



Evaluation Summary



International
Labour
Office

Evaluation
Office

Programme on responsible business in Myanmar – Final independent evaluation

Quick Facts

Countries: Myanmar

Final Evaluation: July 2016

Mode of Evaluation: Independent

Administrative Office: ILO Liaison Office for Myanmar

Technical Office: Enterprise Department, Small and Medium Enterprises Unit

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Project End: 31 May 2016

Project Code: MMR/13/14/DAN

Donor & Project Budget: DANIDA (US\$ 1,608,589)

Keywords: Value chains, working conditions, decent jobs, responsible business, business development services, social dialogue

Background & Context

Summary of the project purpose, logic and structure

The Programme on Responsible Business started under the umbrella of DANIDA's good governance, democracy and human rights programme in Myanmar, but finally laid the groundwork for future economic growth and employment programmes that are expected to contribute to decent job creation and skills development.

The International Labour Organization (ILO) is implementing component 2 of the Programme 'the Responsible Industry Development Component' or short the 'Responsible Business Project' (RPB). This

evaluation fully focuses on Component 2 of the Programme on Responsible Business. The 'Responsible Business Project' officially commenced in January 2014 to run for an agreed duration of 24 months, and has been granted a no-cost-extension of 5 months until May 2016.

The project's specific development objective is: "to contribute to decent work opportunities for men and women in the two value chains, as the main actors targeted within these, work towards following responsible business practices". This is expected to be achieved through the following immediate objectives (outcomes):

Immediate Objective 1: Increased knowledge of key social partners on the underlying constraints and opportunities within the Garment and Fisheries sectors analysed and key underlying constraints identified

Immediate Objective 2: Improved business service provision for selected sectors

Immediate Objective 3: Improved social dialogue and policy environment in both sectors

Immediate Objective 4: Monitoring and Evaluation (M&E) System and knowledge sharing strategy for both sectors is in place

The direct target groups of the Responsible Business Project are employers and employees of enterprises within the garment and fishery sectors. Final beneficiaries of the project are workers, women, youth, marginalized groups and the Myanmar society at large.

Main Findings & Conclusions

Relevance

Both sectors (Garment, Fisheries) selected for this project are highly relevant for receiving attention in terms of decent work and responsible business practices. Both sectors are labour-intensive, have issues with working conditions, child labour, sustainable practices and a high future economic potential. But both sectors are challenging to work with. The garment sector is already overcrowded with development projects of which most chose the Myanmar Garment Manufacturers Association (MGMA) as main counterpart. The fishery sector was not well researched at project start and is more complex than initially assumed due to a multitude of different value chains concerned (depending on the specific fishery product), each with different power structures and interests of value chain actors.

The project was also relevant in terms of successfully testing the suitability of local conditions for bringing BETTER WORK to Myanmar. The Responsible Business Project has implemented some of the training tools from BETTER WORK, such as Human Resources (HR) Induction, Rights & Responsibilities and Supervisory Skills. All faced high demand. This is increasing the chances that the BETTER WORK programme might open a project office in Myanmar in future.

Moreover, the project was able to successfully align with and support other relevant work areas of ILO in Myanmar like combatting child labour, freedom of association and building capacity of existing and future entrepreneurs.

The project design is in line with and supporting the third and sixth key policy areas of the inception phase of the Decent Work Country Programme (DWCP) for Myanmar: Socially responsible enterprise development and Employment dimension of trade and investment.

Key topics included in the Responsible Business Project project design are highly relevant for implementing the strategic Programme and Budget (P&B) document of the ILO for the biennium 2014–15, such as employment, social dialogue, standards and fundamental principles and rights at work. The project is also relevant for implementing the UN Strategic Framework (2012-2015) for Myanmar, particularly in terms of achieving inclusive growth including agricultural development and enhancement of employment opportunities, which is

directly targeting the realization of MDG 1b (achieve full and productive employment and decent work for all).

