

**A.I.D. EVALUATION SUMMARY - PART I**

PD-ABE-396  
78560

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

**IDENTIFICATION DATA**

<b>A. Reporting A.I.D. Unit:</b>  Mission or AID/W Office <u>USAID/San Salvador</u> (ES# _____)	<b>B. Was Evaluation Scheduled in Current FY Annual Evaluation Plan?</b> Yes <input type="checkbox"/> Slipped <input checked="" type="checkbox"/> Ad Hoc <input type="checkbox"/> Evaluation Plan Submission Date: FY <u>Q</u>	<b>C. Evaluation Timing</b> Interim <input checked="" type="checkbox"/> Final <input type="checkbox"/> Ex Post <input type="checkbox"/> Other <input type="checkbox"/>
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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	Industrial Foundation for the Prevention of Occupational Hazards	1989	9/1992	1,040	1,040

**ACTIONS**

Action(s) Required	Name of Officer Responsible for Action	Date Action to be Completed
1. Consider funding FIPRO beyond 9/92, in order to maintain the Intersectorial Commission on Occupational Safety and Health.	Sergio Guzman O.D.I.	12/91
2. Recommend that FIPRO Board of Directors meet to discuss ways that companies can assist FIPRO in becoming self-sufficient.	Sergio Guzman O.D.I.	12/91
3. Intersectorial Commission should encourage mechanisms to increase full and equal participation so that industry and government will not be able to subdue the labor sector.	Sergio Guzman O.D.I.	12/91
4.- Encourage labor-management committee within companies, with equal representation; and involvement of workers or workers representatives in all aspects of FIPRO's services.	Sergio Guzman O.D.I.	1/92
5. FIPRO's Board of Directors should be informed periodically in writing by FIPRO of the results of recommendations, made by FIPRO.	Sergio Guzman O.D.I.	2/92
6. Consideration of funding a Workers Occupational Health Institute either through AIFLD or through another mechanism.	Sergio Guzman O.D.I.	11/91
7. Consideration of support to the GOES' Department of Occupational Safety and Health with used equipment, training, and establishing linkages with OSHA.	Sergio Guzman O.D.I.	11/91

**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	Roberto Serrano	Karen Freeman / John Sanbrailo
Signature	<i>Sergio Guzman</i>	<i>Roberto Serrano</i>	<i>Karen Freeman</i> / <i>John Sanbrailo</i>
Date	11/11/92	7/28/92	8/31/92

**ABSTRACT**

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

This project aims to improve labor-management relations by providing financial support to the National Foundation for the Prevention of Occupational Hazards to enable them to provide technical assistance in the fields of Occupational Safety and Health to the 41 member companies. The USAID funding is for three years from September 1989 to September 1992. This two-year evaluation (October 3 to October 27) was performed by reviewing documents, FIPRO files, interviews with industry, labor and management personnel and eight (8) visits to factories. The purpose was to determine if strategies, objectives and techniques were consistent with established goals. The major findings and conclusions are:

- o There is a conflict in the design of the Project which led to superficial or partial achievement of goals.
- o There is little evidence of improved labor-management relations.
- o The strategy and techniques to address Occupational Hazards are superficial or symptomatic rather than systematic.
- o The project can be seen as financial support of the richest most capable sector of El Salvador's society. There is no indication of self-sustainability.

**Recommendations:**

- o Make changes in the strategy and techniques of FIPRO.
- o Support Organized Labor and Government to encourage systematic change to create incentives to improve working conditions.

**Lessons Learned:**

- o Development projects are more successful when they are born of a common recognized self interest within the group that asks for help.
- o Using projects to prevent workplace hazards to improve labor management relations will be successful to the extent that workplace conditions are improved.
- o In countries where the legal, political and economic structures do not require the employer to pay the bulk of cost of workplace injury and disease, meaningful development will result to the extent that the structure is changed to shift the costs from the worker or government to the employer.

**COSTS**

1. Evaluation Costs				
1. Evaluation Team		Contract Number OR TDY Person Days	Contract Cost OR TDY Cost (U.S. \$)	Source of Funds
Name	Affiliation			
Vincent Gallegher	Devres	24		FIPRO
Louis Ziskind	Devres	12	23,366	PROAG 519-0368
2. Mission/Office Professional Staff Person-Days (Estimate) <u>3</u>		3. Borrower/Grantee Professional Staff Person-Days (Estimate) <u>8</u>		

## 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:

- Purpose of evaluation and methodology used
- Purpose of activity(ies) evaluated
- Findings and conclusions (relate to questions)
- Principal recommendations
- Lessons learned

Mission or Office:  
AID/San Salvador

Date This Summary Prepared:  
October 30, 1991

Title And Date Of Full Evaluation Report:  
October 25, 1991

#### PURPOSE OF EVALUATION AND METHODOLOGY

The purpose of the evaluation is to assess whether FIPRO's strategy is appropriate and effective, whether the goals and objectives are relevant and are being met and whether the operating procedures are relevant and effective.

