



# Evaluation Summaries

## *Combined Evaluation of ILO/IPEC garment sector projects as part of the “Memorandum of Understanding” framework with the Bangladesh Garment Manufacturers and Exporters Association*

### Quick Facts

**Countries:** *Bangladesh*

**Final Evaluation:** *April 2004*

**Mode of Evaluation:** *Independent*

**Technical Area:** *Child Labour*

**Evaluation Management:** *IPEC*

**Evaluation Team:** Mr Keith Jeddere-Fisher and Ms Sumaiya Khair,

**Project Code:** *BGD/00/52/USA, BGD/98/M01/ITA , BGD/99/M02/NAD*

**Donor:** *United States Department of Labour (USDOL; Italian Social Partners; Government of Norway*

**Keywords:** *Child Labour, Garment Industry*

### Background & Context

#### **Summary of the project purpose, logic and structure**

In July 1995 BGMEA, UNICEF and ILO signed a Memorandum of Understanding in order to work together to remove and rehabilitate child workers in the garment industry. A second MOU was signed in July 2000 and ILO/IPEC implemented 3 projects that contributed to the fulfilment of the MOU's objectives. The USDOL funded BGMEA Phase III, the ISPI funded and the NORAD funded extended components.

This study is both a final evaluation of each of these three projects and a programme evaluation of the whole ILO/IPEC BGMEA intervention. The purpose is to document the process and the achievements.

### **Methodology of evaluation**

This evaluation is based on the terms of reference (ToR) produced by ILO/IPEC. These ToR are developed according to the ILO/IPEC evaluation guidelines and are based on the outcome of a participatory consultative process on the nature and specific purpose of the evaluation. The ToR suggest some specific topics and special concerns that should be covered by the evaluation, a general description of the methodology and process to be followed, and some guidelines for this report.

The evaluation was carried out by an independent team, consisting of Mr Keith Jeddere-Fisher (Team Leader) and Ms Sumaiya Khair, from the 1st of September until the 24<sup>th</sup> of October 2003 when the Final Draft report was submitted. The report was finalised in March 2004 when comments on the draft had been received from the stakeholders.

Project documents, including reports and selected correspondence files were reviewed.

A list of these documents is given in appendix 7. Semi-structured interviews were carried out with key informants in Dhaka and existing and past project staff gave an overview of the projects and their activities.

Use was made of the Projects' monitoring and reporting processes, including the six monthly and annual reports made to ILO and the donors. No attempt was made to duplicate the collection of the quantitative data available from these sources. During field visits and interactions with implementing partners and project beneficiaries, observations were made in order to verify the project monitoring results.

Following the overview provided by the staff and from documentation, visits were made to garment manufacturing units, skill-training providers, and to the businesses that were being operated by participants in the credit programmes. Meetings were held with ex-garment industry working children at the skill training centres, in their subsequent places of work and in focus-group meetings. Focus-group meetings were also held with cluster savings and credit groups. A non-formal education centre was visited. These interactions occurred in all of the main garment manufacturing areas of Dhaka, Mirpur, Savar, Narayanganj and Chittagong. Skill training and savings and credit activities of both the ISPI and NORAD-funded components were visited.

## Main Findings & Conclusions

The BGMEA Phase III project experienced difficulties at the design and commissioning stages. There was a 9 month bridging period from the conclusion of the earlier phase until the project document was approved and there was a further 9 months when the project was unable to obtain access to the funds. During this period the project continued to effectively manage the main output, the monitoring and verification of the garment factories. The CTA left the project in the middle of this period so there were 11 months with no CTA and no

alternative management system was put in place.

The need for the skill training for ex-child workers was identified in 1997 and the first project documents prepared then and in 1998 on the basis of the number of children graduating from the schools at that time. Due to extended negotiations with donors and implementing partners, the two projects started in late 1999 (ISPI) and 2000 (NORAD). By this time many of the MOU children had left the schools and had taken up employment. The target numbers of these projects were revised downwards, and other child workers included in the target group. The number of MOU families able to benefit from micro-credit was restricted by the size of the funds available. The management of the implementation of the ISPI and NORAD projects has been systematic and effective.

The MOU Steering Committee has not met during the 2<sup>nd</sup> MOU and has not provided any management to the BGMEA projects. The Education Core Group has been an effective forum for coordinating the implementation of the education components.

BGMEA has benefited greatly from the child labour free status that the project has given it. Some of their financial contributions towards the MOU are long overdue.