Assessing the project's relevance vis-à-vis the Framework for Economic and Social Reforms (FESR) in Myanmar shows that the project supports sector policies for inclusive growth and poverty reduction, strengthening workers' rights and the parallel development of industry and agriculture particularly in the "twin growth poles" Yangon and Mandalay.

Effectiveness

The project achieved its objectives partially. Late finalization and delivery of value chain studies hampered the enhancement of understanding of sector shortcomings and opportunities by the partners. The number of decent jobs created (609) exceeds the indicator expectations by almost 50% (400). The project monitoring reveals that most of these jobs are not newly created, but turned-decent (applying a set of decent work conditions). The capacitated business service providers ready to deliver services is below the set indicator (11 out of 20), as only two Training of Trainers (OTs) (Occupational Safety and Health (OSH) for fishing vessels, Sustaining Competitive and Responsible Enterprises (SCORE) training program) were conducted by the Responsible Business Project. The minimum number of enterprises reached with business development services is almost achieved (48 out of 50), as is the facilitation of social dialogue (3 out of 4 events / 2 out of 2 policy outputs). Most training participants rate the training quality as excellent.

According to the donor the Responsible Industry Development Component (Responsible Business Project) could not meet its objectives and accordingly the project could also not contribute to furthering the Danish strategy for development cooperation "The Right to a better Life".

Major factors compromising project achievement are late recruitment of Chief Technical Adviser and other staff, further delays during project life, and project management challenges which were not addressed in a timely manner. This was compounded by a limited knowledge of project personnel to navigate through International Labour Organization rules and procedures for smooth delivery.

Furthermore, there were challenges in the alertness of management and technical backstoppers, only gradually

growing sector expertise and knowledge of National Project Coordinators and the project manager, lack of strong partners at national and sub-national level and ILO's initial image of being strongly oriented towards workers more than to the employers, making enterprise cooperation difficult. On the other hand, the availability of ILO tools and trainers as well as profound expertise in relevant topics available in other ILO projects enhanced project achievements.

Most project partners feel enhanced in their capacity through cooperating with the project at staff level or at organisational level. Some project partners are already using outputs and thus turn them into outcomes or probably will do so in future, e.g. the European Union Project SMEs for Environmental Accountability, Responsibility and Transparency (SMART) / SCORE, the Saunders Weaving Institute / Improve Your Business (IYB) or the Squid Association / OSH.

Gender equality was strengthened as far as it was integrated in ILO tools, such as in the SCORE program, the management–training package of the ILO (Generate Your Business Idea (GYB), Start and Improve Your Business (SIYB)) or the BETTER WORK training elements. The project also tried to achieve a balanced participation of women and men in all training activities. Women fill 90% of the decent jobs created.

The project management in coordination with the ILO Liaison Officer have succeeded in improving ILO's relationship to the Myanmar Garment Manufacturers Association by improving the ILO's image among garment enterprises and its representative organisation as a committed supporter of enterprise development. Interviews with partners and project staff showed that the project had received mostly adequate political, technical and administrative support from national and local partners.

Efficiency

Human resources in the project could have been allocated more strategically and efficiently to achieve outputs and outcomes. The same applies to the time resources, which have been particularly precious in this project due to short lifetime and late start.

Apart from some minor interaction during the first six months, the project (the Responsible Industry

Development Component) has hardly utilized any inter-linkages with component 1 (Regulatory Framework Component) and component 3 (Private Sector Component) of the Programme on Responsible Business. On the positive side, in some cases project resources have been leveraged with project resources of other projects to maximize the impact and support each other mutually. This includes other International Labour Organization projects (Freedom of Association, Child Labour, Enterprise Development, Garment/ State Secretariat for Economic Affairs - SECO project) or projects of other development organisations, such as Pyoe-Pin/British Department for International Development - DFID by financially supporting its Cut-Make-Pack to Free-on-Board (CMP-to-FOB) training or the SMART project of the European Union.