The methodology was to evaluate performance relative to each of the major functions and to compare methods, techniques and accomplishments with stated goals. This was done by reviewing AID documents, FIPRO's files, reports, publications, and training material as well as field visits to eight (8) member companies to compare inspection and technical assistance findings of the evaluator to the findings in FIPRO's report. Also, interviews were held with FIPRO's management, labor, government and FIPRO's personnel.

#### FINDINGS/CONCLUSIONS

1. FIPRO needs to increase the number of contributing member companies in order to expand OSH impacts, and in order to develop a financial base for self-sustainability. Given the absence of a supportive legal and economic structure wherein companies have an economic interest in FIPRO's OSH services, serious activities by FIPRO would appear to be "Stirring up Problems", and compromise FIPRO's ability to attract member companies. On the national level, there is considerable suspicion of the part of labor and little has been accomplished in two years. FIPRO's strategy and techniques address occupational hazards in a superficial or systematic way.
2. There is no evidence that FIPRO is becoming self-sufficient.
3. FIPRO performs their technical functions in a competent way. However, one could view these services as subsidies to the richest sector of El Salvadorean society when effective efforts in preventing workplace hazards should address the problem of the poor bearing the burden of workplace hazards.

#### RECOMMENDATIONS:

##### 1. To FIPRO:

- Begin to foster authentic participation of workers and unions by encouraging labor-management committees with equal labor-management representation and by involving workers and union in all aspects of FIPRO's Services to member companies.
- FIPRO's Board of Directors and Staff should meet as soon as soon as possible to discuss ways that member companies can assist FIPRO to gain self-sufficiency.
- Encourage organizational mechanisms within the Tri-Party-Intersectorial Commission to ensure full and equal participation of labor so it will not be subdued by Industry and Government.
- Purchase needed resources such as books and technical equipment.
- Develop Publications related to occupational hazards for distribution.
- Begin to in-put Management Information System data.

2. To AID:

- Seek additional funds to support a Worker Occupational Safety and Health Institute which embraces all labor confederations to train worker representatives in a labor approach to Occupational Safety and Health issues.
- Establish long term institutional relations between the Ministry of Labor, Occupational Safety and Health Division of El Salvador and the Department of Labor, Occupational Safety and Health Administration in the United States in order to enhance capabilities of El Salvadorean inspectors.

Lessons Learned:

- Development project are most successful when they are born of a common recognized self-interest within the group that asks for help.
- Design faults in the Project can only lead to partial or superficial success. Occupational Safety and Health efforts are meant to shift the "Subsidy" the workers give to owners by bearing the costs of workplace injury and disease, to the owners, so they have incentives to control hazards. This Project gives a "subsidy" to the owners by underwriting training and technical assistance to the most capable national and multinational firms. The design is upside down.
- In countries where the legal, political and economic structures do not require the employer to pay the bulk of costs from workplace injury and disease, meaningful development will result to the extent that the structure is changed to shift the costs from the worker or government to the employer.
- When creating projects to improve labor-management relations, labor should be brought in at the design stage in order to get their in-put and buy in which will reduce suspicion and tension which is critical.
- If self-sustainability is not really an objective it should not be included as an objective because it makes the Project vulnerable to unnecessary criticism.

## 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 in the evaluation report.)

Evaluation of the "Industrial Foundation for the Prevention of Occupational Hazards" project, carried out by Vincent Gallagher and Louis Ziskind from Devres.

Please see the Attached letter from FIPRO to AID concerning evaluation.

## COMMENTS

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

The evaluation met all the demands specified in the scope of work. All of the issues were treated thoroughly. AID staff concurs with findings and lessons learned and will, as noted in the "AID Actions" section, implement the majority of relevant technical recommendations.

