

7300328 (2)
PD-AAF-384-B1

NO DESIGN DOCUMENT

(Project summaries/abstracts developed from

PRO AGs, PIOTs, and PARs)

PROJECT APPRAISAL REPORT (PAR)

PD-AAF-324-C1
M. Cudny

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1. PROJECT NO. 730-15-410-328	2. PAR FOR PERIOD: 3/31/67 TO 9/30/72	3. COUNTRY Vietnam	4. PAR SERIAL NO. 730-73-028
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5. PROJECT TITLE

TRADE UNION DEVELOPMENT

6. PROJECT DURATION: Began FY <u>3/67</u> Ends FY <u>6/76</u>	7. DATE LATEST PROP None	8. DATE LATEST PIP FY 71	9. DATE PRIOR PAR None
10. U.S. FUNDING	a. Cumulative Obligation Thru Prior FY: \$ 560,000	b. Current FY Estimated Budget: \$ 239,000	c. Estimated Budget to completion After Current FY: \$ 310,000

11. KEY ACTION AGENTS (Contractor, Participating Agency or Voluntary Agency)

a. NAME Asian-American Free Labor Institute (AAFLI)	b. CONTRACT, PASA OR VOL. AG. NO. Contract No. AID/csd-1882 Task Order No.1 (As amended)
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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		
			<p><u>NOTE:</u></p> <p>The term "Union" as used in this document includes organizations of salaried workers and wage earners as well as organizations of self-employed persons such as farmers and owner-operators of public conveyances.</p> <p>1. Reduce participant training at ALEC in FY 73 from 20 participants to 15 and terminate ALEC training thereafter. Funding earmarked for this training will be re-allocated for contract services, to be used by AAFLI to establish an in-country training program to replace ALEC. (See Qualitative Output #2, Page 5 for details)</p> <p><u>Action:</u></p> <p>ADLD to prepare a PIO/T reflecting these changes in AAFLI contract.</p> <p>2. A minimum of 35 percent increase in the piaster budget for contract services to be performed in FY74,75 and 76 is needed. Preliminary budget estimates for this purpose were made in FY 70, before a 35 per cent increase in the Consumer Price Index and inflation of the piaster from 118=\$1 to 445=\$1.</p> <p><u>Action:</u></p> <p>ADLD will request for an increase in piaster budget during Director's program review in the April, 1973. (See Inputs in log frame for details.)</p> <p><u>Clearances:</u></p> <p>W. Niblo, ADLD _____</p> <p>R. Burgess, ADLAB _____</p> <p>E. Kanrich, ADPROG _____</p> <p>W.S. Lefes, PROG/Lval _____</p>	February 28, 1973
X				April 30, 1973

D. REPLANNING REQUIRES	REVISOR OR NEW:	<input type="checkbox"/> PROP	<input type="checkbox"/> PIP	<input type="checkbox"/> PRO AG	<input checked="" type="checkbox"/> PIO/T	<input type="checkbox"/> PIO/C	<input type="checkbox"/> PIO/P	E. DATE OF MISSION REVIEW January 30, 1973
PROJECT MANAGER: TYPED NAME, SIGNED INITIALS AND DATE Gerald G. Craf, Labor Trade Union Adv.					MISSION DIRECTOR: TYPED NAME, SIGNED INITIALS AND DATE John R. Mossler			

II. PERFORMANCE OF KEY INPUTS AND ACTION AGENTS

A. INPUT OR ACTION AGENT	B. PERFORMANCE AGAINST PLAN							C. IMPORTANCE FOR ACHIEVING PROJECT PURPOSE (X)				
	UNSATISFACTORY		SATISFACTORY			OUT-STANDING		LOW	MEDIUM		HIGH	
	1	2	3	4	5	6	7	1	2	3	4	5
1. AAFLI				X								X
2.												
3.												

