



# Evaluation Summary



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## Promotion Of Decent Work In Southern African Ports (Phase II): Port Work Development Project

### Quick Facts

**Countries:** *South Africa (Durban and Richards Bay), and Mozambique (Maputo)*

**Mid-Term Evaluation:** *4 August 2014 – 30 August 2014*

**Mode of Evaluation:** *Independent*

**Administrative Office:** *DWT/CO-Pretoria*

**Technical Office:** *DWT/CO-Pretoria*

**Evaluation Manager:** *Sipho Ndlovu*

**Evaluation Consultant:** *Elena Broughton*

**Project End:** *May 2015*

**Project Code:** *SAF/13/01/MUL*

**Donor & Project Budget:** *Dutch and Flemish Governments (US\$ 1 190 086) and Transnet in-kind contribution (US\$ 300 000)*

**Keywords:** *Promotion of decent work, South African Ports, Transnet, Durban Container Terminal, Maputo Port Development Company, Port of Richards Bay, Port of Maputo, social dialogue, Maritime School of Excellence, Port Work Development*

### Background & Context

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

In 2010, the International Labour Organization (ILO) launched a project on promotion of Decent Work in South Africa's transport sector, i.e. the

Port Work Development Project (PWDP), with the overall objective of “*creation of decent employment for women and men*”. The project was aimed to contribute to “*sustainable port operations that create decent and productive jobs, with particular emphasis on youth, women, and people living with disabilities*”.

Phase I of the project was implemented at the Durban Container Terminal (DCT) in South Africa. Upon its completion, Phase II was launched, which set an objective of “*promotion of decent work in Southern African Ports*”. It was aimed to be achieved through activities focusing on promotion of social dialogue, refinement of human resource development strategies, and strengthening the capacity of the ports' schools. Phase II covers South Africa's ports (i.e. DCT Pier 1, DCT Pier 2, the Port of Richards Bay Bulk and Multi-Purpose Terminals), South Africa's Maritime School of Excellence, and the Port of Maputo in Mozambique.

Day-to-day project activities are managed by the Chief Technical Advisor (CTA). The CTA is supported by two cost-shared Project Coordinators (i.e. one in Maputo and another one in Pretoria), and a Finance and Administrative Assistant (FAA). Implementation of Phase II is governed by a Project Steering Committee (PSC) in South Africa and by a Technical Advisory Committee (TAC) in Mozambique.

#### Present Situation of the Project

Phase II was launched in June 2013 and was planned to be concluded in May 2015. Inaugural Project Steering Committee (PSC) and Technical

Advisory Committee (TAC) meetings to kick-off Phase II took place in October 2013, after which various project activities were initiated. Due to challenges experienced at the start of the project with respect to commitment shown by the top management of the beneficiary organisations, some activities had to be postponed and implemented later than scheduled.

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

The mid-term evaluation covers activities implemented during the first half of Phase II in both South Africa and Mozambique. It is aimed at assessing the progress made across all outcomes, provide strategic and operational recommendations, as well as highlight lessons to improve performance and delivery of project results. The evaluation results are shared with the Project Management Unit (PMU), technical support and backstopping staff, the respective ILO Country office Directors (i.e. Pretoria and Lusaka), the donors constituents, and in particular the respective PSC and TAC. The mid-term evaluation took into consideration numerous groups of beneficiaries including unions representing employees, employers of the participating port terminals, and the Maritime School of Excellence.

### **Methodology of evaluation**

The independent mid-term evaluation relied on primary and secondary data obtained from different sources and various groups of participants, thereby allowing for triangulation of data. A total of 26 people were interviewed either face-to-face or over Skype with an additional nine people interviewed during a focus group discussion. Organised interviews followed a semi-structured approach. Secondary data sources comprised of various documentation prepared by the PMU during the course of the project. Not all beneficiaries and stakeholders were available for interviews or group sessions, and the time allocated for data collection did not allow engaging with all representatives of stakeholders. However, any shortcomings associated with the inability to gather information from the all individuals were addressed during the comment period, which followed the presentation of the draft report.