However, the Mission felt that in certain narrative sections of the evaluation, particularly the background and conclusions, there were statements which were unsupported by any evidence or other factual information, or were irrelevant to key findings. AID requested that DEVRES modify the document in this light. Nonetheless, the latest version continues to be unacceptable because of statements which are either insufficiently substantiated by empirical findings and analyses, irrelevant to the key findings of the evaluation, or both unsubstantiated and irrelevant. Many of the empirically unsupported statements use subjective and contentious language and introduce doubts about the objectivity of the overall analysis.

USAID requested on 2/14/92 that DEVRES make the necessary changes, but they have yet to respond to our request. We have therefore decided to close the evaluation, submitting the last draft with Mission comments.

Although the Mission finds the evaluation report unsatisfactory as a complete document, USAID accepts the validity of key findings and continues to take the evaluation recommendations into consideration because of its sound technical analysis.

Attached is a letter from FIPRO to AID which comments on the evaluation. The letter outlines other positive impacts which the project is having and which wasn't covered in the evaluation. The letter also requests a 15 month non-funded extension to cover all FIPRO costs while the Mission is agreed to a 6 month extension only to cover costs related to the creation of the Consejo Nacional de Seguridad Ocupacional (CNSO).

5

**ACTION COPY**

San Salvador, 10 de junio de 1992

**USAID / SANSALVADOR**  
 No. **31125**  
**C + R**  
 Date: **11 JUN. 1992**

Señor  
 John L. Lovaas  
 Sub-Director  
 A.I.D.

ACTION TO: 007	GRD/M	ECON	ANR	HPN	CONT	OET	CO	PRE	ODI	IRD	SUBJECT: REF. 64 Specimen 579-4 A-00-9573-00	ACTION TAKEN: [Signature] DATE: 7/10	INITIALS: [Signature]
ACTION DUE: 06/19	GRD/R	ANR	HPN	CONT	OET	CO	PRE	ODI	IRD				
INFO:	DIR	DIR	AMDO	RLA	IO	EXO	DPPO	PRJ	IRD				

Ref. Convenio de Cooperación  
 No. 519-0372-A-00-9573-00

**"DISCHARGED DOCUMENTS"**  
 DATE: 07/10  
 FROM: C&R [Signature]

Apreciable Sr. Lovaas:

Sirva la presente para saludarle cordialmente y a la vez acusar recibo de su carta de fecha 27 de febrero de 1992 con la cual nos remite un conjunto de recomendaciones relacionadas con la implementación de mejoras en la ejecución del Convenio de Cooperación de la referencia. Respetamos el criterio de AID en cuanto a que el Sr. Vincent Gallagher, Consultor principal encargado de la evaluación, hizo su mejor esfuerzo por aplicar la experiencia acumulada en USA para evaluar el programa local. Agradecemos la oportunidad para expresar nuestro enfoque de la evaluación del programa que consideramos objetivo y necesario para obtener igual o mayor apoyo en función de los resultados que anticipamos a futuro.

**\* DECLARACION DE PROPOSITO.**

Cabe manifestar el firme propósito de la fundación en el seguimiento de las recomendaciones generales emanadas del informe de evaluación técnico-administrativa de mitad de programa, ya que entendemos su intención de propiciar el mayor provecho de cada una de las actividades a que alude específicamente.

**\* EL AUTOSOSTENIMIENTO COMO ASPIRACION LEGITIMA QUE PRETENDE FIPRO.**

La Fundación tiene una clara percepción de que el tema del autosostenimiento es central en las recomendaciones formuladas y deseamos expresar que tanto la Junta Directiva como el personal ejecutivo están empeñados en concentrar esfuerzos para lograr ese objetivo. No obstante, la experiencia ganada durante la ejecución del programa nos enseña que pretender alcanzar esa meta en el corto plazo no será factible en razón de algunos argumentos que vamos a exponer en forma sencilla a continuación.

**\* IMPORTANCIA DE CREACION DEL CONSEJO NACIONAL DE SALUD OCUPACIONAL COMO INSTRUMENTO DE SUPERACION DE BARRERAS LEGALES, POLITICAS Y ESTRUCTURALES DESCRITAS EN LA EVALUACION.**

La creación del Consejo Nacional de Salud Ocupacional ha merecido atención especial en las recomendaciones. La Fundación comparte esta iniciativa y está dedicando recursos específicos a este fin. La función del CNSO será de carácter eminentemente consultivo, a nivel macroscópico, según opinión de nuestra fundación. Este enfoque recoge los más recientes diagnósticos elaborados para actualizar el papel de los CNSO de otros países, insistiendo en la separación de las funciones consultiva y operativa, en diferentes instancias.

