

PROJECT APPRAISAL REPORT (PAR)

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1. PROJECT NO. 522-15-490-003		2. PAR FOR PERIOD: January 1972 to May 1972		3. COUNTRY HONDURAS		4. PAR SERIAL NO. 72-1	
5. PROJECT TITLE LABOR EDUCATION AND SOCIAL DEVELOPMENT							
6. PROJECT DURATION: Began FY 72 Ends FY 73			7. DATE LATEST PROP December 1971		8. DATE LATEST PIP		9. DATE PRIOR PAR
10. U.S. FUNDING		a. Cumulative Obligation Thru Prior FY: \$ 321,000		b. Current FY Estimated Budget: \$ 175,000		c. Estimated Budget to completion After Current FY: \$ 175,000	
11. KEY ACTION AGENTS (Contractor, Participating Agency or Voluntary Agency)							
a. NAME AMERICAN INSTITUTE FOR FREE LABOR DEVELOPMENT (AIFLD)						b. CONTRACT, PASA OR VOL. AC. NO. Task Order 522-1	

I. NEW ACTIONS PROPOSED AND REQUESTED AS A RESULT OF THIS EVALUATION

A. ACTION (X)			B. LIST OF ACTIONS	C. PROPOSED ACTION COMPLETION DATE
USAID	AID/W	HOST		
X			1. Meet with National Agrarian Institute and cooperative federations to discuss closer coordination of their efforts to achieve mutually reinforcing programs to assist Honduran campesinos in education, agricultural assistance and cooperative development.	August 1972
X			2. Discuss future directions of AIFLD with major Honduran labor leaders.	August 1972
			3. Develop reporting system showing the amounts of AIFLD funds spent on basic and advanced education.	September 1972
X			4. Explore possibility of INVA assistance in proposed SUTRASFCO housing project.	October 1972
X			5. Develop method to determine percent of AIFLD trained instructors remaining active in the labor movement.	November 1972

PERFORMANCE OF KEY INPUTS AND ACTIVITIES

FACTORS, PARTICIPATING AGENCY OR VOLUNTARY AGENCY	B. PERFORMANCE AGAINST PLAN							C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X)				
	UNSATISFACTORY		SATISFACTORY			OUTSTANDING		LOW		MEDIUM		HIGH
	1	2	3	4	5	6	7	1	2	3	4	5
IIFLD/HONDURAS						X						X

ment on key factors determining rating ATAC Evaluation team, early in 1970, found AIFLD has been highly successful in working with Honduran Labor Movement to strengthen it and help it contribute to socio-economic development, but recommended shifts in AIFLD's education program toward more focused and toward more specialized training, including development of instructors to assist movement to assume increasing responsibility for basic education. New PROP reflects these recommendations. AIFLD has made a beginning in instructor training and the Honduran Labor Movement is assuming cost and other responsibilities for basic education even faster than planned. Honduran Labor Movement record in housing and other social project initiatives has been outstanding; they and AIFLD are now studying how to undertake entrepreneurial, job-creating projects and creation of fund therefor. The most striking success is AIFLD agriculture sector program. See Section III for details.

PARTICIPANT TRAINING	1	2	3	4	5	6	7	1	2	3	4	5
						X				X		

ment on key factors determining rating This refers to AID technical assistance to Honduran Labor Ministry, NOT to AIFLD regionally-financed participant training. AID FY 70 funds for Labor Ministry participant training were eventually lost due to inability of Ministry to provide international travel funds for participant(s). With change in Government and Minister, FY71 funds were used to finance participation of Minister in high-level seminar on employment, where he performed impressively and gained valuable insights.

COMMODITIES	1	2	3	4	5	6	7	1	2	3	4	5
				X					X			

articles for AIFLD have been procured reasonably promptly and are serving effectively, particularly in AIFLD's agricultural sector efforts.

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OPERATING COUNTRY	a. PERSONNEL												
	1	2	3	4	5	6	7	1	2	3	4	5	
						X						Y	
	b. OTHER												
						X						X	

ment on key factors determining rating a. The Honduran Labor Movement has provided the instructors for AIFLD courses, generally without remuneration (except travel & per diem in some cases), also conducts some of own education program. Government extension service (DESARRURAL) provides instructors at courses it gives for AMACH groups and its field agents cooperate in AIFLD/AMACH Technical Department field programs. Honduran Labor Movement is assuming increasing share of cost of education, provides most initiative, work, funds and follow-through for social projects; AMACH campesinos & activists contributing most of effort making agricultural program success. In agricultural sector, National Development Bank (BNF) providing credit needed and smoothing out red tape & delays make it work well. Workers Bank has provided key and timely credit for some social projects. Honduran Labor Ministry has also cooperated to facilitate and encourage AIFLD to assist Honduran Labor Movement.

