



# Evaluation Summary



International  
Labour  
Office

Evaluation  
Office

## *Independent Cluster Evaluation of: Better Work Lesotho (Final); Better Work Nicaragua (Final); Better Work Haiti (Mid-Term)*

### Quick Facts

**Countries:** Haiti, Nicaragua, Lesotho

**Mid-Term (Haiti) and Final Evaluation  
(Nicaragua and Lesotho):** May – August 2017

**Evaluation Mode:** Independent Cluster

**Administrative Office:** DWT/CO-San Jose

**Technical Office:** Better Work Global

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**Project Code:** LES/14/52/USA; LES/12/01/USA;  
LES/11/50/USA; NIC/15/01/USA; HAI/12/01/USA;  
HAI/12/51/USA

**Donor(s) & Budget:** Lesotho (USA): 2,500,000  
USD; Nicaragua (USA): 5,050,000 USD; Haiti  
(USA): 10, 463,555

**Keywords:** Decent Work; working conditions;  
garment workers; garment industry; social dialogue;  
international labour standards.

### Background & Context

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

The Better Work (BW) programme is a joint initiative of the International Labour Organization (ILO) and the International Finance Corporation (IFC), a member of the World Bank Group (WB). The programme has been working since 2007 to improve working conditions and promote competitiveness in global garment supply chains. While the programme is widely known and in demand for its compliance assessments, the majority of resources are dedicated to services that help employers and workers establish systems to: achieve and maintain compliance, improve productivity and competitiveness and establish workplace social dialogue, in many cases for the first time. Better Work engages with international garment buyers and retailers that accept the responsibility to support their suppliers to improve labour conditions.

The three projects included in this evaluation have reached levels of implementation for which an evaluation is required (Mid-Term for Haiti and Final for Nicaragua and Lesotho), as the ILO evaluation policy states. Due to the similarity of strategic objectives, size of the industry, relevance of the United States (US) as a key trading partner, relevance of specific US trade policies in shaping the industry and similar challenges in terms of industry

trajectories, it was proposed to carry out one cluster evaluation of the three projects.

## **Present Situation of the Project**

### **Better Work Lesotho (BWL): 2009 – 2016**

The goal of the BWL Project was to improve the lives of workers, their families and communities. BWL also aimed to improve competitiveness of the industry by improving compliance with Lesotho labour law and the principles of the ILO Declaration on Fundamental Principles and Rights at Work. The heart of the BWL strategy was the independent enterprise assessments and enterprise advisory and training services. The programme in Lesotho closed in June 2016.

### **Better Work Nicaragua (BWN): 2010 – 2016**

BWN aims to improve industry competitiveness by enhancing economic performance at the enterprise level and improving compliance with Nicaragua labour law and the principles of the ILO Declaration on Fundamental Principles and Rights at work. BWN combines external enterprise assessments with enterprise advisory and training services to support practical improvements through workplace cooperation. .

### **Better Work Haiti (BWH): 2009 – 2017**

BWH supports Haitian stakeholders within the context of implementing Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006 (HOPE). In 2008, tariff preferences were extended on textiles, apparel and other goods (HOPE II). HOPE II requires the ILO to assess producers' compliance with core labour standards and the Haitian labour laws directly related to and consistent with these standards and to ensure acceptable work conditions with respect to minimum wages, work hours, and occupational health and safety. Participation in the BWH programme is mandatory for Haitian factories that export to the United States under the HOPE Act.

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

1. Establish the relevance of the projects' design and implementation strategy for the countries and for the global level. 2. Assess the extent to which the projects have achieved their stated objectives and identify the supporting factors and constraints that

have led to achievement or lack of achievement. 3. Identify unintended changes, both positive and negative. 4. Determine the implementation efficiency. 5. Assess the relevance of sustainability strategies, progress and potential for achievement, identifying the processes that will be continued by stakeholders. 6. Identify lessons learned and potential good practices, especially regarding models of interventions that can be applied in the future. 7. Provide recommendations to project stakeholders to promote sustainability and support the completion, expansion or further development of initiatives. 8. Determine the alignment of the projects with national goals to address gender issues.

### **Methodology of evaluation**

The cluster approach to cover three projects reflects the strategic approach of evaluations as a facilitator of knowledge-sharing, without disregarding the accountability purpose of an evaluation for each individual project. It highlights insights not only in terms of individual project, but also in terms of progress toward strategic objectives and complementarities beyond projects. In addition, it increases the efficiency on the use of resources for evaluation by combining various project evaluations in one.

The Evaluation Team conducted interviews with key informants: ILO backstopping and technical officials at San Jose and Regional Office-Lima (remote); Better Work Global (BWG) staff (remote); Better Work Chief Technical Advisers (CTA) and project teams in Haiti and Nicaragua; Employers' and Workers' Organizations; Ministries of Labour (MOL); Factories and direct beneficiaries; a sample of national key stakeholders-Lesotho (remote) and the United States Department of Labor-USDOL (donor); and utilized secondary data that refer to documentary evidence that has direct relevance for the purposes of the evaluation.

