



Evaluation Summary



International
Labour
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Improving Working Conditions in the Ready-made Garment Sector in Bangladesh - Final independent evaluation

Quick Facts

Countries: *Bangladesh*

Final Evaluation: *12 April 2017*

Mode of Evaluation: *Independent*

Administrative Office: *CO-Dhaka*

Technical Office: *GOVERNANCE*

Evaluation Manager: *Neetu Lamba, ILO Geneva*

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Project End: *30 June 2017*

Project Code: *BGD/13/09/MUL*

Donor & Project Budget:

- *The Netherlands : US\$ 11.10 million*
- *United Kingdom : US\$ 11.36 million*
- *Canada: US\$ 7.06 million*

Keywords: *Working Conditions, Workplace Compliance, Decent Work in Ready-made Garment Sector, Labour Inspection, Occupational Safety and Health (OSH), Tripartite Consultation, Labour Law, International Labour Standards and Labour Rights.*

Background & Context

Summary of the project purpose, logic and structure

The ILO Ready-Made Garment Programme (RMGP) in Bangladesh is based on an emergency design following a series of events between late 2012 and September 2013 initialized by the disasters at Tazreen factory and Rana Plaza. It

concerns a four year programme (2013-2017) funded by three donors, the Governments of Canada, the Netherlands and the United Kingdom. The programme is oriented to support the interventions identified in the National Tripartite Plan of Action on Fire Safety and Structural Integrity (NTPA) which is monitored by the National Tripartite Committee (NTC) chaired by the Ministry of Labour and Employment (MOLE).

The RMG Programme has five components:

- Conducting Building and Fire Safety Assessments;
- Strengthening Labour Inspection & Support Fire and Building Inspection;
- Building OSH awareness, capacity and systems;
- Rehabilitating and providing skills training for victims; and
- Improving working conditions in factories: Better Work Bangladesh (BWB).

Next to MOLE, the other main implementing partners are other government organisations, employers' organisations (BEF, BGMEA and BKMEA) and trade unions (NCCWE and IBC), as well as the two buyer initiatives that were started in 2013, Accord and Alliance.

The geographic coverage of the project was focused on the (clusters of) ready-made garment factories in Dhaka and Chittagong and their outskirts.

The start of the project in September 2013 was relatively slow due to the slow recruitment of the CTA and other staff, but picked up speed quickly after that. In April 2016 the donors granted a no-cost extension for half a year until 30 June 2017.

Main Findings & Conclusions

The *Relevance* of the RMG programme to the specific needs of the country has been very high from the beginning, being based on direct emergency requests from the GoB after the Tazreen and Rana Plaza disasters for support to the NTPA for fire safety and building integrity coordinated by the NTC. All stakeholders interviewed during the evaluation mission indicated explicitly that the focus on fire and electrical safety and on building integrity is very relevant for the current phase of development of Bangladesh, and all of them also stressed that today the relevance is still as valid as before and that a lot still needs to be done, whereby a second phase is often assumed as a given. The policy framework that is relevant for the programme includes in particular the Labour Law of 2006 which was reformed in 2013 immediately after the Rana Plaza collapse. The GoB has shown a high degree of commitment by its immediate attention for the institutionalisation of DIFE. The Programme does support and contribute to the overall objectives of the policies of the three donor countries. It has also initially contributed to the ILO Decent Work Country Programme (DWCP) for Bangladesh 2012-2015, although that has come to an end while the new DWCP is not yet ready. The RMGP has further contributed to achieving the objectives of a series of Outcomes under the ILO Strategic Policy Framework (2010-15). Lastly, the RMGP is clearly aligned to some of the Sustainable Development Goals (SDGs), especially Goal 8.

