

A.I.D. EVALUATION SUMMARY - PART I

PD-ABI-861
12/2/93

1. BEFORE FILLING OUT THIS FORM, READ THE ATTACHED INSTRUCTIONS.
2. USE LETTER QUALITY TYPE, NOT "DOT MATRIX" TYPE

IDENTIFICATION DATA

A. Reporting A.I.D. Unit: Mission or AID/W Office <u>USAID/EL SALVADOR</u> (ES# _____)		B. Was Evaluation Scheduled in Current FY Annual Evaluation Plan? Yes <input checked="" type="checkbox"/> Slipped <input type="checkbox"/> Ad Hoc <input type="checkbox"/> Evaluation Plan Submission Date: FY <u>93</u>	C. Evaluation Timing Interim <input checked="" type="checkbox"/> Final <input type="checkbox"/> Ex Post <input type="checkbox"/> Other <input type="checkbox"/>
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D. Activity or Activities Evaluated (List the following information for project(s) or program(s) evaluated; if not applicable, list title and date of the evaluation report.)

Project No.	Project /Program Title	First PROAG or Equivalent (FY)	Most Recent PACD (Mo/Yr)	Planned LOP Cost (000)	Amount Obligated to Date (000)
519-0368	American Institute for Free Labor Development	5/31/90	3/31/96	\$1,780	\$1,440

BEST AVAILABLE COPY

ACTIONS

E. Action Decisions Approved By Mission or AID/W Office Director	Name of Officer Responsible for Action	Date Action to be Completed
<p>Action(s) Required</p> <p>1. Amend project agreement. Amendment design will:</p> <ul style="list-style-type: none"> - Address evaluation recommendations on training and publications. - Incorporate assistance to address evaluation deficiencies in the areas of sustainability and women's issues. - Focus on "bread and butter", e.g., wages, occupational health and safety, legal issues, collective bargaining, and unionizing. - In conjunction with the above action on sustainability, provide for a phase down of administrative support to unions and federations. - Require more rigorous data collection on AIFLD activities and beneficiaries for project monitoring. In particular care will be given that these statistics are disaggregated by gender. - Seek to reinforce within the UNOC technical analysis unit a capacity to analyze labor statistics. Outside of the AIFLD project, the Mission will assess means to augment the collection and dissemination of labor statistics within the Ministry of Labor, so as to provide a continuing source of relevant information for both unions and the government. - Analyze sustainability of the technical analysis unit within the UNOC and the implications of recommended expansion. 	-Sergio Guzmán	9/30/93
	-Sergio Guzmán	9/30/93
	-Sergio Guzmán	7/30/93
	-Sergio Guzmán	7/30/93
	-Sergio Guzmán	9/30/93
	-Sergio Guzmán	7/30/93
	-Sergio Guzmán	7/30/93

(Attach extra sheet if necessary)

APPROVALS

F. Date Of Mission Or AID/W Office Review Of Evaluation: (Month) (Day) (Year)

G. Approvals of Evaluation Summary And Action Decisions:

Name (Typed)	Project/Program Officer	Representative of Borrower/Grantee	Evaluation Officer	Mission or AID/W Office Director
	Sergio Guzman, ODI	Gordon Ellison, AIFLD	Karen Freeman, DPP	Charles Costello, DIR
Signature	<i>Sergio Guzman</i>	<i>Gordon Ellison</i>	<i>Karen Freeman</i>	<i>Charles Costello</i>

<u>Action Decisions Approved by Mission</u>	<u>Name of Offi- cer Responsi- ble for Action</u>	<u>Date Action to be Completed</u>
- Provide technical assistance to rural organizations to improve member services and self sufficiency.	Sergio Guzman	7/30/93
- Provide for a phase out of financial support to the IOPIC which allows for self-sufficiency and continuance of programs.	Sergio Guzman	7/30/93
- Shift emphasis from human rights to a more focussed attention on workers rights.	Sergio Guzman	7/30/93
- Accelerate institutionalization of mobile health unit.	Sergio Guzman	7/30/93

A B S T R A C T

H. Evaluation Abstract (Do not exceed the space provided)

AIFLD Project enhances the democratic process by strengthening democratic labor unions in El Salvador through services provided by the National Union of workers and Peasants (UNOC) and other democratic unions. This mid-term evaluation assumes a 2-year project extension of which major findings and conclusions are:

- Since the end of the civil war, the leftist threat to democratic trade unionism has diminished. Collective bargaining agreements should be the first priority, working with UNOC to identify unions and industries which are promising candidates for collective bargaining.
- Inter-organization differences are a barrier to centralized union-cooperative training. Cooperative administration courses played an important role in helping cooperatives become viable agribusiness operations.
- AIFLD client union federations receive less administrative support, and rural organizations are using village banks and agribusiness initiatives to attain self-sufficiency.
- UNOC's credibility within the democratic labor movement and its policy formulation and presentation of democratic labor's positions on national issues were strengthened through the project. The key was the technical team (1 economist + 2 lawyers), who played a crucial role in strengthening the inter-union organization and the post-civil war labor-government-private sector forum. Project extension should add 3 professionals to their team to assist unions with agrarian and worker rights, to research the state of collective bargaining contracts, union/federation organization, and collect information leading to productive union organization campaigns.

C O S T S

I. Evaluation Costs

1. Evaluation Team		Contract Number OR TDY Person Days	Contract Cost OR TDY Cost (U.S. \$)	Source of Funds
Name	Affiliation			
Steven Stewart	Checchi & Co. Consulting, Inc.	#519-0368-C-00-3077-00	\$US47,273.00	Project Funds
Danilo Jiménez	Checchi & Co. Consulting, Inc.			

2. Mission/Office Professional Staff
Person-Days (Estimate) 3

3. Borrower/Grantee Professional
Staff Person-Days (Estimate) 8

A.I.D. EVALUATION SUMMARY - PART II

SUMMARY

J. Summary of Evaluation Findings, Conclusions and Recommendations (Try not to exceed the three (3) pages provided)

Address the following items:

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| <ul style="list-style-type: none"> • Purpose of evaluation and methodology used • Purpose of activity(ies) evaluated • Findings and conclusions (relate to questions) | <ul style="list-style-type: none"> • Principal recommendations • Lessons learned |
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Mission or Office: El Salvador	Date This Summary Prepared: 7/22/93	Title And Date Of Full Evaluation Report: June, 1993 Mid Term Evaluation: AIFLD/AID Cooperative Agreement in El Salvador
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1. **Project Purpose:** In 1990, AIFLD and USAID signed a Cooperative Agreement to enable AIFLD to actively promote the process of democratization through the development of a strong and vigorous democratic labor movement, representing the interests of urban and rural workers in a progressively more open and pluralistic society. AIFLD's program includes the following objectives:
 - o Assist the UNOC in increasing membership, upgrading management and operational capabilities, improving the human rights situation of workers, upgrading leadership capabilities, and elaborating a strategy for attaining self-sufficiency.
 - o Assist urban unions in negotiating new collective bargaining contracts, introduction of health and safety programs, increase income and employment, improve social welfare, and improve administrative and program capabilities.
 - o Assist rural unions by assisting families to gain access to land, improve overall production, support farmers in defense of their rights, increase employment, income and social welfare, and upgrade management.
 - o AIFLD would also support the newly created Salvadoran Labor-Management Foundation by supporting its start-up and initial social and economic programs.

2. **Evaluation purpose:** USAID contracted to carry out a mid-term evaluation of the AIFLD project, assuming a roughly two-year project extension, in order to appraise progress in implementation, assess the likelihood of achieving project objectives, identify elements constraining its successful execution, and report lessons learned to date. The evaluation methodology is based on the collection of data from AIFLD records, AIFLD personnel, participants in AIFLD-sponsored activities, and persons with knowledge of Salvadoran unions and rural organizations.

3. **Findings and conclusions:**

Opposition to the left: AIFLD in the past saw both radical anti-unionists and radical non-democratic unionists as equal threats to the development of a pluralistic society in which democratic unions played an important role. With the end of the civil war, the leftist threat to democratic trade unionism has diminished.

Training: While AIFLD had proposed to established a centralized training facility, lower level training was carried out by the individual unions and federations, although training content varied little. Inter-organization political differences appear to be the principal barrier to centralized union-cooperative training. AIFLD's cooperative administration courses played an important role in helping cooperatives become viable agribusiness operations.

