understand better the mechanisms and strategies to better represent workers' interests.

- Conduct training needs assessment and baseline survey for union leaders in targeted factories (executive and group leaders) in targeted factories and pilots
- Train trade union leaders from factories (from PFOLs) through one-day courses
- Support and provide post-training follow-up advice to factory level union committees
- Conduct information sessions for 12,600 workers at factories
- Maintain management and monitoring system

Immediate Objective 3: *The trade unions will have strengthened their capacity to represent workers/union members' interests in collective dialogue and bargaining, and in applying innovative pilots for union organization in an expanded number of BWV factories.*

Output 3.1. Good practices and lessons learned from earlier pilot initiatives on bottom-up union organization are consolidated for wider dissemination, application and institutionalization

- Develop summary and consolidation of good practices and lessons learned from pilot initiative on coordinated collective bargaining, with the support of the upper level trade union.
- Organize a workshop to disseminate and discuss good practices and lessons learned from union work in national-level policymaking, strategies and actions (in collaboration with activity 1.1.9)

Output 3.2 Trade union pilot initiatives are implemented in existing and potential Better Work factories.

Conduct a baseline survey in pilot factories.

- Launch Pilot initiatives to strengthen the coordination of upper-level trade unions in supporting effective grassroots trade unions (Ho Chi Minh City)
- Launch Pilot initiative on coordinated collective bargaining and wage negotiations in Better Work factories (Binh Duong)
- Conduct evaluation of pilot initiatives by VGCL and all pilot participating units (internal review by each implementing unit)
- Conduct quarterly reviews and planning by pilot units
- Organize Focus Group Exchanges on trade union developments and industrial relations Challenges EA/Industrial Zone Pilot Activities Focus Group Exchanges – Annual meetings with varying topics of high interest

Output 3.3 Operational guidelines for effective implementation of key VGCL directions on union and industrial relations development under the context of the new Labor Code and Trade Union Law are developed and disseminated

- Develop a handbook on protection of trade union rights
- Develop a trade union handbook on strengthening factory unions through the PICC mechanism
- Publish and disseminate operational handbook
- Provide related staff travel (ILO Monitoring and technical input) and staff Admin support (CO Hanoi)
- Appoint a focal point from each pilot to join the combined PSC

Immediate Objective 4: Better Work Enterprise Advisors (EAs) will be able to effectively promote social dialogue and freedom of association in participating factories.

Output 4.1. Enterprise Advisors are equipped with additional tools and knowledge to promote sound industrial relations at the factory level.

- Deliver advanced training courses on Social Dialogue and Industrial relations (using local and international consultants)
- Provide capacity building for EAs on the new Trade Union Law and decree and guidance on implementation of the law
- Conduct shared learning workshops with the ILO IR project
- Conduct shared learning workshops with VGCL and FOLs
- Deliver in-office and on-site coaching for EAs
- Deliver coaching for IR distance learners (EAs)
- Provide EA training on Freedom of Association
- Provide capacity building for the Industrial Relations focal point (BWV)
- Rollout the Industrial Relations toolkit to support BWV advisory services

Output 4.2. Enhance the quality assurance support on industrial relations for Better Work Enterprise Advisors

- Provide technical guidance and training to EAs (provided by ILO specialists)

- Provide technical advice to BWV EA team (provided by ILO Hanoi industrial relations specialist)
- Organize advisory service “shadow visits” for EA team leaders
- Organize PICC observation visits for FOL trainers
- Participate in Apheda training courses for feedback and continuous improvement

Output 4.3. Increased participation of Federations of Labor (FOLs) in the delivery of BWV advisory services

- Organize in-factory activities between Better Work Vietnam and Federations of Labor
- Engage VGCL and FOL in Better Work workshops and shared learning seminars
- Conduct joint GRTU-FOL workshops
- Organize shared learning workshops for PICC members and with GRTU and Federations of Labor

Output 4.4. Strengthen social dialogue at the factory level, in collaboration with national stakeholders

- Develop guidelines on Social Dialogue for garment factories
- Develop guidelines to help align PICCs with Labor Law requirements on social dialogue
- Produce communication and advocacy materials for PICC elections
- Establish a mechanism for supporting factory-level PICC elections with Provincial and Industrial Zone Federations of Labor