Comment on key factors determining rating: The rating is based on the contractor's performance according to the terms of its contract task orders. However, the contractor failed to exercise imaginative and dynamic persuasive influence with the CVT to encourage needed changes. The arrival of a new contract chief of party about 6 months ago, reversed this situation. AAFLI now coordinates with the technical advisory resources of USAID more effectively than was evidenced in the past and exercises initiative required for the job. For the past six months period the contractor's performance is a "highly satisfactory (5)"; however, in terms of overall performance over the past four and one half years, a "4" rating is appropriate.

Vietnam Association of Labor 5 Group

4. PARTICIPANT TRAINING				X										
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Comment on key factors determining rating: Performance of 4 Harvard Trade Union Program has been highly satisfactory. Asian Labor Education Center (ALEC) participants, 57 completed training thus far, rated somewhat lower due to difficulties in recruiting candidates of appropriate qualifications for the program. Delays in this training program has prompted proposal for in-country training program.

5. COMMODITIES	Contract X													
	Direct Excess Property XX			X		XX					XX		X	

Comment on key factors determining rating: Although contractor procurement has tended to be somewhat slow, delays have not impeded the progress of the project. Procurement of excess property, on the other hand, has been highly expeditious.

6. COOPERATING COUNTRY	CVT				X									X
	Institution	a. PERSONNEL												
		b. OTHER Budget-Facilities				X							X	

Comment on key factors determining rating:

A. Personnel
A shortage of personnel is compensated for by a high degree of motivation and progressive attitude toward change.

B. Other; Budget-Facilities
Budget problems have continued to plague the CVT because of fluctuations in membership and unstable security conditions which make dependency on membership dues payment impossible. The problem has generally been solved by the generation of funding through commercial activities (fertilizer, etc.)

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

The West German International Solidarity Institute (ISI) provided a 20-man medical team which assisted the CVT in its social welfare programs.

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage Rate/Amount)					
		CUMULATIVE PRIOR FY	CURRENT FY73		FY 74	FY 75	END OF PROJECT
			TO DATE	TO END			
1a. Basic Labor Education courses for village, provincial and national union member and cadres. (Number of people)	PLANNED	5,000	625	625	1,250	1,250	10,000
	ACTUAL PERFORMANCE	5,257	1,243				
	REPLANNED			1,000	1,000	1,000	10,000
1b. CVT intern-cadres trained in on-the-job programs supported by AFLI (In man-months)	PLANNED	4,720	396	1,612	2,000	2,000	12,728
	ACTUAL PERFORMANCE	3,404	413				
	REPLANNED			2,000	2,000	2,000	10,000
1c. Provincial or Federation CVT cadres trained in 8-week program at Asian Labor Education Center (ALEC) in Philippines.	PLANNED	89	3	20	20	15	144
	ACTUAL PERFORMANCE	54	3				
	REPLANNED			15	0	0	72
1d. Provincial/Federation CVT cadres trained under 4-week AFLI programs initiated to replace ALEC program.	PLANNED	-	-	-	30	60	150
	ACTUAL PERFORMANCE	-	-				
	REPLANNED			-	-	-	-
1e. Trained CVT labor education instructors	PLANNED	10	2	2	1	1	16
	ACTUAL PERFORMANCE	10	2				
	REPLANNED			2	2	2	20
1f. Top-level CVT officials trained in Harvard Bus. School Trade Union Program	PLANNED	5	0	1	1	1	8
	ACTUAL PERFORMANCE	4	0				
	REPLANNED			1	1	1	7
2. Trade Union membership in South Vietnam. (See below, Outputs)	PLANNED	500,000	50,000	50,000	100,000	150,000	1 million
	ACTUAL PERFORMANCE	450,000	10,000				
	3 REPLANNED			40,000	100,000	200,000	1 million

