



Evaluation Summary



International
Labour
Office

Evaluation Unit

Better Work Haiti – Increasing Decent Employment in the Haitian Apparel Sector

Quick Facts

Countries: *Haiti*

Mid-Term/ Final Evaluation: *mid-term*

Mode of Evaluation: *internal*

Technical Area: *Labour standards compliance in the
apparel industry*

Evaluation Management: *Better Work*

Evaluation Team: *Nexus Associates, Inc.*

Project Start: *28 February 2010*

Project End: *31 December 2014*

Project Code: *HAI/08/01/USA*

Donor: *USDOL (US\$ 3,5 million), HRSDC
(US\$ 234,223)*

Keywords: *Productivity, Decent Work, Apparel
Sector, International Labour Standards*

Present situation of project

BWH established an office, recruited and trained staff, completed five rounds of factory assessments, provides regular advisory services to factories, and organizes regular training events.

Purpose, scope and clients of the evaluation

The purpose of the evaluation is to review the progress made toward the achievement of the immediate objectives of the project and identify lessons learned from its key services implemented to date, its approach taken toward stakeholder capacity building, and its general engagement with national and international stakeholders.

Methodology of evaluation

The evaluation draws on four methods: review of documents, review of operating and financial data, interviews with key informants, and field visits to Haiti in January and June 2012.

Background & Context

Summary of purpose, logic and structure.

The project seeks to improve the normative and institutional environment for compliance with labour standards in the Haitian apparel industry through interventions at the national and sectoral level including reform of the Haitian labour legislation and strengthening of the Haitian Labour Administration department. The project is managed by a CTA based in Port-au-Prince with a team of 8 staff.

Main Findings & Conclusions

Relevance and strategic fit

The Government of Haiti and other stakeholders view the garment sector as a key contributor to economic development in the country.

- While Haiti has ratified all fundamental ILO conventions, national labor laws are not fully aligned with these conventions and enforcement is challenging.
- The trade union movement in Haiti is struggling to find traction.
- Voluntary corporate codes of conduct and auditing mechanisms adopted by international brands are

insufficient to ensure compliance with international labor standards and national labor law.

The Better Work Haiti program is tied directly to U.S. trade legislation.

Validity of project design:

The compliance assessment process is generally well designed; however, some aspects remain challenging.

- In Haiti the assessments are conducted every six months in keeping with the HOPE II Act, resulting in more emphasis on assessment than remediation; the strategy to introduce PICCs may not be appropriate.
- Publicly available *Biannual Synthesis Reports* serve as input to the USDOL/USTR report to Congress and are meant to help ensure compliance.
- Given institutional weaknesses in Haiti, BWH was intended to build the capacity of MAST, ADIH, and trade unions, but the planned level of support is unlikely to be sufficient.
- Better Work engages brands in efforts to encourage their suppliers to comply with international standards and national labor laws, but plans for taking action in the event of non-compliance are not systematic.
- The Project Advisory Committee (PAC) is meant to oversee the program and serve as a vehicle for fostering productive dialogue on labor issues; effectiveness depends on the willingness and ability of members to engage in the process.

The *Project Document* envisions that BWH would develop a strategy for “full cost recovery” through fees charged for services; this is unrealistic and may be counterproductive.

Project progress and effectiveness

- Immediate Objective 1. To increase compliance with national labour law and with international labour standards in the Haitian apparel sector
 - ILO has conducted an analysis of the national labor law and has organized a tripartite process to bring it into compliance with ILO conventions.
 - While a Compliance Assessment Tool (CAT) has been developed, it continues to be refined and has yet to be formally endorsed by the PAC.
 - BWH has adapted training programs for factory managers and workers developed by BWG for use in Haiti.
 - All EAs have received training on core services; however, training for those hired in August-September 2011 does not appear to be consistent with BW operating policies.
 - BWH has not developed a Quality Management Strategy for BWH assessments and advisory services.
 - STAR is operational in the BWH office.