The monitoring of the factories has continued uninterrupted, and the number of factories employing child labour has continued to drop with 6.6% of factories employing child labour in 2001. The figure has continued to drop and is now 0.96%. Child labour is approximately 0.004% of the workforce in BGMEA factories. Due to the small number of children being identified and removed from the factories, the unit cost per child is now over US\$ 1,000. The project also continued to monitor enrolment in schools. Although there has been a slight improvement, the enrolment rate is still low at 21% in 2001. The number of children is now small and the distance to the nearest school is a constraint.

During the MOU 2 period skill training has been provided by ISPI and NORAD to all MOU children becoming 14 in the schools. By December 2003 when both projects will be

completed, 2,750 children will have received training in a variety of skills, equipping them for both wage and self-employment. 816 of them are MOU children; the rest are either MOU children's siblings or other working children. Over half of the children are either in employment related to their skill training or in further education.

451 MOU families have received entrepreneurship training and have received credit through the ISPI and NORAD projects. Recovery rates and the lack of defaulters have been impressive and this is due to the intensive support and follow-up provided by the project monitors and the trainers. There has been a significant impact on the social and economic status of the mainly female participants. The number of children being sent to school by these participants is significantly higher now than before.

During BGMEA Phase III, a broader labour standards project was prepared, and this project has successfully continued the child labour monitoring. It was planned that this project would discontinue the child labour monitoring in all of the BGMEA factories from January 2004 but this has been postponed.

Little was done during BGMEA Phase III to develop BGMEA's capacity to manage the monitoring system and BGMEA were reluctant to take on the responsibility.

BGMEA Phase III was expected to develop a manual documenting the monitoring system and to carry out a tracer study to assess the impact of the MOU interventions on the garment factory child workers. Due to the late release of funds and the lack of management neither of these outputs had progressed by December 2001. Since that time delays have continued and these outputs are now nearing completion. The tracer study will add valuable quantitative data on the impact of the interventions on the children and their families and information on those not enrolled in school.

The future of child labour monitoring in the majority of BGMEA factories is uncertain after January 2004.

Of the 27,951 garment factory child workers that were identified through surveys and monitoring, 8,517 (30%) were enrolled in schools, 2,035 (7%) completed skill training and 451 (1.6%) families have received micro-credit.

The child labour monitoring system is not yet sustainable without ILO's support. The sustainability of the skill training is in the trainees. Many of them are using the skills learnt and will continue to benefit from their training with no further input from the projects. The majority of the micro-credit participants have developed confidence and skills that they will continue to use to achieve an improved standard of living even if no further credit is available.

## Recommendations & Lessons Learned

### Main recommendations and follow-up

#### For BGMEA

BGMEA should immediately pay their outstanding contribution to the MOU 2 project.

BGMEA should provide a written description to the Partnership Project showing how it monitors the collection of the penalties, and a record of all fines levied and payments received since July 2000.

BGMEA should discuss and revise the level of the penalty so that it is an effective disincentive to employing child workers. This revision should take effect from January 2004.

BGMEA, with the support of the partnership project, needs to urgently explore options to maintain the child labour monitoring in the industry.

#### For ILO/IPEC

ILO/IPEC should carry out a detailed study of the effect of family economic empowerment with awareness raising on the decision whether to send children to school or to work. The cost effectiveness of this approach could be compared with removal and rehabilitation programmes.

When there are outstanding components of a project that is otherwise complete, ILO/IPEC need to ensure that appropriate technical staff are appointed and equipped to complete the commitments in a professional manner

ILO/IPEC should study the child labour situation and explore the possibility of working with the industry and the government to eliminate child labour in the knitwear and shrimp sectors.

### **For the Partnership Project**

The Partnership Project should provide advice to BGMEA on how to manage the child labour monitoring in all of their factories.

### **For ILO and for donors**

ILO and their donors need to review the cost-effective use of their resources.

If the spirit of the MOU is to be maintained, then ILO/IPEC/donors should continue to provide skill training and micro-credit to MOU children and their families.

### **Important lessons learned**

1. Education and other rehabilitation interventions need to be ready to implement immediately when children are withdrawn from work and when they are moving from one assistance programme to another.
2. Preparation and approval of project documents can take a long time, and where there is more than one implementing partner, are likely to take even longer. This can have serious consequences on the achievement of the project objectives.
3. When there is no CTA or NPC, then ILO/IPEC should formerly put an alternative and effective project management structure in place.
4. If there is more than one organisation involved in implementation, there

needs to be an effective steering committee or similar that continues in force at least until the final evaluation.

5. Job counselling and the placement of trainees in appropriate work should be incorporated in the activities and objectives of skill training projects.
6. Micro-credit programmes should be designed for 36 months, so that the third 12 monthly cycle of credit can be initiated before the project closes.
7. Micro-credit receivers should be given entrepreneurship refresher training prior to receiving their second cycle of credit.