III. KEY OUTPUT INDICATORS AND TARGETS

A. QUANTITATIVE INDICATORS FOR MAJOR OUTPUTS		TARGETS (Percentage/Rate/Amount)					END OF PROJECT
		CUMU- LATIVE PRIOR FY	CURRENT FY 73		FY 74	FY 75	
			TO DATE	TO END			
3. Established 10-family tractor co-ops	PLANNED	100	25	25	125	125	500
	ACTUAL PERFORMANCE	110	0				
	REPLANNED			20	50	70	350
4. Established trade union co-ops (farmer, fisheries, etc...) and credit unions.	PLANNED	2	1	1	2	2	10
	ACTUAL PERFORMANCE	3	3				
	REPLANNED			2			20
5. Increased circulation of labor union publications (CVT bi-weekly newspaper) (annual figures) (See below, Outputs)	PLANNED	25,000	30,000	50,000	75,000	100,000	100,000
	ACTUAL PERFORMANCE	6,000	8,000				
	REPLANNED			10,000	12,000	15,000	20,000
6. Established waterfront hiring halls. (See below, Outputs)	PLANNED	-	1	1	4	0	6
	ACTUAL PERFORMANCE	-	-				
	REPLANNED			1	1	2	6

Outputs:

#2. In June 1970 Union Membership was estimated at 500,000 with a projected 575,000 by June 30, 1972. Readjustments in the program indicate that June 30, 1972 membership figures are about 400,000. The March 1972 offensive by NVA is the reason for the temporary loss of members at this time.

June 1970 estimates for end of project was 750,000 while the revised estimate puts the figure at close to 1 million union members.

#5. The June 30, 1970 circulation of the labor Union publication was 4,000 copies with an estimated 15,000 by June 30, 1972 and 50,000 by the end of the project. Revised estimates now show 8,000 copies with an end of project projection of about 20,000. The downward revision of the publications circulation is due to a reduction of external funds for this element of the unions activities.

#6. The construction of hiring halls was originally scheduled at the outset of the project. However, lack of government action by the CVN in establishing the legal framework for this activity delayed the achievement of this target. See qualitative output #6 for additional details.

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II. KEY OUTPUT INDICATORS AND TARGETS

B. QUALITATIVE INDICATORS
FOR MAJOR OUTPUTS

1. Established basic labor education courses for village, provincial and national union members and cadres.

Comment: CVT instructors provide introductory training in trade union ideology, organization and administration. In the current fiscal year, additional emphasis was given to topics of general interest, such as family planning, the impact of the Economic Four Year Plan and program planning. Additional emphasis is needed on financial management, administrative techniques and planning.

2. Established in-country labor leadership institute for high level provincial and national cadres and officials. Program would be a four-week seminar providing ample opportunity for exchange of views among top leadership.

Comment: This is a new program to be initiated in FY 74 by AAFLI/CVT to replace the USAID-sponsored ALEC program, which, for various reasons, is not reaching the people who could most benefit -- the top CVT leaders. In addition, the ALEC program has a great deal of content not relevant to Vietnam's labor problems.

3. Establish cadre liaison program for AAFLI/CVT interns to promote professionalism.

Comment: CVT and AAFLI are working on a program to increase the field effectiveness of interns and CVT cadres and officials through the establishment of an in-service instructional training program and by initiating a system of operational planning, implementation and evaluation.

4. Established methodology for administration of cooperative revolving fund used to establish 10 family tractor co-ops and other community co-operative projects.

Comment: Co-op groups are organized by CVT provincial unions. AAFLI provides the funding for tractor purchases to CVT and Tenant Farmers' Federation, which are responsible for repayment to the revolving fund. Thus, credit policy is closely controlled since CVT will have to absorb any losses resulting from non-payment by its members. In addition, the CVT is gaining the experience of project management to the fullest possible degree. When the AAFLI contract terminates, the loan fund will be turned over to CVT and the program will continue without interruption. Repayments have been made at the rate of zero delinquency/default.

5. Established labor publications production capability.

Comment: Provided printing equipment (three letter presses cutting machines, staplers, kliche machine, etc.) to CVT. AAFLI consultant was provided to improve production procedures. CVT house organ editor was sent to U.S. on 4-week observational tour and seminar on labor publications.

6. Established portworkers' hiring halls.

Comment: Pilot project started at Saigon Newport. AAFLI provided hiring hall consultant. MOL issued decree establishing hiring hall board

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June 8, 1972. Administrative procedures being developed by MOL with AAFLI consultant's assistance. Worker education campaign has not yet been conducted. Selection of site at Newport stalled due to anticipated turnover of port by USARV to ARVN. MOL has initiated request with P.M.'s office.