The budget delivery rate was low throughout the official project life due to the various delays. Alerted by the low delivery rates and other evidence in 2014/2015 the management and technical backstoppers were aware of the performance of the project. They provided advice to the first project management, including managing directly some of the activities, such as the development of the value chain analysis guide by the technical backstopper. However, intervention could have happened earlier and stronger to take necessary counter-measures.

Impact

609 decent jobs have been created of which 66 are newly created jobs and 543 turned-decent, existing jobs. 549 (90%) of these jobs are held by women and 60 (10%) by men. However, at the outcome level only one (out of 8) supported enterprises fully adopted decent work standards and responsible business principles until project end.

The knowledge of key social partners on underlying constraints and opportunities in both value chains only slightly increased. The number of business service providers capacitated to deliver trainings (SCORE, OSH) counts only 11 and enterprises reached with these services 48. On the other hand, social dialogue and policy environment are improved through consultation processes and outputs (child labour elimination, sustainable fisheries).

A variety of future likely impacts causally linked to the project are expected through future training activities and sharing events: OSH improvement on fishing vessels, turning more existing garment jobs into decent jobs (SCORE, BETTER WORK roll-out), increase of food safety in Myeik and Pyapon (sharing of training content by trainees) and a few small-scale start-up enterprises (outside selected value chains) will most likely open and grow in Pyapon.

Sustainability

The OSH training for fish vessel crew will be most likely integrated in the curricula of the Department of Fishery (DOF) training school in Yangon and thus rolled out in future. Certain trainings or training elements will probably be replicated by the trainers/trainees capacitated (SCORE, OSH for vessels, Food Safety, 'Improve Your Business' modules) and will create more demand for training of trainers in future.

A few partners have taken ownership of project outputs, such as the Myeik fishery actors for the Sustainable Fishery Guidelines. The project recognized that as a follow up to the garment value chain analysis and its recommendations, the garment industry incorporated some value chain analysis recommendations into the 10-year strategy of the Myanmar Garment Manufacturers Association.

The sustainability of implementation plans following the training of trainers in the fishery sector after the closing date of the project is in danger as follow-up and monitoring is uncertain. The late delivery of a variety of trainings makes it impossible to monitor in how far newly trained trainers are delivering their trainings, how follow-up demand can be met and what business models are most suitable to meet this demand.

In terms of what the project might have triggered for the future, the project management is expecting that the significant demand for BETTER WORK trainings might increase the chance to attract the BETTER WORK programme to Myanmar, which would help improving working conditions in a fast growing garment industry.

Recommendations

Main recommendations and follow-up

Based on the findings of this final evaluation the evaluator gives the following recommendations to the project for the remaining project duration (recommendations 1 to 3) and to the ILO in general (recommendations 4 to 9):

1. Make sure that all partners receive all relevant documents still during project life. This particularly applies to the value chain analysis and sector studies, guidelines and codes of conduct that will enhance their understanding and will possibly change behaviour.
2. Set up a simple knowledge management system that ensures that all outputs of the project are centrally available and accessible after the project has phased out
3. Define a point of contact that will receive information on follow-up activities that go beyond the closing date of the project, e.g. OSH trainings for fish vessel crew
4. Review the Accelerator Programme of SCORE to assess whether it is comprehensive and effective enough to meet its objectives. Involve the SCORE trainers (international, national).
5. Create demand for SCORE training by running an awareness campaign among enterprises about the content and the benefits of the programme
6. Ensure a sustained commitment of the enterprises during the training implementation period and choose a suitable season for implementation (not too idle or too busy).
7. Manage the expectations of business service providers trained by the International Labour Organization early to avoid disappointment on their side, e.g. when not certified
8. When associations / employer organisations have weak internal communication structures with their members, inform the association and directly work with its members
9. The ILO in Myanmar should consider continuing supporting the fisheries sector in Myanmar by giving future attention in terms of decent work and responsible business practices, particularly to the marine capture fisheries.