



Evaluation Summary



International
Labour
Office

Evaluation
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Promoting social dialogue and harmonious industrial relations in Bangladesh Ready-Made Garment Industry - Midterm Independent Evaluation

Quick Facts

Countries: *People's Republic of Bangladesh*

Mid-Term: *04 October 2019*

Mode of Evaluation: *Independent*

Administrative Office: *ILO Bangladesh*

Technical Office: **GOVERNANCE**

Evaluation Manager: *Nguyen Hoang Ha, Programme Officer, ILO Viet Nam*

Evaluation Consultant: *Sten Toft Petersen (Team Leader) and Wajid Hasan Shah (National Consultant)*

Project End: *December 2020*

Project Code: *BGD/15/03/MUL*

Donor & Project Budget: *Sweden and Denmark (US \$ 6.908.445)*

Keywords: *Social dialogue, industrial relations, workers education, decent work, gender equality, capacity building.*

Background & Context

The project, Promoting Social Dialogue and Harmonious Industrial Relations in Bangladesh Ready-Made Garment Industry (SDIR RMG) has achieved significant results in the context of the RMG sector has grown rapidly in Bangladesh since the 1980s. This mid-term evaluation (MTE) is a forward-looking evaluation, aimed at reviewing the

progress made towards the achievement of the project's desired outcomes. The MTE seeks ways to improve programming and implementation of the project to the benefit of its remaining duration. The evaluation also acts as a downward and upward accountability process from the ILO to the donors.

Summary of the project purpose, logic and structure *The SDIR RMG supports the government's efforts to engage in a much-needed reform process, to improve working conditions and rights in the RMG sector. The addressed rights included workers and employers' rights to freedom of association, collective bargaining and to dialogue in the workplace.*

Present Situation of the Project *The SDIR RMG multi-donor project was implementing the work plan and activities.*

Purpose, scope and clients of the evaluation

Three main purposes of the independent mid-term evaluation are aimed towards (1) Project improvements; (2) Promoting accountability to the ILO, national key stakeholders and donors and (3) Enhancing learning within the ILO and key stakeholders. The evaluation covered the period between April 2016 and June 2019.

The primary clients of the evaluation are the donors, the ILO, the Government of Bangladesh, and partners as well as other relevant stakeholders. The office and

stakeholders involved in the execution of the project will use the evaluation findings and lessons learned, as appropriate.

Methodology of evaluation

The evaluation was implemented through a consultative and transparent approach that made use of the following methods and tools: (i) a desk review of project documents, available reports; (ii) a staff workshop; (iii) semi-structured interviews with key informants and stakeholders; (iv) focus group discussions with trainees; (v) direct observation, made during a field visit to Dhaka; and (vi) a validation workshop, concerning the preliminary findings, conclusions and recommendations, with key stakeholders, which was held at the end of the field work.

Main Findings & Conclusions

(A) Relevance and Strategic Fit

The project is consistent with the priorities affirmed by the Government of Bangladesh in its strategic plans, UNDAF for Bangladesh, the ILO's DWCP for Bangladesh and donors' strategies. The project also corresponds with the needs of the direct beneficiaries, as the project's implementation modality was defined, based on needs identified through previous ILO interventions.

(B) Validity of design

The project design was mostly valid, as it targeted issues of utmost importance for the development of a sustainable garment sector in Bangladesh, although it was too ambitious in terms of its targets. Consultation with tripartite constituents at national level was limited, during the planning and design phases, and there was less involvement of factory-level stakeholders than planned. All components of the project were interlinked. However, there was room for improvement in some areas of the logical framework, in particular with regard to the creation of better linkages between factory-level and national-level interventions. Though

assumptions and risks were defined in the project document, insufficient attention was paid to the level of importance of the commitment and willingness of the management of target factories to cooperate with the project.

(C) Project effectiveness (including the effectiveness of management arrangements)

The project demonstrated good achievements towards reaching the anticipated results at governmental/ministerial level. There was however a serious underperformance when it came to outreach to factories. Sectoral social dialogue is taking its first steps, through the RMG TCC, and the project has contributed to its development. The very important and very much-needed bi-partite dialogue between the sectoral employers' organisations and the trade unions still seems to be difficult to get started. The project's initiatives in this field were limited. The project contributed positively to creating a platform for the national trade unions to cooperate. The WRC could develop into an anchor of cooperation between trade unions, which have often competed rather than cooperated. It would be of the utmost importance to establish a model for the financial sustainability of the WRC. The project promoted gender-mainstreaming aspects wherever applicable; however, it lacked a comprehensive gender strategy. Gender issues were considered through the incorporation of women's issues, labour inspection and disputes settlement training, as well as the inclusion of women's issues into the factories grievance handling policies, and collaboration with women's committees. The ILO project team was consistently praised for being professional, helpful, flexible and responsive. The project established and has functional working relationships with stakeholders at all levels, which were clearly based upon mutual trust and shared values and purpose. Overall, the project's monitoring system is effective in producing up-to-date, key data and reports.