OTHER DONORS	1	2	3	4	5	6	7	1	2	3	4	5
						X					X	

Donor name has provided volunteer services...

ID 1020-25(10-70)	PROJECT NO.	PAR FOR PERIOD:	CIT	PAR SERIAL NO.
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7. Continued: Comment on key factors determining rating of Usher Donors

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III. KEY OUTPUT INDICATORS AND TARGETS

QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					END OF PROJECT
		CUMULATIVE PRIOR FY	CURRENT FY		FY 73	FY 74	
			TO DATE	TO END			
(NOT IN PROP) Seminars for RARRURAL extension agents on pirations and problems of camminos and their organizations d how to work with them to crease agricultural productic I. LABOR MINISTRY (DIRECT AID T AIFLD) 5-10 Key Honduran Labor Mid-try officials benefitting om participant training.	PLANNED			2	as needed	as needed	2-3
	ACTUAL PERFORMANCE		1				
	REPLANNED						
	PLANNED			1 or 2	1 or 2	1 or 2	5-10
	ACTUAL PERFORMANCE	1	*				
	REPLANNED			1			
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	COMMENT:						
	COMMENT:						
	* Most FY 72 funds used for PASA TDY.						
	COMMENT:						

II. 7. Continued: Comment on Key Factors Determining Rating of Other Donors

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					END OF PROJECT
		CUMULATIVE PRIOR FY	CURRENT FY		FY 73	FY 74	
			TO DATE	TO END			
5. 20-25,000 campesinos trained in 500 village courses by AIFLD-trained instructor-activists without direct AIFLD sponsorship of funding courses	PLANNED			(80) 4,000	(90) 4,500	(100) 5,000	(500) 20-25,000
	ACTUAL PERFORMANCE	4,946 (87)	no data				
	REPLANNED	3/70 3/71					
6. At least 40 labor/campesino leaders trained in regional leadership development programs (out-of-country) regionally funded in main.	PLANNED			8	8	8	40
	ACTUAL PERFORMANCE		10				
	REPLANNED			20	20	20	100
7. 10 or more labor economists trained in US (Reg. funded).	PLANNED	2 in 1971		2	2	2	10
	ACTUAL PERFORMANCE	2 in 1971	1 in training				
	REPLANNED			1			8
	PLANNED						
	ACTUAL PERFORMANCE						
	REPLANNED						
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS	COMMENT: Candidate selected is economics graduate of UNAH, thus did not need preliminary course for selection. She will be employed by FESITPA/III, replacing earlier Georgetown graduate who is leaving due to transfer of USPCV husband. No internship necessary. In 1971, 2 candidates selected through preliminary courses.						
4 ¹ Labor economists selected through preliminary courses; utilized effectively by labor movement on return (internship)							
5 ² Regionally-funded AIFLD participants remain active in Honduran Labor Movement.	COMMENT: 60-65% (20-22 of 34) of those trained at Front Royal starting in 1963 are now active in the ORIT affiliated labor movement; 12% of them are active in related function (two in rival worker & campesino organizations and two in cooperating organizations CCTI and Workers' Bank) thus total active about 75%.						
11 ³ Social Projects Degree of progress in developing new projects and comments on successes & failures of existing ones.	COMMENT: Starting with AID funding, obtaining employer contributions, moving to Workers' Bank financing and later to own credit union, SITRATERCO has built over 600 houses for members. It is now developing and has obtained AID & other contributions for a very-low-cost housing project in La L which will create own revolving fund for future low-cost						