En cuanto a la recomendación de introducir dos coordinadores del CISO (uno de ellos del grupo sindical), FIPRO tiene el convencimiento de que no es acertado incluir un solo coordinador adicional para el Sector Laboral por cuanto esto además de generar asimetría organizacional, seguramente originaría demanda de un tratamiento paritario por los otros sectores. En este sentido, lo procedente sería contratar tres coordinadores sectoriales que expeditasen la comunicación, aunque este esquema presenta el inconveniente de constituir un organismo intermedio, en contraposición con las bases estructurales de la Comisión (CISO).- En todo caso, de apoyar AID este esquema de contratación, tendría que producirse un plan de trabajo ratificado por FIPRO, dentro de la concepción integral que se maneja, con una variante de apoyo para los tres sectores. Ante todo, lo más acertado será continuar trabajando con un solo coordinador tripartito como hasta ahora se ha hecho.

Adicionalmente, es imperativo continuar el soporte del staff profesional para dar apoyo científico y técnico al CNSO en su etapa de formación, pero principalmente para que continúe como parte funcional de FIPRO, en un período en que la misión operativa, brindando servicios de asesoría y consulta no ha sido plenamente establecida y reconocida en el ámbito nacional. Prescindir del componente ejecutivo y operacional de FIPRO implicaría romper la integralidad de las acciones y abandonar la esperanza de autosostenimiento a mediano plazo.

**\* CAPITALIZACION DE EXPERIENCIA ACUMULADA POR FIPRO DURANTE EL PERIODO TRANSCURRIDO DEL CONVENIO.**

Debe reconocerse el mérito de la fundación en conducir un programa de apreciable componente social en un período en el que la atención estuvo concentrada en otras prioridades. También comprender que estamos ante una etapa de transición que marca la pauta hacia un mayor involucramiento de las

empresas, incluyendo en el mejoramiento del medio ambiente laboral y la productividad industrial. Ello respalda la idea de que el período que se avecina, a diferencia del anterior, será más propicio para la penetración, divulgación y adopción de nuestros programas.

El profesionalismo en la gestión del Convenio podrá comprobarse al verificar la disponibilidad de fondos a la fecha de finalización del mismo, lo cual no es resultado de la casualidad, ni descuido en la ejecución de actividades. Por el contrario, es consecuencia de aplicar criterios de racionalidad y optimización en la ejecución del programa, traducidos en la realización de desembolsos, acordes a la tasa de avance que permitió la realidad salvadoreña. Precisamente, la solicitud de FIPRO hacia AID consiste en que nos concedan poder disponer de estos fondos remanentes reprogramándolos conforme a nuestras necesidades.

Como muestra de nuestra intención hacia la búsqueda del autosostenimiento, queremos mencionar que la contraparte lograda por la fundación a Diciembre de 1991 asciende a US \$ 99,325.00. Al compararla con el aporte de USAID proporcionado a la misma fecha, el que suma US \$ 418,400.00, según consta en estados financieros debidamente auditados, apreciamos que representa el 23.7% logrado por las actividades de FIPRO (ambas cifras son cantidades acumuladas durante el período de vigencia del Convenio). Estamos seguros de que si se comparan estas cifras con los otros programas apoyados por AID en el país no nos encontraremos demasiado alejados en la búsqueda del autosostenimiento, por lo que apelamos a un voto de confianza.

\* **NECESIDAD DE CUMPLIR CON OBLIGACIONES CONTRAIDAS CUYO PERIODO DE MADURACION EXCEDE EL PLAZO DE TERMINACION DEL CONVENIO.**

Por separado, debe mencionarse la necesidad que tiene FIPRO de dar cumplimiento a obligaciones contraídas con anterioridad y cuyo período de maduración excede el plazo de finalización del Convenio. Citamos como ejemplo el contrato suscrito con Fundación MAPFRE de España, para darnos apoyo en el desarrollo del programa de Diplomado en Seguridad y Salud Ocupacional, consistente en 10 cursos superiores. Este programa, habiéndose iniciado en Febrero de 1991, está contratado para presentar el décimo módulo del 30 de Noviembre al 4 de Diciembre de 1992.

En razón de lo antes expuesto, FIPRO solicita autorización de AID para dar cumplimiento a este compromiso, que ha sido planificado atendiendo criterios de disponibilidad de tiempo de los participantes en los seminarios y la conveniencia de las empresas.