7. Established Revolving Fund for the purchase of tractors and other equipment by Union Members.

7.0 The contractor administers a revolving funds of about VN\$ 41 million for the benefit of Trade Union Cooperative Members. The fund was capitalized by Counterpart Trust Funds and are made available interest free to farmers. Normal requirements for borrowers is to pay one third in cash for the purchase of a tractor, the loan covers two thirds of the cost that is paid in two equal installments at 12 month intervals.

7.1 CVT screens and approves all loan applications and follows up on repayments. Thus far there is 100% recovery of loan funds. Tractor costs run about VN\$400,000 each.

7.2 To provide the best possible prices to union members, CVT organized its own import firm. It requires manufacturers to establish local repair and parts facilities to service the equipment sold through the union concern.

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IV. Project Purpose

- A. 1. Statement of purpose as currently envisaged. 2. Same as in PROP? /Yes//No
No PROP; No ProAg

To develop Trade Union officials and members sufficiently to enable them to participate in the decision-making processes which affect their economic and social well-being.

- B. 1. Conditions which will exist when above purpose is achieved. 2. Evidence to date of progress toward these conditions.

1. Increased participation of local union members in the affairs of their local, provincial and national unions.

- a) Elective process for union leadership
- b) Political awareness by membership and local units
- c) Member participation in local action programs

1.0 Local and provincial union officials being elected by local members; national union and federation officials elected through convention action; CVT Provincial Representative system (under which provincial unions are coordinated and supervised by CVT representative appointed by national CVT headquarters) to be gradually replaced by provincial councils according to decision of National CVT Executive Council in CY 72. All provincial CVT representatives are to be replaced by councils by the end of project.

1.1 Increasing political awareness/action evident at local level. E.G., Da Nang CVT members made 150,000 GVN flags on short notice in preparation for post-ceasefire political struggle; numerous CVT provincial unions adopted pro-GVN and/or anti-communist resolutions; in one province CVT, with local GVN assistance, organized a local Self-Defense Forces unit.

1.2 Membership participation was most dramatically demonstrated in the enactment and implementation of the Land-to-the-Tiller Law. A series of rallies was held around the country to urge passage of law; after implementation, local unions assisted local farmers in filing land title applications; and local members have worked closely with provincial and national unions in settling grievances.

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B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.
<p>2. Local unions coping with local trade union problems.</p> <p>a) Solving local problems</p> <p>b) Local union initiated activity</p> <p>c) Local union sponsored social welfare activities</p> <p>d) Local union responsible for tractor training and repair parts for members.</p>	<p>2.0 In the past two years, local unions have greatly increased their effectiveness by promoting close liaison with local GVN officials to resolve local problems. E.g., Long An CVT co-op obtained use of GVN warehouses; CVT Fishermen's Unions have resolved local curfew problems by dealing with GVN military officials; Vung Tau Fishermen worked with local Mayor to establish a new fish market.</p> <p>2.1 During the 1972 NVA offensive, local unions not only took initiative in organizing refugee relief programs but in some cases, notably Binh Long Province, actually maintained liaison with Saigon from behind NVA lines. Two AAFLI local employees were sheltered by local union members and later were shuttled through enemy lines back to Saigon.</p> <p>2.2 Some 21 CVT Social Welfare Centers are being operated by local union cadres, offering services such as educational programs, daycare centers, maternity clinics (including family-planning information and devices), and dispensaries.</p> <p>2.3 Provincial unions are maintaining parts inventory for repair of co-op tractors. They also have conducted training courses in tractor operation and maintenance.</p> <p>The MOL and commercial tractor dealers also conduct training courses for union members at the request of the union.</p>
<p>3. Union organizations at all levels conducting leadership and membership trade union education programs.</p>	<p>3.0 Training programs conducted by AAFLI and CVT thus far have been intended to provide basic trade union orientation. Immediate emphasis is to training a national labor education staff which will later develop labor education programs for local unions and provide instructor training to local cadres.</p>

