



Prevention and gradual eradication of child labour in fireworks production in Guatemala, Phase II

Quick Facts

Countries: Guatemala

Final Evaluation: October 2005
Mode of Evaluation: independent
Technical Area: Child Labour
Evaluation Management: IPEC

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Project Code: GUA/03/50/USA

Donor: USA

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Background & Context

The Project for the Prevention and Gradual Eradication of Child Labor in Fireworks Production in Guatemala was implemented between April 2000 and September 2005 (Phase I and II) with the support of the United States Labor Department (USDOL). The second phase started in September 2003. The Development Objective of this Project was "To eradicate and prevent child labor in the fireworks industry in Guatemala". The Immediate Objectives of the second phase are listed below:

- 1. The local community and public institutions and other actors are organized and mobilized to eradicate and prevent child labor.
- 2. Working and at-risk children and adolescents are enrolled and remain in the educational system.

- 3. There is a decrease in the health risks of working children and their families.
- 4. Families have enough income to meet their basic needs without recurring to child labor.

Immediate **Objectives** These corresponding Outcomes and Activities were grouped according to four components: Awareness-raising and monitoring, education and vocational training, Health and security, Income generation. The and report corresponds to an independent external evaluation of the second phase, which took place between August and October of 2005, according to the terms of reference of ILO /IPEC. The final evaluation focused on the performance of the Project's second phase (pertinence, effectiveness, efficacy, efficiency, sustainability, and unexpected outcomes). Furthermore, it considered other issues of special interest for ILO such as the Project's validity of the design, implementation, and follow-up, evaluation, and monitoring system.

Regarding the project's design (content validity), it may be stated that in general its logic and coherence are highly acceptable. In addition, it has some validity through its implementation in the first phase and the experience that FUNCAFE has with the design of other projects supported by ILO/IPEC. The original design was maintained with some modifications detected in the field, mainly at the strategy level, which were not formalized through an addendum in the design as it would

have been desirable. Some flaws in the design were detected, especially in the vertical logic and its indicators.

The most acknowledged contribution of the Development Objective is the combination of the Immediate Objectives that refer to education and alternative income generation, especially those related to the outcomes of the ERA methodology and the credits. Awareness has helped to open the path toward these immediate benefits for the target population and toward other more structural changes, such as the new framework of labor in fireworks production (not explicitly indicated as an Objective).

The Immediate Objective related to health is the one with the least contribution. The findings are presented according to the various aspects considered in the evaluation.

Effectiveness and efficiency refer to the compliance of the Objectives and Outcomes. At the Development Objective level it was noticed that the Project mainly contributed to reducing and preventing child labor by insuring that children remain more time in school and devote fewer hours manufacturing firecrackers (about 72% of the school population in the project's area of influence). It has also helped to eradicate, at least on a temporary basis, child labor in fireworks production among the families who receive loans from the project (6% of the total children involved in fireworks production).

About the four *Immediate Objectives* and their *Outcomes*, their level of compliance varies. In some cases, the design flaws mentioned earlier have impacted on the fact that despite carrying out the activities the expected outcomes are not reached. In other cases, there have been delays in the implementation of some aspects. The non-approval of the Scholarships for Peace and of the reform for the new regulations had important effects. The most outstanding achievements of each component are the following: participation of national governmental agencies and some local actors

(awareness and monitoring); insertion of the ERA methodology and institutionalization of the Scholarships for Peace (Education and vocational training): instruments and capacities strengthened by the new monitoring and control system in the fireworks industry, and the morbidity study (Health and security), the loans and the new regulations (Income Generation). There are still several challenges. ASI and FUNCAFE have committed to carry out their actions until the end of the vear despite of the termination of the project to close some of the ongoing processes.

Regarding the Project's **sustainability**, most of the factors referring to the expected changes in the target population considered critical to assure its sustainability have been complied with. An aspect that is still weak at the close of the project is how to encourage the access to the market and improve the quality of the alternative products to fireworks generated by the micro-enterprises benefited by the loans. Another issue in a similar situation is the placement of the brand of child-labor free fireworks in the market. It is still expected that when the new regulations become effective, this will no longer be just a distinguishing element, but will become a requirement.

The factors identified as critical to promote an adequate environment for change proposed at the local level do not reach satisfactory compliance levels at the close of the project. Two additional critical aspects that deserve special attention are: 1) attention to the concerns and orientation of the producing families with regards to the new fireworks standards and their labor relocation; and 2) the follow up that ILO should undertake of the compliance of the commitments assumed as part of its activities in the country.

Maybe the most important **unexpected outcome** is the intensity and depth of the reactions and consequences of the Project's actions that were out of control. These elements created an atmosphere of fear and uncertainty, but also signaled the significant progress being made. Thus, the fireworks

project in Guatemala has become an icon in the issue of fireworks and child labor.

Regarding **pertinence**, the project has responded to the problems identified and related to child labor in fireworks production, including both the core issue and its causes. It will continue being relevant as long as child labor in fireworks production continues, especially at this time when the new regulatory framework is about to become effective. Those who implement the new framework should make efforts to look for intermediate solutions.

The analysis of its **efficiency** denotes that even with some delays in the program and financial implementation, it was possible to comply with most of the activities scheduled for the second phase. It is important to stress and encourage the reflection of the allotment of the budget assigned to the project: 38% for direct costs and 62% for administrative costs of ILO. It should also be pointed out that USDOL's funds did not cover all the project costs and that there is not follow-up of the additional funds.

The comparison between the costs and outcomes of the fireworks projects in El Salvador and Guatemala show lower costs for the project in Guatemala, but the evaluation does not have detailed budgetary information for a complete analysis.

The most relevant issue of its implementation is that the selection of the implementing agencies was appropriate. They complementary capacities and complied well with the tasks assigned to the. The Project also provided a chance to develop new economic capacities and to consolidate their leadership. The relationships with the public entities have been especially good and ended up in the creation of joint products and willingness to continue contributing to the Project's cause. The relationships with fireworks producers and intermediaries were sometimes tense.

The Project's executors have been working on finding additional resources for

complementary interventions, but not always with success. At the time of the evaluation, the decision for possible additional funds to continue the project is still pending. There has been an increase in the exchange with the project in El Salvador and attention has been placed to the lessons learned in this project not to make the same mistakes.

Communication with ILO/IPEC has been most frequent with the office in Costa Rica, to coordinate administrative, financial, programming aspects. Regarding the first two, some problems were detected in the flow of the processes that cause implementation delays. The accompaniment from the Costa Rica office to the project was not very intense; there are different opinions for explaining this situation. The recommendations of the final evaluation of the first phase were fully integrated in the design of the second phase. The incorporation of the recommendations of the mid-term evaluation corresponding to the second phase have not been fully implemented due to the little time elapsed. Finally, regarding the follow-up, evaluation, and monitoring system, it may be stated that child-labor monitoring in the second phase has been partial and that its strategy was modified. The transfer of this responsibility to the Minister of Labor increased the possibilities of this instrument to be used even after the end of the project, in line with consolidating it's role in the prevention of child labour. The project follow-up and evaluation system and the monitoring system of child labor are related to the information about the children benefited by the project and their families. The information about the other indicators was not handled systematically. The follow-up and evaluation of the project was not consolidated as a formal and integral system.

The report includes a set of recommendations that may guide future interventions in the field of child labor or in fireworks production.