\* **GENERACION DE EFECTOS RELEVANTES (EXTERNALIDADES) DERIVADOS DE LA IMPLEMENTACION DE LOS PROGRAMAS DE FIPRO.**



Es muy importante destacar que el desarrollo del programa de Salud y Seguridad Ocupacional, realizado por FIPRO, está generando efectos significativos relevantes (externalidades), en Instituciones vinculadas y en campos directamente relacionados con nuestro quehacer.

- Podemos mencionar la generación de empleo observada paralelamente al trabajo de la fundación: en las empresas a través de la contratación de encargados de seguridad o la asignación de funciones de seguridad e higiene a personal existente; en Instituciones, como el Instituto Salvadoreño del Seguro Social, en el cual hemos estimado un incremento del personal dedicado a la prevención de riesgos de un grupo original no mayor de 10, hasta la cifra de 72 provencionistas reportada recientemente.
- En cuanto a los campos directamente relacionados con la labor de FIPRO, a nivel nacional, puede comprenderse la íntima conexión que existe entre la higiene industrial y la higiene ambiental, cuya degradación tiene origen muchas veces en los efluentes industriales y las actividades industriales, derivadas de los procesos productivos. FIPRO tiene contemplado el desarrollo de actividades que comprenden esta complementariedad de situaciones, implementando programas integrales dirigidos a su manejo profesional.  
Dentro de este contexto, hay que destacar que el reconocimiento con que ya cuenta FIPRO en las empresas será clave para lograr la mayor eficacia en la implementación de proyectos orientados al saneamiento de los ecosistemas.
- A nivel internacional, es reconocido que las iniciativas de desarrollo socio-económico de los países, especialmente las que incluyen la promoción de zonas francas y establecimiento de parques de desarrollo industrial, tienen como uno de sus componentes el empleo de mano de obra no calificada que proviene de zonas semi-urbanas y rurales. Esto a veces es interpretado como un "Tributo Social" en la utilización de recursos humanos.  
En compensación de esta crítica, FIPRO encuentra que los programas de Salud y Seguridad Ocupacional presentan una excelente oportunidad de contribuir a reducir los riesgos profesionales y elevar la calidad de vida de los trabajadores relacionados con estos proyectos. De hecho, encontramos en nuestros programas un modelo digno de imitar en otras latitudes, como componente esencial en la implementación de proyectos de zonas francas.
- \* **INCORPORACIÓN DE NUEVAS DIRECTRICES EN EL TRABAJO DE LA FUNDACION.**

También quisieramos presentar, en forma breve, las nuevas directrices que estamos siguiendo para lograr una mayor cobertura y respaldo en la ejecución de nuestros programas, que inciden directamente en la diversificación y tecnificación de los servicios que brinda FIPRO a la colectividad empresarial.

La fundación está planificando profundizar en la ejecución de programas de campo, enfocados al mejoramiento del medio ambiente laboral y la productividad industrial, para lo cual está estableciendo relaciones de trabajo con el "Instituto para el desarrollo de los lugares de trabajo y la producción" (IFA) de Suecia, a efecto de aprovechar la experiencia desarrollada en su país y el extranjero, propiciando una transferencia de tecnología hacia FIPRO al integrar equipos de trabajo conjuntos.

En cuanto a la interacción con los programas de higiene ambiental, estamos solicitando el apoyo del Laboratorio Nacional de Los Alamos, en New Mexico (USA), buscando la posibilidad de establecer un Convenio de Cooperación, que permita cimentar nuestra capacidad a través de la capacitación especializada de nuestros profesionales, la adquisición de equipo de monitoreo ambiental, bibliografía sobre gestión de los riesgos ambientales, etc.

En cuanto a los programas de evaluaciones higiénicas y médico-biológicas originalmente propuestas, podemos afirmar que las evaluaciones higiénicas de contaminantes como el ruido, iluminación, atmósferas explosivas y fatiga térmica ya han registrado demanda de servicios por parte de empresas. También se cuenta con equipo de detección de contaminantes químicos y evaluación de material particulado (polvos) que se está promoviendo entre usuarios potenciales para su utilización oportuna.

Concerniente a las evaluaciones médico-biológicas, está en proceso ya la adquisición de equipos para evaluar la capacidad auditiva, la capacidad pulmonar y realizar tesis de química sanguínea, todo esto bajo la concepción de aplicar programas de medicina preventiva orientados al cuidado de la Salud de los Trabajadores y paralelamente generar ingresos que contribuyan al mantenimiento de la fundación.