## **Main Findings & Conclusions**

### Project design

The evaluation found several flaws in the projects' design. However, the intervention strategies are clear and based on the overall BW approach. The overall Theory of Change (TOC) was found to be supported. I.O.1. Increased compliance with national labour law

and ILS is a realistic goal. Nevertheless, achieving I.O.2 Strengthened national policies and I.O.3 Sustainable access to BW tools and services will likely demand more time than the duration of the current BWN and BWH) schedule; and wasn't realistic in the case of Lesotho. The different national environments were not taken into account well enough. The projects' schedule was largely determined by the donor, rather than the ILO/BW leading a long term strategic planning in the countries. The brands' support to BW is critical. In Nicaragua and Lesotho, the support and commitment by all the brands present in the countries is an "assumption" that was not properly assessed and addressed at the inception of the programme. Gender equality is not being treated with a holistic approach. The main focus is given to training and capacity-building related issues to reduce existing vertical segregation but there is also a need to reduce the existing horizontal segregation towards women. Furthermore, BW lacks a clear strategy for mainstreaming policies to promote gender equality in the factories.

#### Effectiveness and Efficiency

Most management and worker representatives are highly satisfied with the Performance Improvement Consultative Committees (PICCs). There is agreement on the positive impact of Better Work assessments and the support given to factories through continuous advisory services and training. There is a great degree of satisfaction with the training services provided by BW. Since 2013, both ILS and national labour law substantially increased in Nicaragua due to BW contributions. In Haiti the overall compliance rates for the sector are stagnating with minor variations over the cycles, although stakeholders believe BWH is having an important impact on the Haitian labour environment and export apparel sector. Lesotho improved in compliance with ILS but not so much in the National Labour Law "clusters". Nevertheless, factories participating in the programme showed improvement in several "compliance points", especially in occupational safety and health (OSH); and human resources. On national policies, BW made some important contributions in the three countries but was not able to have a major influence in strengthening them. Strengthening national capacities will require more

time than that established in the current schedules. The projects' implementation was carried out with a high level of efficiency and costs are fully justified by the results obtained.

#### Potential Impact

Despite the weaknesses in design and challenges faced, as the intervention strategies were clear and based on the global BW approach, the Projects generated significant impacts: increased compliance with ILO core labour standards and national legislation, especially in Nicaragua; improved social dialogue in factories; improved Human Resources Management; enhanced participation in unions; greater respect for workers' rights; increased welfare in the factories; decreased use and prevalence of verbal abuse; less concern with late payments, low wages and excess overtime; decreased staff turnover. Empowerment of women resulted in improved skills and self-confidence; reduced verbal abuse; decreased sexual harassment; increased access to pregnancy-related healthcare; reduced gender pay disparities.

#### Relevance

BW has proven to be highly relevant for factories, workers and trade unions, as well as for the Government and the textile and garment industry. However, there are still significant challenges: In Haiti, non-compliance issues; Nicaragua, low factory participation and brand support can be improved. Also, efforts to strengthen national policies and to promote sustainable access to BW tools and services are necessary investments. There is a strong potential for BW to be replicated and scaled-up. Given the small country programs' low revenues, at this point replication would only be possible with heavy donor funding.

#### Sustainability

Given the small size of the 3 garment industries, it is highly unlikely that BW reached a significant level of financial sustainability (cost recovery) even if the programme were mandatory. Sustainability has to be considered in terms of national capacities and institutional sustainability. Strengthening national capacities needs long-term processes (at least 10 years). Sustainability and exit strategies should be defined from the projects' inception phase and

integrated into a long-term realistic schedule. The brands' support to BW is critical. In Nicaragua and Lesotho, the partial quantity of brands that joined the programme undoubtedly hindered factories adhering to BW. The fact that BWN will end in 2018 hinders new factories joining the programme. There is room to enhance Government institutions' capacities and resources, particularly the MOL's, to enforce the law; conduct effective inspections and compliance assessments in the factories; and assist in applying corrective measures. Neither the national stakeholders, nor the government, unions, factories and workers have yet the sufficient capacities to apply the BW approach and tools. Hence, BW would require further technical and financial support from ILO/BWG/Donors to continue to operate and further develop their viability plans.

### Recommendations

1. Improve the projects' design at the countries' level: The design process should be based on participatory national consultation and take into account the different national contexts and specific country needs, and resource constraint as well as the brands' implication and commitment. This includes developing country-specific Theories of Change (TOC), Logical Frameworks and solid Monitoring and Evaluation (M&E) systems. Sustainability strategies should be defined (in parallel with the rest of the projects' components) from the projects' inception phase and integrated on a long-term realistic schedule.

2. Develop a funding strategy for BW in order to insure effective implementation and guarantee continuity. This should integrate an analysis of potential donors as well as a communications and marketing strategy, to allow more efficient fund-raising approaches; to diversify the donor base and insure the availability of funds.

3. Improve BW services: staff training; tailoring BW services to the different factories' characteristics and needs; develop a Continuous Training Plan which should include both "soft" and "technical" skills.