II. 7. Continued: Comment on key factors determining rating of Other Donors

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					END OF PROJECT
		CUMULATIVE PRIOR FY	CURRENT FY		FY 73	FY 74	
			TO DATE	TO END			
II. Agriculture							
1. 250 ANACH groups receiving ag. advice, credit &/or purchasing & marketing assistance, etc. from ANACH Tech. Dept. DESARRURAL AND BNF.	PLANNED	60	60	75	100	135	250
	ACTUAL PERFORMANCE	32	46				
	REPLANNED			50	70	110	
2. \$650,000 in credit available from BNF 7 Revolving Fund.	PLANNED			200,000	270,000	360,000	650,000
	ACTUAL PERFORMANCE	150,000	\$278,000				
	REPLANNED	Toward end 71		350,000	500,000	650,000	1 Million
3. (NOT IN PROP) \$1.5 million disbursed in loans from BNF & Revolving fund; \$750,000 repaid.	PLANNED	Not planned		\$200,000 30,000	\$350,000 150,000	\$600,000 270,000	1.5 750,000
	ACTUAL PERFORMANCE	133,000 40,000	130,000 61,000				
	REPLANNED						
4. 740-1,000 key ANACH campesinos trained in agriculture at DESARRURAL facilities.	PLANNED			120-130	140-75	160-200	750-1,000
	ACTUAL PERFORMANCE	145 in 1971	17				
	REPLANNED						
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS							
1.	COMMENT: (Cont'd) Social Projects housing. FESITRANH/IDB project of 1,000 homes completed 11/70, now 32% occupied, solving water problem caused by collapse of well, obtained health center from Ministry, completing commercial buildings, has built community hall, has land available for & is pressuring for secondary school						
2.	COMMENT: construction. Land also set aside for primary schools (status not known). Only sewage treatment plant of its kind in Honduras working well. Housing cooperative has developed voluntary system for community upkeep.						
3.	COMMENT:						

II. 7. Continued: Comment on factors determining rating of Other Donors projects, and have been available for at least one which fell through because of divisions in labor movement (San Lorenzo clinic). PC cooperation has been outstanding and very useful. IDB provided \$2.27 million to finance 1,000 unit FESITRA'HH housing project, by far most important labor social project to date. AFL-CIO has provided grant and loan funds for small social projects, including part of funds to establish ag. credit rotating fund; rapid and flexible availability of these funds has been essential element in many of labor movement social projects. ID special projects fund has also played similar role.

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					END OF PROJECT
		CURR. LATIVE PRIOR FY	CURRENT FY		FY 73	FY 74	
			TO DATE	TO END			
1. EDUCATION 1. 10,000 or more officers & members of worker & campesino orgs. trained in various facets of dem. TU philosophy & methods	PLANNED			2,000	2,000	2,000	10,000
	ACTUAL PERFORMANCE		About 1,000				
	REPLANNED						
2. Increasing share of cost of courses borne by Honduran Labor Movement, such share reaching 60% by 1976.	PLANNED	in 1971 25%	30%	30%	35%	40%	60%
	ACTUAL PERFORMANCE	in 1971 37%	32%				
	REPLANNED			35%	40	45	
3. Trade Union & campesino instructors prepared.	PLANNED			40	45	50	250
	ACTUAL PERFORMANCE	30 in 1971	19				
	REPLANNED						
4. At least 20% of instructors remaining active.	PLANNED		20%	20%	20%	20%	20%
	ACTUAL PERFORMANCE						
	REPLANNED						
B. QUALITATIVE INDICATORS FOR MAJOR OUTPUTS		COMMENT: SITPATERCO has own education department, conducts own independent courses. FESITRA'HH does same, asking & receiving AIFLD cooperation. Labor movement provides most instructors for AIFLD courses; decides what type of course it needs when from AIFLD.					
1. Increasing share of responsibility for courses borne by Honduran Labor Movement.		COMMENT: This will become a quantitative indicator next year.					
2. Most of those trained remaining active in movement.		COMMENT: This will become a quantitative indicator next year.					
3. Most of those active as labor & campesino leaders at all levels having received labor education.		COMMENT: This will become a quantitative indicator next year.					

IV. PROJECT PURPOSE

1. Statement of purpose as currently envisaged.

2. Same as in PROP? YES NO

the Honduran Labor Movement while remaining independent, democratic and responsible, become stronger and more effective in bettering the lot of the workers and campesinos Honduras and in increasing their participation in socio-economic development.

1. Conditions which will exist when above purpose is achieved.

2. Evidence to date of progress toward these conditions.

Independent, democratic & united labor movement.

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Effective as force for democratic, social, economic and civic progress.

Condition remains true of north coast labor movement (FESITRAMH); smaller central federation (FECESITLH) remains united to FESITRAMH in national federation (CTH) but has split into two rival factions, some leaders of one of which not democratic and of other allegedly not independent. Former walked out of federation but is cooperating with CTH. Small Social Christian trade union federation and larger Social Christian campesino organization are outside CTH. Movement successful in remaining predominantly independent, democratic and united, but has not increased predominance of these conditions lately.