- BWH has not developed a communications strategy.
- Researchers from Tufts University have conducted surveys of managers and workers in garment factories and prepared case studies.
- BWH has carried out four rounds of factory compliance assessments, including the initial baseline. The most recent round (completed in February 2012) included 20 factories.
- As required by the HOPE II Act, results from the assessments have been summarized in publicly available *Biannual Synthesis Reports*.
- Advisory services have been limited. BWH has established PICCs at two factories; prospects for establishing additional PICCs are uncertain.
- BWH has provided training to managers and workers in most registered factories, focusing primarily on OSH.
- BWH conducted an investigation of the dismissal of SOTA officials at three garment factories and recommended their reinstatement.
- Immediate Objective 2. Strengthen the institutional capacity of the Ministry of Social Affairs and Labour
 - A needs assessment was conducted in July 2009; however, the report was not submitted until March 2010 and a follow-on workshop was not held until April 2011.
 - ILO organized training workshops for MAST officials and inspectors in November 2011 as part of the HRSDC-funded project; no further follow-up has taken place.
 - BWH provided computers and printers to MAST.
- Objective 3. Capacity of tripartite constituents to engage in effective social dialogue is enhanced
 - BWH commissioned a report on the trade union movement in Haiti.
 - ILO has not yet provided technical assistance to trade unions in Haiti and assistance provided by international trade unions has been limited.
 - BWH purchased computers and printers for trade unions and worker organizations.
 - An ILO senior specialist conducted an assessment of ADIH in November 2010 and undertook an “organizational review” in July 2011; no further follow-up has been provided.
 - A case study on CODEVI was drafted, but never disseminated.
 - BWH has organized three buyers’ forums since the inception of the program, but many firms that are sourcing garments from factories have not attended these events or otherwise been engaged in the program.

- BWH organized “Multistakeholders Forums” immediately following the buyers’ forums in 2011 and 2012.
- Immediate Objective 4. Development of a second phase of BWH programme
 - Plans for the full five-year program approved by ILO and USDOL in May 2009 and subsequent modifications were prepared without the active involvement of the PAC.

Efficiency of resource use

- EAs should be able to devote more time to advisory services even given the requirement to complete two assessments per year.
- The budget for the five-year project has been increased above the level originally envisioned and now stands at US\$4.6 million

As of June 2012, roughly US\$3.0 million had been spent or encumbered. This works out to roughly US\$118,000 per factory and US\$100 per worker (excluding encumbrances).

Impact orientation and sustainability of the project

- Better Work is committed to a rigorous assessment of its impact.
- Better Work Haiti is unlikely to be financially and political sustainable without the backing of USDOL.

Long-term sustainability requires fundamental changes in institutions in Haiti.

Effectiveness of management arrangements

- The CTA was not in place until six months after the project start date; given the hard deadline stipulated in the HOPE II Act for completion of the baseline compliance assessment, the process was hurried.
- Management systems are in place, but could be strengthened.
- BWH has worked with other departments in ILO as well as with international trade unions, but greater commitment and coordination is needed; interaction with IFC has been minimal.
- USDOL has been heavily involved in the program. While the relationship is strong, coordination could be improved.

The PAC has not operated as intended and stakeholder relations are strained.

Recommendations & Lessons Learned

1. **BWH should firm up the process of conducting compliance assessments.** Better Work should review the CAT to ensure that it measures what is intended and

does so in an accurate, consistent, and transparent manner. Particular attention should be paid to core labor standards. Representatives of BWH and USDOL should meet to review the method used by each organization to determine non-compliance and agree to a common approach, including acceptable evidence and standards of proof. A standard design for worker surveys should be adopted, including the questionnaire, sampling strategy, administration, and data analysis. BWH should explore the use of CAPI technology. BWH should settle the issue of how to assess compliance with minimum wage provisions. To this end, it should carry out the promised study on production quotas as soon as possible. (It should also coordinate with DIALOGUE to ensure that minimum wage provisions are addressed in the labor code review.) BWH should develop a process for obtaining data on grievances filed by workers with MAST, the office of the Labor Ombudsman, and national trade unions. (The development of procedures for filing grievances and requisite information systems should be supported by LAB/ADMIN and ACTRAV as part of capacity building efforts.)

2. **BWH should refine the Biannual Synthesis Reports.** Better Work should review the format and content of the reports. It should improve how results are presented, particularly in the section on individual factories. The reports should present the compliance status of each factory in each period, with a clear statement on the particular findings that triggered the determination of non-compliance and the specific steps that factories have taken to remediate identified deficiencies. Consideration should also be given to including more detailed information on individual questions, summarizing the number of companies that changed status from one period to the next to provide a picture of the extent of improvements.

