



# Evaluation Summaries

## Evaluation: A Partnership approach to improving Labour Relations and Working conditions in the Bangladesh Garment Industry

### Quick Facts

**Country:** Bangladesh

**Final Evaluation:** June 2005

**Mode of Evaluation:** Independent

**Technical Area:** Core labour standards, working conditions, labour relations, Child Labour

**Evaluation Management:** Asia

**Evaluation Team:** Michael Hendricks

**Project Start:** March 2002

**Project End:** December 2005

**Project Code:** BGD/01/53/USA

**Donor:** United States (US\$ 1,505,756)

**Keywords:** Bangladesh, garment industry, monitoring, remediation, child labour

### Background & Context

**Project Background:** In 1995, responding to the threat of a ban on imports into the US of goods made by child labour, the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), the ILO, and UNICEF signed a Memorandum of Understanding (MOU) to jointly operate a child labour monitoring and enforcement project. Buoyed by the success of this project in reducing child labour, BGMEA and ILO signed a second MOU in 2000. This project was also seen as successful.

To expand these efforts into other aspects of garment factories, the BGMEA proposed to

the ILO a joint project that would address labour relations and working conditions, while maintaining the child labour component. The project's development objective was "to increase productivity by applying relevant national labour laws and international best practices in the garment industry in Bangladesh." To achieve these objectives, the project proposed a two-pronged strategy of improvement (a) industry-wide, and (b) factory-by-factory. To ensure sustainability, the project sought to create - at the workplace and within BGMEA - mechanisms and procedures to develop a

The industry-wide approach involved:

- Building the capacity of BGMEA to lead the industry to improvements on these important issues; and
- Developing and disseminating a Code of Conduct that would apply to all BGMEA-member factories.

The factory-by-factory approach involved:

- Training teams from BGMEA, Ministry of Labour and Employment of Bangladesh (MoLE), and ILO to promote and monitor national laws and international best practices in the areas specified above;
- Training factory management and workers on the relevant issues;

- Developing a monitoring system to measure progress in a representative number of garment factories; and
- Showing a positive link between improved labour relations and working conditions on the one hand and increased productivity on the other.

**Evaluation Context:** The purpose of this final evaluation was to: (i) determine if the project achieved its stated objectives and explain why/why not; (ii) assess and document the effects of project activities and outputs on target groups; (iii) assess the likelihood of sustaining project results; and (iv) report on lessons learned.

The evaluation team used four different techniques to gather information: semi-structured interviews, document reviews, factory visits, analysis of several data sets provided by project management.

## Main Findings & Conclusions

Strategically, the project established three appropriate objectives and a comprehensive set of activities to affect the garment industry in two separate ways. Given the right partners, these activities could have influenced the garment industry very positively. However, the project had little choice but to collaborate closely with the BGMEA if it wanted to work in this sector, and the BGMEA proved to be both a help and a hindrance. While the BGMEA unquestionably provided legitimacy, access to factories, and both in-kind and cash contributions, it also vetoed the participation of buyers and unions, prevented one important project activity, delayed several more activities, and paid its promised contributions neither in full nor on time..

Regarding project benefits, the project's factory-by-factory approach was more effective than its industry-wide approach. The project directly trained factory managers. These managers learned about labour relations and working conditions, and they appreciated that knowledge. However, too many of these managers were too low in the organizational

hierarchy to influence their factories, and too many learned too little during the training. The project also catalyzed the training of factory workers, using methods like formal classroom sessions, educational posters, videos, live street theatre, and audio broadcasting during working hours. Some of these workers were pre- and post-tested, and reported gains in knowledge were impressive. At the same time, concerns about the testing methodology undermine full confidence.

In addition, the project improved individual factories by highlighting issues needing improvement, developing a Workplace Improvement Plan (WIP) for each issue, and advising factory managers on how to make each improvement. However, the project failed to improve to the extent desired more contentious issues such as freedom of association and worker-management dialogue.

Industry-wide, the project was less successful. The partnership failed to produce the planned Code of Conduct, although BMGEA did draft an own Code. The ILO could not support this draft, and the BGMEA was acting independently on this issue, taking actions without notifying project management or the ILO.

**Implementation:** All but one of the project's key activities were implemented. The finalization of the Code of Conduct is the activity that remains incomplete. Funds were expended within budget; although BGMEA's late or partial financing required numerous modifications of the project budget. Most activities, outside the Code of Conduct and the Project Steering Committee (PSC), were implemented effectively, but nothing was implemented on time, and some activities occurred much later than planned. BGMEA was a major hindrance for many activities.

**Project Management:** Mostly, it was effective, despite the difficulties created by BGMEA's refusals, delays, and lack of payments. The Government of Bangladesh (GOB) did all that was asked of it during the project.

**Sustainability:** Sustainability of the project's results is uncertain. Short-term sustainability

depends on another international donor, and while this looks promising as of this writing, it is not guaranteed. Long-term sustainability would probably require a greater involvement of local unions and international buyers, plus a greater BGMEA willingness to facilitate a transparent process. These aspects are currently under negotiation with BGMEA.

## Recommendations & Lessons Learned

**Lessons Learned:** Following lessons can be drawn from the project:

*The Project Strategy & Objectives:* When expanding an existing project to address new objectives; do not assume that the existing components of the current project will be equally effective for the new project. Consider the extension as a completely new project, and design its activities and resources accordingly.

Insist that required financial contributions from partners begin at the very beginning of a project, if not before, so that any financial problems surface early. Build into project agreements feasible repercussions for not fulfilling agreed-upon actions.

*Impacts on Target Groups:* Tailor each project activity to attract exactly those participants that it wants to attract. Consider carefully their interests and constraints, and adjust project activities accordingly.

Measure important impacts regularly, and examine progress continuously. If an activity is not being successful, make changes immediately. Develop appropriate sources, methods of data collection, and explicit procedures for assuring the quality of the data.

*Final Project Implementation:* Constitute a Project Steering Committee that includes all relevant stakeholders, and convene its first meeting as early as possible. Develop action-oriented agendas and agree on decision processes, so that the PSC as a group guides the project.

*Sustainability:* Design a sustainability plan from the very beginning of the project. In particular, define exactly what would

constitute “sustainability” and plan specific actions to work towards that definition.

Ensure that the Project Steering Committee, with all relevant stakeholders represented in some capacity, meets as early as possible. Develop action-oriented agendas and agree on decision processes so that the PSC can actually guide the project.

*Effectiveness of Project Performance Monitoring:* Establish early in the project a set of key performance indicators to be measured regularly and from the beginning. Develop reporting requirements that encourage analysis of these indicators for continuous project improvement. Develop a database for these indicators that not only stores and retrieves data effectively, but also lends itself easily to analyzing those data. Encourage innovative analyses throughout the project.