Concerning *Effectiveness*, it can be concluded that, on the whole, the RMGP has been effective in that it made initial steps in achieving the quite broad development objective of “An RMG industry that is safe and compliant”. RMGP has indeed undertaken short-/medium-term actions to avoid further incidents by actually closing down 39 factories, but also through the raising of awareness of owners and managers during factory assessments, and through training in inspection and OSH and capacity development of DIFE and FSCD. The report discusses extensively the various achievements made by each of the five components of RMGP, such as: the assessments of 1,549 factories by December 2015 on the basis of harmonised

standards and the follow-up through CAPs and DEAs; the substantial support given to DIFE and FSCD including the training of inspectors, the development of tools and IKM activities and the provision of equipment; the training of social partners on Occupational Safety and Health (OSH) involving workers but also supervisors and managers, including activities that bring all stakeholders together (e.g. the celebration of OSH-Day as a part of the OSH media campaign); the rehabilitation services provided to Rana Plaza survivors and the development of disability and social inclusion guidelines; and, the setting up of BWB with a team of 14 Enterprise Advisors (EA) undertaking advisory, technical and training visits, the inclusion in BWB of about 120 factories and 30 buyers, and the ongoing initiatives to convince factories and buyers to register. At times there were also serious delays, such as the start of the BWB programme partly due to delays in formalising the Implementation Rules of the Labour Law reform, and BWB had serious problems in realizing their targeted number of factories. The reasons for the delay in recruiting the M&E and gender experts were less clear; in the latter case particularly since about 65% of workers in the RMG sector are female. Lastly, delays in the research area, i.e. the baseline study, were also substantial, and this study could only just have been started. At the same time, the RMGP also included a major new element, not foreseen in the design, namely the initialization of the RCC formally established by the NTC in December 2015; this is a major development to further try to institutionalize the individual achievements made. On the whole, RMGP will leave behind a solid foundation of selected skills, processes and infrastructure, and even an incipient safety culture that can be built upon in a follow-up phase.

The *Effectiveness of Management Arrangements* has been satisfactory, supported by reliable funding from the three donors, and by the continuity of the most of the Programme staff. The set-up of the RMGP was appropriate with a CTA, an operations manager and coordinators for each of the five components. The monitoring and oversight of the programme has been complex with the establishment of three committees which, however,

only met once or twice each in the entire project period. This was partly due to the fact that from the very beginning coordination was undertaken by the NTC, which was very active in the first two years of the programme but much less so in the past 1.5 years. Coordination with the three donors was done in regular, monthly or bi-monthly, meetings with the programme management. Thus, management arrangements were effective and inclusive especially due to the NTC meetings and the monthly meetings with donors.

The *Impact* of the RMGP was large in the sense of ownership on the side of the government and of internalisation of results and processes at MOLE/DIFE, as well as the initialization of the RCC. Impact was much smaller on ownership of the social partners, and especially on the fragmented workers' organisations; however, the sense of ownership among social partners did increase in the course of the RMGP as a result of some landmark events such the OSH Campaigns and the OSH Day. Concerning gender equality, impact has certainly been positive in terms of a substantial increase in the number of female inspectors and through the gender issues raised in the widespread training activities. The RMG industry is not (yet) safe and compliant, and the working conditions have improved somewhat as a result of the influence of the PCs and SCs (cf. factory visits). There was no planned exit strategy in the RMGP, but currently an RMG Second Phase Proposal is being developed which is expected to realistically explain how national institutions will carry forward the programme results once external funding ends. RMGP has certainly created selected conditions which will make it possible to have a broader impact in the future if the components are further developed and continue to be broadly supported.

The RMGP has with substantial means achieved some positive contributions to *Sustainability* especially in terms of awareness raising on safety issues and OSH, selected policies and practices developed (e.g. the support to the labour law reform and its implementation rules, and the mechanism for standardised factory assessments, CAPs and DEAs), capacities enhanced (on labour inspection

and OSH), and sustainable equipment provided (including software and hardware for DIFE to digitalize the inspection process). In terms of institutionalisation some good results can be reported, such as the upgrading of DIFE from a Directorate to a Department, the setting up of OSH units in DIFE and in employers' organisations, the setting-up of the Safety Health Advocate for RMG Workplace by trade unions, the setting-up of the BWB office, and, lastly, the initiation of the RCC and its institutional embedding. The support in setting up PCs and SCs in factories may not be an example per se of institutionalization but it certainly has raised awareness among workers and managers alike. Mainstreaming issues of gender equality in the programme activities has not yet been achieved, partly because the gender plan was delayed.