(D) Efficiency of resource use

The project is efficient overall and is progressing well with respect to resources used (inputs) compared to qualitative and quantitative results (outputs). The budget usage rate is reasonable, but below the expected figure; it was 45% of the total allocated budget at the end of 2018. The use of human resources seemed not be fully rational in all cases. The ILO should consider quitting the micro-management that is in place, in relation to many of the training activities. It should be possible to trust the implementing partners and service providers largely.

(E) Impact

The project shows positive signs of short-term impact on participating factories at the individual and institutional levels, through capacity building and awareness raising on social dialogue and grievance handling, conflict solution. It has also strengthened various organisational structures such as the WPCs. The quality of the LI's work was reported to have improved. The project also contributed to significant positive legislative initiatives. However, the impact will only be visible when the SoPs are implemented in full at all levels. This also requires that the trade unions' trust is restored in the trade union registration system. Limited impact was observed in the area of strengthening the capacity of social partners, especially the trade unions and the cooperation, now established in relation to the WRC, has the potential for a long-term impact.

(F) Sustainability

The project's sustainability varied, depending on the partners. At the national level, the RMG TCC was established and will have good opportunities to continue beyond the project.

The trade unions still need to build up sufficient capacity to be modern, representative social partners – it will be hard to talk about sustainability before this can be realised.

The WRC has good potential for becoming an important platform; many resources were

allocated by the ILO to make it operational. However, there is no sustainable solution for its continuation in sight. Many of the initiatives, taken at the factory level within the project, concerning awareness-raising in social dialogue and grievance handling could be continued by the factories, beyond the project, if the political desire was in place. Ownership still needs to be reinforced at each level of intervention. Therefore, more focus is needed on the institutionalisation of the SDIR RMG project's activities within the remaining timeframe of project's implementation.

Recommendations & Lessons Learned

Main recommendations and follow-up

Recommendation 1: *The project itself will not have the resources available to meet the demand for HR management training at factory level. Therefore, it is recommended that the project contribute to the development of long-term solutions, including financing for training of mid-level factory HR Management.*

Recommendation 2: *Less attention might be paid to training in formal conciliation, as an increase in the use of the formal conciliation mechanism cannot be foreseen in the short- to medium-term. Resources could be reallocated to conflict solution/informal conciliation capacity building. Efforts should be made to secure that female officials are trained.*

Recommendation 3: *Consultations should be conducted with constituents and then based on their advice. Realistic targets should take the available budget into account (see page 57) and should be established to allow further discussion with the donors. After agreement is reached with the donors, a detailed work plan should be developed that covers the period until the end of the project. The ILO should consider requesting a non-cost extension of the project, until June 2021.*

Recommendation 4: The ILO should consider establishing another implementation mechanism for the activities today implemented by CEBAI. The responsibility could be transferred to the respective employers' organisations directly.

Recommendation 5: The project should continue supporting the positive development and contribute to a broadening the cooperation beyond the WRC and implementation of the current project. A detailed implementation plan to the end of the project should be developed as soon as possible. WRC should solve its management staff problems immediately. A joint monitoring mechanism should be established to ensure progress. Assistance should be requested for establishment of a business plan that will allow for future operation and scaling of the WCR beyond the current project.

Recommendation 6: An assessment of the trade union federations needs for capacity building at leadership level should be conducted and based on this in cooperation with TUSOs active in Bangladesh should a plan for filling the capacity gaps be developed. It should be secured that more female trade union leaders are given leadership training.

Recommendation 7: The project should look into the possibility of a further promotion of joint training sessions in the remaining project period and maybe include issues beyond grievance handling.

Recommendation 8: The project should in the second phase do all efforts to ensure that gender-related issues are given higher priority, this should be based on a deep going needs assessment actively involving women.

Recommendation 9: The ILO should consider implementing training activities without the presence of project staff. The saved human resources could be used to consolidate some of the achievements of the project.

Recommendation 10: The establishment of an umbrella management structure for all of the project interventions in the sector should be established in the ILO CO Dhaka. This would to coordinate activities, to avoid overlaps and would create synergies between the projects, ensuring that the needed expertise is available.

Recommendation 11: The chair of the respective committees should ensure that regular meetings are convened. The ILO should look into the possibility of creating more transparency in project-related financial issues.

Recommendation 12: It should be ensured that both the legal framework for the arbitration and sustainable financing of the arbitrators' work is in place, before investment in training is agreed.

Lessons learnt: (1) **The need for realistic time frames and goals, when planning interventions related to improvement of social dialogue and industrial relations.** Institutional changes and changes in large groups of people's mindsets and industrial culture take time and goals need to be very ambitious, to achieve intended results. Therefore, any technical assistance, offered in the field of the improvement of industrial relations and social dialogue as well as structures and processes at enterprise, sectoral and national level, should be planned for a longer period of time, possibly in the form of a programme rather than projects. This would allow for the generation of lasting results and impact; (2) **The design of a project and its implementation plan must take delays, which are created by known administrative procedures** (e.g., registration procedures) into account. Furthermore, the known risks, such as employer's reluctance to join social dialogue and industrial relation-related activities, should be calculated into, and possible mitigation included in, the design. In the project, both the administrative delays and the employers' attitudes were underestimated.