3. **BWH should refine the model for advisory services.** More time should be devoted to advisory services. Much of the effort should remain focused on facilitating the remediation process; however, enterprise advisors should offer advice on how to address certain issues in areas where they have specific expertise. In this regard, all advice offered to factories should be summarized in memos to factory owner/managers and included in program files. While efforts to pilot PICCS in selected factories should continue, BWH should also develop a standard approach to working with factories that does not revolve around the establishment of PICCS. In all likelihood, BWH will finish this year with, at best, a handful of factories with PICCS. The process that EAs should follow in working with the remaining firms should be specified in written guidelines, including the frequency of visits and method of engagement. BWH

and USDOL should work out roles and responsibilities for supporting remediation efforts in factories named in USTR reports.

4. **BWH should expand training programs for factory managers and workers.** BWH should develop a plan for rolling out training programs in Haiti over the next 12 months, including a detailed course schedule and marketing plan. In addition to OSH and life skills training, courses should include HR management (including dealing with sexual harassment), supervisory skills training, and industrial relations. BWH should complete work on the two comic books and distribute them to workers in all factories. Finally, BWH should work with USDOL to examine the potential to incorporate training on worker rights at the USAID-funded Haiti Apparel Center.

5. **BWH should review resource requirements and set clear service delivery goals.** BWH should conduct a systematic review of the assessment process to develop a better estimate of the level of effort and calendar time required to complete the process in order to identify potential efficiencies and improve scheduling. This information is also needed to determine the staff resources available for advisory services and training. Based on the results of the review, BWH should clarify expectations and hold staff accountable for meeting service delivery goals. In a related vein, BWG has a good understanding of the competencies required for an EA and has training programs to help ensure that EAs are competent. As suggested in the BWG evaluation, consideration should be given to developing a certification system.

6. **BWG should shift M&E toward a greater focus on compliance outcomes and the role of PICCs.** BWG has collected a great deal of factory-level data. These data should be used in M&E efforts to help determine the pattern of non-compliance in factories and the factors that influence changes in compliance status. In addition, good qualitative research on the role that EAs play in advisory services and the operations of the PICCs should be undertaken. With regard to the latter, research should address the process used to establish the PICC, the way in which the agenda is set, its role in developing an implementation plan, and the degree to which it contributes to improved management-labor relations. The research should also investigate the extent to which the PICC duplicates existing structures within factories, such as OSH committees, and potentially

undermines the development and operations of trade unions.

7. **ILO should develop and implement a comprehensive plan to build the capacity of key institutions.** To be effective, a much more significant and sustained effort is required to build the capacity of MAST, Office of the Labor Ombudsperson, ADIH, and the national trade unions. As an institution, ILO needs to determine whether Haiti is a priority and merits greater attention. Building on activities of the past two years, DIALOGUE, ACTEMP, LAB/ADMIN, ACTRAV, NORMES and other relevant department/program should formulate a multi-year plan for working in the country. In this regard, DIALOGUE is in the process of working with national stakeholders to develop a first draft of a revised labor code, but will need additional resources over a number of years to see the law through Parliaments and help develop appropriate regulations. Improving the functioning of MAST and setting up the Labor Ombudsman office entails significant work: LAB/ADMIN should consider placing ILO staff/consultants in MAST for an extended period of time. ACTRAV should work with ITUC and the AFL-CIO to help build the trade union movement.

8. **The HOPE Commission should assume more responsibility for promoting constructive social dialogue and encouraging factories to comply with international labor standards and national labor laws.** As a tripartite consultative mechanism, the HOPE Commission has an important role to play. It should work with BWH to define steps needed to foster better communication among constituencies and address identified deficiencies in labor-management relations and working conditions in garment factories. It should be clear in public pronouncements and private conversations that all garment factories, whether located in Port-au-Prince, Ouanaminthe, or the new industrial park in Caracol, are expected to comply with international labor standards and national labor laws. The HOPE Commission should sponsor seminars on key issues in association with ILO. Finally, consideration should be given to appointing representatives of the trade unions that are active in the garment sector to the Commission and establishing a regular schedule of quarterly meetings.