4. Increase attention to fully incorporating gender equality into the projects. Include an analysis of gender inequalities; formulate indicators with a gender impact; Include a gender mainstreaming approach in all the trainings; link existing ILO

initiatives/portfolios on gender and HIV/AIDS related-issues to the BW framework.

5. Insure BW's presence in Haiti and Nicaragua beyond 2018 in order to: improve compliance with ILS and National Labour Laws; consolidate achievements; and, address remaining challenges. Also, to develop and support the implementation of the National Strategy for the Garment Sector in Nicaragua; and achieve sustainable access and implementation of BW tools and services in Haiti and Nicaragua.

6. Update the BWH and BWN National Project Documents to clearly indicate the roles and responsibilities (and budget allocations) of BWG, BWH, BWN; ILO HQ, RO and CO, as well as the different Branches/Departments concerned in order to deliver a high quality, integrated and coherent ILO/BW project.

7. A greater focus on productivity by conducting an assessment to measure BWN's impact on productivity, quality and profitability. Also, BWN could provide specialized technical advisory services in order to assess productivity in the factories; propose improvement plans; and advisory services and training to implement improvements.

8. ILO/BWG redouble efforts to include more brands in the program and at the same time demand and secure their commitments for the brands to maintain their contracts with compliant and well performing factories, avoiding relocation to countries with lower wages and/or less respect for Decent Work.

9. Reinforce communication and coordination among all concerned parties by establishing precise protocols and procedures; and, further establish and clarify everyone's responsibilities.

10. Develop a more strategic approach to MAST and Unions in Haiti during the first two phases of the project. Redoubled efforts to strengthen institutional capacities and achieve enhanced support for BWH operations in order to achieve greater sustainability.

11. Further promotion of social dialogue: ILO/BWG/BWH provide training to all relevant national stakeholders on: efficient communication and coordination; mediation and conflict resolution; roles, rights and responsibilities of the different

stakeholders, as well as on articulating with government officials.

12. More effective training strategies to facilitate workers' participation from the North.. Also, contextualize, translate and provide training and materials in Creole and French.

13. Continue the engagement and collaboration with ShareHope Foundation and the Levi Strauss Foundation to provide workers with training on sexual and reproductive health and sexual harassment at work. Expand the HER Project to all the BWH factories and programmes.

14. Concerted efforts to continue key BWL results: ILO, USDOL, MOL and Remmoho to join and increase efforts to: reinforce factories' ownership of PICCs as well as compliance improvement processes; re-engage with brands/buyers to insure that factories continue to apply BW assessments; improve the labour compliance regulatory framework; train Labour Inspectors on how to use the BW Compliance Assessment Tool (CAT) and BW methodology; introduce Labour Inspectors to the BW advisory processes. ILO/USDOL Project Strengthening Labour Inspection in Lesotho - a good coordination and cooperation platform.

15. Reinforce Remmoho's institutional capacities and role as well as, reinforce its role as a valid and "licensed" institution to deliver assessment and advisory services. Likewise, promote running joint assessments with MOL labour inspectors.

#### Lessons Learned

1. Extremely complex and ambitious interventions need long-term processes and implementation schedules, at least 10 years. This is the case of the BW Programmes in Nicaragua, Haiti and Lesotho.

2. Sustainability should be defined and integrated on a long-term realistic schedule. In the current model, exit or sustainability strategies are defined as projects are extended, during their second phases. Sustainability can hardly be achieved in two years.

3. The brands' support to BW is crucial. Factories adhere to the Programme when it is compulsory (Haiti) and/or the buyers specifically ask

them to do so (e.g. Nicaragua). Furthermore, the brands' commitment to BW factories is also critical.

4. Depending on one single funding source for a country makes BW considerably vulnerable and threatens its continuity. USDOL is the sole funder for Haiti, Nicaragua and Lesotho. Other BW countries are funded by multiple donors including USDOL funding. BW highly depends on funding from the USDOL which makes it considerably vulnerable and threatens its continuity, were USDOL funding to diminish or end.

5. Gender equality goes beyond a workplace free of violence and sexual harassment. There is a need to promote not only a workplace free of violence and sexual harassment, but also the creation and implementation of policies that promote gender equality in work as a whole.

#### Good Practices

1. BW's commitment to work with factories for the institutionalization of PICCs is a successful strategy. The representation of workers and union members in the PICCs and the work of communication and mediation carried out within the factories has a highly positive effect of appropriation and participation in issues relevant to the company and the workers.

2. BW factory assessments highlight non-compliance findings and, through their advisory services, support factories in tackling the findings through PICCs (in those factories where they exist and are operational) in contrast with the audits conducted by the brands.

3. Supervisory Training significantly boosts supervisor confidence, turnover, line productivity and the quality of overall workplace relations.

4. Social dialogue promoted by BW advisory services and PICCS is playing a key role in strengthening industrial relations in the garment sector. Also, social dialogue helps to identify certain problems and solve them in a respectful manner according to the Law.