Labor Movement took lead in sponsoring Unity Pact to preserve constitutional government, with provisions for action to promote such progress; and has continued to bring pressure on GOH to move forward with agrarian reform and other measures; it is now participating in a review of progress toward these goals under pact in order to spur GOH into action toward such progress. Labor movement has negotiated contracts increasing wages and improving working and living conditions; created housing projects (1,600 plus units), savings institutions, day care centers (2 or 3), a high school with vocational

V. PROGRAMMING GOAL

Statement of Programming Goal

contribute to Honduran achievement of more rapid economic development and more equitable distribution of income and wealth, within a pluralistic democratic society.

Will the achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national problem? Explain.

existing, a strong, independent and democratic labor movement constitutes an important part of democratic pluralism. Its principal objective is more equitable distribution of income (through improved wages & working conditions for workers and increased access to the means of production-land, credit, technical advances and markets-for campesinos) and wealth (principally land, but also through creation of worker savings institutions, housing, etc.). It also works through the political system for tax, investment and other governmental decisions favorable to more equitable income and wealth distribution. Both types of action increase consumer demand for non-luxury items, providing a basis for industrial and agricultural development. Its efforts to increase campesino access to means of production lead directly to agricultural production increases. Due to member interest in increased employment opportunity and the opportunity for increased membership increases, labor organizations are constantly seeking the means to pressure for creation of new enterprise and jobs; AID and USAID are now encouraging the labor movement to develop initiatives (continued on next page)

IV. PROJECT PURPOSE

Statement of purpose as currently envisaged.

2. Same as in PROP? YES NO

Conditions which will exist when above purpose is achieved.

2. Evidence to date of progress toward these conditions.

... as vehicle for worker and campesino participation.

training facilities, consumer cooperatives, a community center providing family-planning services. Labor movement has formed groups of its campesino members into cooperative groups and obtained credit and extension help to raise their production and income. Labor Movement has undertaken other efforts to promote such progress and to increase demand for domestic agricultural and industrial products by increasing member incomes.

Labor's participation in the unity pact and in recent efforts to evaluate and spur better performance under it; election of a labor congressman in last year's elections; participation of labor/campesino representatives in the National Planning Council, National Agrarian Council, etc., ANACH's recent sponsorship of a widely-attended agrarian forum and its participation on two Presidential commissions in the agrarian field are important instances of this.

V. PROGRAMMING GOAL

Statement of Programming Goal

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If the achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national problem? Explain.

In this direction (e.g. ferry project). Its inherent lack of capital limits the direct entrepreneurial capacity of the labor movement, though its reputation for dynamism, efficiency and honesty gives it access to public international financing (AID, IDB, etc.) this and its political strength give it some access to governmental financial institutions. To the degree project purpose is achieved, the labor movement's ability to contribute to the programming goal will be enhanced. Achievement of this purpose alone not guarantee economic development, equitable distribution of its fruits or democracy pluralism. However, significant failure would make their achievement difficult. An anti-democratic labor movement would work to destroy democracy and block gradual economic development and partial distribution improvements in order to create conditions for a rapid and total transformation to a statist system. A weak movement would mean the absence of a pressure group and action agent for more equitable wealth and income distribu-

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IV. PROJECT PURPOSE

1. Statement of purpose as currently envisaged.

2. Same as in PROP? YES NO

Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
<p>sibly negotiating with ers, government, etc., and ing increasing benefits and es for workers & campesinos.</p>	<p>Largest union negotiated new contract with substantial benefits (about 5% increase per year for 4 years, plus fringes) without government mediation, despite tight banana market. More contract negotiations beginning shortly (electric, Texaco, Social Security, SAMAA). ANACH responsibly pressuring GOH for land reform, without much result thus far. Min Wage law passed, but not in effect yet. ANACH obtaining credit and extension services from GOH.</p>
<p>ing increasing range of es.</p>	<p>Many cited above (housing, savings and credit, consumer coop., day care, medical brigades, etc.). Another new one is radio station. Now exploring creation of job-creating enterprises (ferry project is example).</p>
<p>o educate without help.</p>	<p>Labor Movement share of cost now about 35%. Largest union conducts own educational program with AIFLD advice and some AIFLD materials and occasional instructors, but own financing, planning and most of instructors. One federation conducts some basic courses for member unions, sometimes asking and receiving greater degree of AIFLD cooperation.</p>

V. PROGRAMMING GOAL

1. Statement of Programming Goal

2. Achievement of the project purpose make a significant contribution to the programming goal, given the magnitude of the national goal? Explain.