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B. 1. Conditions which will exist when above purpose is achieved.	2. Evidence to date of progress toward these conditions.	3.1 A number of local and provincial unions are conducting vocational or home-making (sewing, cooking, typing, child-care) courses without external assistance.	
		4.0 In addition to the 110 tractor co-ops established through the revolving fund, 113 co-op groups of from three to 10 families have been established with CVT guidance but without financial assistance or credit. Such groups purchased their tractors on a cash and carry basis.	
4. Establish a multiplier effect to promote improved technology through demonstration of 10-family tractor co-ops.	4.1 An additional 1,500 tractors have been purchased individually by CVT members without financial assistance as a result of having been exposed to the success of the co-op tractor program.		

V. PROGRAMMING GOAL

A. Statement of Programming Goal

To establish political stability and continuing national economic development.

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

The desire to establish political stability presupposes that the type of stability we wish to establish is of a democratic rather than totalitarian nature. It hardly seems likely that any country could establish a democratic form of political stability without the presence of democratic institutions such as trade unions. At the same time, the trade union represents the workers' primary implement of democratic expression vis-a-vis their economic aspirations and needs. To pursue economic development without consideration for the economic welfare of the workers would hardly promote political stability.

Organized labor in Vietnam represents slightly less than nine per cent (or about 500,000 workers) of the total civilian work force estimated at about 5.5 million workers. The non-agrarian segment of the trade union movement represents approximately 14 per cent (or about 325,000 workers) of the non-agricultural work force estimated at 2.3 million workers. In view of the fact that organized labor is just over 20 years old in Vietnam, that it has existed under the adverse conditions of war and political turmoil throughout this period, and that it has endured several periods of political repression in the past, the above percentages compare quite favorably with the U.S. labor movement, under which approximately 20 per cent of the total U.S. work force is organized. It should be noted that the Vietnamese Confederation of Labor comprises about 80 per cent of organized labor in Vietnam; approximately one-third of the CVT is made up of agricultural union members.

After maintaining a posture of political detachment for the first twenty years of its existence, the CVT Executive Council resolved in 1969 (on the date of CVT's 20th anniversary) to establish a legal political party through which its members could participate in the national political process. GVN authorization to establish a party was granted March 2, 1970; the party, known as the Cong-Nong (Worker-Farmer) Party, was publicly introduced Jan. 17, 1971; and the GVN decree law recognizing the party was signed Aug. 31, 1971. At present, the Cong-Nong Party has 20 members of the Lower House and the Secretary General of the Cong-Nong Party. In addition, three committee chairmanships in the Assembly are held by Cong-Nong members.

Although the Cong-Nong Party has maintained a posture of political independence, it has consistently supported the present GVN administration -- particularly in crucial or controversial areas -- an act which has developed and strengthened the bonds of friendship not only between the Cong-Nong Party and the government, but also between the labor movement and the GVN. With the prospect of a cease-fire looming imminent, the support of the labor movement for the present government is being sought even more energetically. One NACV officer, an economic analyst, put it quite well when he said recently that the labor movement seems to offer the present GVN administration the only non-military, non-regional, non-sectarian, democratic, grass-roots organization capable of meeting the communists on an equal footing in the anticipated post-war political struggle.

V. PROGRAMMING GOAL

B. (Cont.)

In addition to the political problems posed by the anticipated cease-fire, the economic outlook also presents massive problems which will certainly require the presence of a strong, well-disciplined labor movement. The demobilization of up to a million military personnel, the reduction of non-military workers engaged in war-related occupations, and the total withdrawal of U.S. military forces can be expected to generate serious employment (or unemployment) conditions which will be only one factor in determining the overall course of economic development.

Since the Vietnamese labor movement serves both agrarian and industrial workers, it will serve a useful role in economic development regardless of which route Vietnam takes. If, as some observers anticipate, there is a return to the farm in the post-war period, the CVT's efforts to promote cooperative development and introduce advanced agricultural (and fisheries) technology will be even more vital to economic progress. On the other hand, labor is as eager as capital to promote industrial development, since the creation of new jobs is as important to the workers as the creation of new money is to the economists.