## **Main Findings & Conclusions**

The project is in alignment with the national development priorities of South Africa and Mozambique, as well as the DWCP for these countries. The project is not directly linked with any other programme implemented by the ILO or other United Nations (UN) Agencies due to its specific focus on the port sector. Nonetheless, it is consistent with other work undertaken by the ILO in both of the countries, and is in direct alignment with the United Nations' frameworks for cooperation in South Africa and Mozambique. The project also recognised the need for gender mainstreaming.

The activities implemented in the first half of Phase II showed the value of social dialogue training and continuous social dialogue practice in improving a company's reputation, productivity levels, and staff satisfaction. More specifically, the project assisted in (i) retaining the achievements observed at the DCT during Phase I, particularly with respect to eliminating the financial and reputational losses attributed to the industrial actions that hampered operations at the DCT during 2010 and 2011; (ii) creation of a more open relationship between employers and employees at the bulk and multi-purpose terminals at the Port of Richards Bay and resolving issues related to casual labour and internal promotions; and (iii) human resource development at the Port of Maputo. The project also made a notable attempt towards gender mainstreaming and achieved the above-average representation of female at the training workshops. The biggest progress with respect to the project's activities among the participating ports was seen at the Port of Richards Bay.

Whereas the project has experienced noteworthy achievements in the first half of Phase II, it has set ambitious goals to extend activities to two additional localities that put extreme pressure on the project team. In addition, poor commitment shown by the top management of the Transnet Port Terminal (TPT) and MPDC created major obstacles that significantly delayed implementation of certain activities. At the time of the evaluation, the hurdle related to acquiring the letter from Transnet Group

Chief Executive (GCE) for the outbound study tour for the group from the Port of Richards Bay was yet to be obtained. However, another major obstacle related to miscommunication and misunderstanding between the ILO and MPDC that lead to the withdrawal of MPDC from the project at the earlier stages of phase II was overcome by the time of the mid-term evaluation; a common understanding between tripartite stakeholders in Mozambique was reached in May 2014.

Due to the ambitious goal and the hurdles faced, the project has fallen behind with respect to some of the activities planned to be achieved during the first half of Phase II. Overall, the progress with respect to each objective can be summarised as follows:

- Considering what was planned for the first half of Phase II, the project has made a significant progress with respect to reaching *Objective 1: To promote social dialogue as a means of conflict resolution among stakeholders within port terminals and among port terminal operators in the sub-region*. However, achievement of desired outcomes with respect to social dialogue among ports (Output 1.2) is under significant risk and requires critical revision.
- The project has made some positive strides towards reaching *Objective 2: To further refine the human resource development strategies of these Ports in line with international best practice*. However, the progress was only limited to the DCT Pier 2 and MPDC. Implementation of activities in the Port of Richards Bay is at risk as the project team is of the view that it first needs to find the optimal solution for the DCT Pier 1 and Pier 2.
- Much of the work to be completed to achieve *Objective 3: To strengthen the capacity of local port schools to contribute to the implementation of these strategies by providing skills training to port worker* is scheduled to be delivered upon in the second half of Phase II. However, the little progress recorded on this objective at the time of the mid-term evaluation raises a concern whether it will be successfully achieved by the end of the project. Firstly, the project should not be ambitious in achieving

significant progress in Mozambique considering that the Port School in the country is non-operational. Secondly, the needs assessment that will inform development of new training products is yet to be completed.

The use of human and financial resources by the project was done in an efficient manner. However, it should be noted that the composition of the PMU, was not sufficient to take on the ambitious objectives of Phase II. An additional post should have been created in Durban to provide administrative assistance to the CTA on a daily basis, instead of having a cost-shared Project Coordinator located in Pretoria.