The RMGP did not have a sustainability strategy in place at the inception since it was based on an emergency design. Stakeholders generally are expecting that the RMGP will continue for another three or four years, and, to be sure, they foresee difficulties in maintaining the same levels of activities if this does not materialize. Thus, the sustainability of the RMG Programme's interventions was substantial in a number of areas, but it still needs many more prolonged efforts in order for the individual components to become really sustainable.

Recommendations

1. Modify the strategic approach from reactive to pro-active for future RMG interventions as the RMGP has started to do by proposing and supporting the establishment of the RCC, but this approach needs to be extended to undertaking the assessment of the 1,100 un-assessed RMG factories by RMGP in view of the expected low level of compliance and safety concerns in these factories (in line with the DFID AR 2016 recommendation), as well as to those factories not yet covered under the Phase 1 OSH trainings.
2. Design a comprehensive M&E system, including a clear set of overall objectives, a

coherent log-frame with clear milestones and an appropriate Theory of Change. Clear distinctions have to be made between the higher-level outcomes, and the more concrete outputs, and a balance maintained between the numbers of outcomes, outputs and activities.

3. Allot a priority role to the RCC and draw all the key players together in order to support the RCC in overseeing the Remediation through the implementation of the CAPs and DEAs of the assessed RMG factories including continuing and updating the training of the (new) labour inspectors of the RCC, DIFE and FSCD. The RCC needs to develop a stringent compliance protocol and at the same time digitalize the inspection process to maintain integrity and transparency. Additionally, ILO should investigate jointly with RCC ways to promote access to soft financing for factories to actually implement their CAPs and DEAs; although this is not part of ILO's core mandate, it is well-placed to liaise with IFC, JICA, World Bank, and other organisations for this purpose.
4. Continue, extend and update the training on OSH of the social partners, supervisors, managers and workers, and install mechanisms to monitor the use of the enhanced knowledge after the training. Consider to include in the training elements of rights and responsibilities and certain types of specific topics such as chemical hazards.
5. Develop a comprehensive plan to engage more factories and buyers into the BWB programme, and communicate at formal levels with BEF, BGMEA and BKMEA (including the agreement of MoUs on cooperation).
6. Make a contingency plan as soon as possible anticipating the likelihood that the remaining budget cannot be spent fully before June 30, 2017, and discuss it with the donors soonest.
7. Investigate the cost-effectiveness of the relatively high number of international staff and the high-cost equipment items for MOLE and FSCD.
8. Set up a structure for programme oversight with clear tasks for a PSC and a PIC, while making the relationships with the NTC very explicit.

Maintain the management structure of a CTA and an Operations Manager while streamlining recruitment procedures as much as possible within the ILO system.

9. Ensure a better balance between the interventions targeted at the three constituents of the ILO as this tripartite approach is the strength and the competitive advantage of the ILO vis-a-vis the GoB, the social partners as well as the donor community. In particular, enhance the involvement of workers' organisations in a larger number of activities so that their sense of ownership will be enhanced. Additionally, increase the direct interaction between employers' and workers' organisations on issues relating to labour inspection and OSH, which are two relatively un-controversial subjects among the social partners (compared to e.g. strikes and wage increases), and support PCs and SCs at the factory level to enhance communication between owners/managers and workers.
10. Develop at the outset of a potential second phase, a clear and concise transition strategy for RCC to become an integral part of DIFE and develop an Exit Strategy for the RMG programme as a whole.
11. Prepare an exit strategy for the rehabilitation services provided to Rana Plaza survivors before the end of RMGP Phase 1 in June 30, 2017.
12. Finalize the gender plan as soon as possible, link it to the adjusted results framework and then implement it.