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Administrative support and future self-sufficiency: AIFLD provided administrative support for client union federations during the project, the first year with few controls over spending, the second based on real budgets, and the third focused on weaning the union federations from this support and/or assisting organizations in setting up programs to make them self-sufficient. Rural sector agribusiness components involving the sale of fertilizer to member cooperatives and the marketing of sesame were supported by AIFLD through bank-rate loans to cooperative organizations and should lead one federation to self-sufficiency within a year.

Improved UNOC capabilities: UNOC's capabilities, regarding its credibility within the democratic labor movement and its policy formulation and presentation of democratic labor's positions on national issues, have been unquestionably strengthened through the project. The key has been the hiring of excellent, dedicated technical people (1 economist and 2 lawyers), who have not only helped to strengthen UNOC as a respected labor organization but who have also played a crucial role in the viability of the Intergremial (under UNOC leadership) and of the Foro (again, under UNOC leadership).

Collective bargaining agreements: AIFLD achieved just four of ten new collective bargaining agreements planned, although the construction union agreement covered the largest union in El Salvador. The distrust of unions by the private sector coupled with the focus of unions on political questions hindered the achievement of this objective.

Microenterprise and village banks: AIFLD successfully provided small loans to the rural and urban poor through village banks (rural) and microenterprise programs (urban). AIFLD learned this program from other agencies but now requires no further assistance in running the program. The program is progressing toward self-sufficiency.

4. Principal recommendations.

AIFLD should downplay, though not abandon, the anti-leftist strategy of the past and concentrate on helping the democratic union movement to achieve successes in the area of collective bargaining, the ratification of ILO agreements, and the passing of new and workable Labor and Agrarian Codes.

AIFLD should strive toward centralized training by attempting "informal" centralization through the reservation of funds for inter-organization training. AIFLD should continue to give cooperative administration courses but also prepare local training entities to give them by providing course outlines, teaching techniques, and other materials.

AIFLD should continue its self-sufficiency drive for its client unions and federations, although some funds should be reserved to assist clients on an occasional basis and to assist unions and federations which wish to join the democratic labor movement. With rural organizations, AIFLD should emphasize agribusiness programs with other cooperative organizations to lead rural sector federations to self-sufficiency.

The project extension should add three more professionals to the technical team, including one labor lawyer to assist unions in the field with agrarian and worker rights problems, plus two professionals (1 sociologist, 1 lawyer) to form the core of a UNOC labor research team to study the state of collective bargaining contracts, the state of union and federation organization and registration, and to collect information leading to productive union organization campaigns.

AIFLD should make collective bargaining agreements its first priority, working with UNOC to identify unions and industries which are promising candidates for collective bargaining, and it should look for responsible and creative ways of encouraging private sector entities to the bargaining table.

ATTACHMENTS

K. Attachments (List attachments submitted with this Evaluation Summary; always attach copy of full evaluation report, even if one was submitted earlier; attach studies, surveys, etc., from "on-going" evaluation, if relevant to the evaluation report.)

MIDTERM EVALUATION: AIFLD-AID Cooperative Agreement in El Salvador

COMMENTS

L. Comments By Mission, AID/W Office and Borrower/Grantee On Full Report

Overall the Mission believes that the evaluation was thorough and timely. However, two notable deficiencies were found which were probably due to the composition of the evaluation team given competing priorities for investigation. The evaluators failed to provide a real assessment of sustainability of labor unions in El Salvador and the coverage of WID issues was superficial at best. More thorough attention is needed on these issues which the Mission intends to address through other efforts.

The Mission concurs with the majority of recommendations and will address them via the upcoming amendment to the project. One exception is the rural sector agribusiness programs. The Project will provide technical assistance to rural organizations to improve member services and self-sufficiency, however, AIFLD and these groups will be expected to use programs like FOES and the banking system for credit. The other exception is the microenterprise and village banks program, which are marginal to project objectives, and in which AIFLD has no comparative advantage. Since, as noted by the evaluators, this program is progressing toward self-sufficiency, and due to limited funding and established priorities, AIFLD will have to establish early financial and organizational independence for these programs.

Several recommendations lie within the realm of AIFLD actions, rather than direct Mission actions. These will be discussed with AIFLD for their consideration. Specifically, that they consider using external training entities and that they remove themselves from the FOES Board of Directors.