With respect to financial resources, during the first half of Phase II, the project received US\$ 685 608 or 57% of the funds allocated by Flemish and Dutch Governments. Of this, only 67.4% was committed for spending as of the end of June 2014, which coincides with the fact that the project has not delivered on many of the activities planned for the first half of Phase II. Slightly more than half of the committed spend was allocated to South Africa and the rest to Mozambique. While the expenditure on the project in South Africa was in line with the delivered outputs; much of the spending of the project funds allocated for Mozambique was spent on unforeseen activities related to building of the relationship among the project stakeholders.

The project also involved an in-kind commitment from Transnet. However, current contribution of Transnet for this project is a fraction of the US\$ 300 000 in-kind contribution pledged by Transnet.

The need to ensure sustainability has been acknowledged at the project's inception and the initially devised approach is considered to be sound and practical. However, that approach is yet to be translated into practical actions. Furthermore, the project's progress and other challenges faced raise a concern with respect to the future sustainability of initiatives and interventions introduced by the project beyond its lifespan. The project also lacks a clearly defined exit and continuity strategy to assure project's long-lasting legacy.

To conclude, at the time of the mid-term evaluation, the project has reached a number of milestones, particularly those related to social dialogue at the Port of Richards Bay. While the project's achievements are commendable, it did not progress according to the plan and fell behind on many of its deliverables linked to the three objectives. Numerous hurdles both in South Africa and Mozambique had to be overcome that negatively impacted the project's ability to remain on schedule and achieve satisfactory delivery on its outputs. A no-cost extension of up to six months will be required to allow the project to complete outstanding activities.

## Recommendations & Lessons Learned

### Main recommendations

1. Unpack the existing work plan for South Africa and discuss it with the relevant PSC.
2. Conduct an ad-hoc meeting with the donors and other stakeholders in order to critically review the scope of work for Mozambique and compile a practical but realistic work plan.
3. Critically assess the scope of Output 1.2 and the merit in pursuing all activities. It is advisable to scale down the respective activities to (i) information sharing and best practice discussions between the Port of Richards Bay and the port of Maputo (i.e. specifically MPDC); and (ii) information sharing and lessons learnt sessions between the DCT Pier 1, Pier 2 and the Port of Richards Bay.
4. Assess whether there is a merit in starting any productivity initiatives at the Port of Richards Bay.
5. With respect to Output 3.2, where it relates to the non-operational Maputo Port School, exclude activities aimed at training of trainers and coaching thereof and substitute these with the formulation of an action plan responding to the concrete needs of the school.
6. Discuss with the donors the possibility of obtaining a no-cost extension for the project.
7. Devise a vigorous monitoring framework to provide a more frequent update on the progress of the project on all activities.
8. Continue lobbying the Group, Regional, and Terminal HR managers in TPT to escalate the project's awareness to a higher level.
9. Conduct an ad-hoc PSC session in the near future with the purpose of initiating the discussion about the continuity plan.
10. In consultation with the management and union leadership at the terminals, devise a continuity plan; test the practicality of the continuity plan and amend it if necessary, before the project closes.
11. Undertake closure meetings at the Port of Richards Bay and the DCT Pier 1 and Pier 2.
12. Focus on finding the optimal solution for continuity of MDWT by forming a working group team comprising of the ILO, Maritime School of Excellence, Change Management, and CI Department.
13. Before the completion of the project, discuss with the top management of the beneficiary organisations and their counter-parties the possibility of rolling-out and up-scaling selected activities in other business units of these organisations post the project closure.

### Lessons learned

1. Retaining the same CTA in Phase I and Phase II was conducive for a smooth transition between Phase I and Phase II and reduced some operational risks;
2. Activities aimed at promotion of social dialogue strengthen management-labour relationships; however, they can only be sustained by integrating these into internal structures of an organisation;
3. The project should have set more practical and realistic goals;
4. Planning of initiatives or interventions should have included an exit strategy and a continuity or sustainability plan; and
5. A more practical and manageable early warning M&E framework should have been devised.