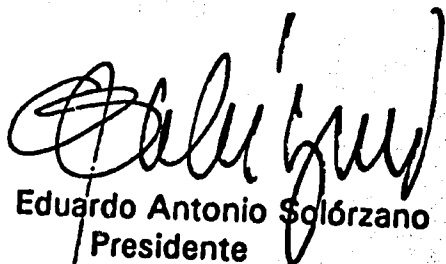
\* **SOLICITUD CONCRETA DE FIPRO ANTE AID.**

Finalmente, deseamos manifestar que no obstante la decidida ejecución de los programas anteriormente descritos, no preveemos una fecha exacta para proponer la extensión de la terminación del Convenio, pero que si anticipamos una respuesta positiva en la contratación de servicios de FIPRO motivada por la transición hacia la paz y estabilidad económica del país.

Solicitamos el apoyo de AID para reprogramar los fondos remanentes a la finalización del Convenio en forma acorde a las necesidades que FIPRO prevee, bajo la supervisión del oficial de la Agencia designado al programa.

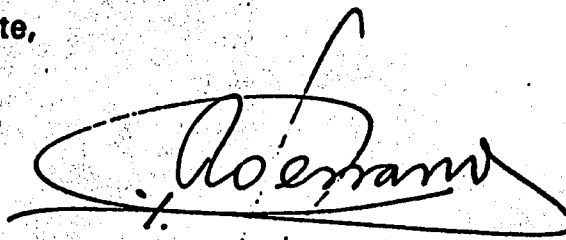
En espera de una resolución favorable, nos suscribimos.

Atentamente,



Eduardo Antonio Solórzano  
Presidente

epfc.



José Roberto Serrano  
Director Ejecutivo

**ANEXOS:**

- a) Cuadros resumen de presupuesto de operaciones para 1992 (propuesta).
- b) Cuadros resumen de presupuesto de operaciones para 1993 (propuesta).

# PRESUPUESTOS

AID - FIPRO

1992

PRESUPUESTO DE OPERACIONES  
 FONDOS DEL PROGRAMA AID  
 AÑO 1992  
 CONVENIO DE COOPERACION Nº 519-0372-A-00-9573-00  
 ( VALORES EN DOLARES )

CONCEPTO	ENERO	FEBRERO	MARZO	ABRIL	MAYO	JUNIO	JULIO	AGOSTO	SEPTIEMBRE	OCTUBRE	NOVIEMBRE	DICIEMBRE	TOTALES
<b>INGRESOS</b>													
Convenio AID	305,414.00												305,414.0
<b>EGRESOS</b>													
1. Personal	6,689.00	6,465.00	6,481.00	6,365.00	6,310.00	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00	6,500.00	13,000.00	84,310.0
2. Mobiliario y Suministros de Oficina	2,262.00	1,654.00	5,721.00	9,353.00	10,000.00	10,000.00	3,000.00	2,000.00	3,000.00	1,700.00	2,000.00	1,700.00	50,395.0
3. Alquiler y Mantenimiento	632.00	686.00	755.00	784.00	715.00	715.00	750.00	750.00	750.00	1,100.00	750.00	750.00	9,137.0
4. Vehiculos y Mantenimiento	178.00	185.00	222.00	144.00	18,180.00	650.00	650.00	270.00	270.00	270.00	270.00	130.00	21,419.0
5. Seminario, Foros y Act. Educ.	5,818.00	4,360.00	8,996.00	5,540.00	5,000.00	6,000.00	8,000.00	8,000.00	10,500.00	8,000.00	7,000.00	6,000.00	83,214.0
6. Publicacion, Libros y Mat. Educ.	60.00	1,180.00	645.00	352.00	100.00	1,000.00	5,000.00	5,000.00	1,500.00	2,000.00	1,000.00	100.00	17,937.0
7. Asistencia Tecnica		502.00											28,500.0
8. Auditorias y Evaluaciones						3,500.00				5,000.00	5,000.00		10,502.0
<b>Totales</b>	<b>15,629.00</b>	<b>15,032.00</b>	<b>20,820.00</b>	<b>22,543.00</b>	<b>40,305.00</b>	<b>28,365.00</b>	<b>23,900.00</b>	<b>22,520.00</b>	<b>22,520.00</b>	<b>24,570.00</b>	<b>22,520.00</b>	<b>46,600.00</b>	<b>305,414.0</b>

EXCHANGE RATE: 1 US\$ = 8.20 COLONES

PRESUPUESTO DE OPERACIONES  
FONDOS DEL PROGRAMA FIPRO  
AÑO 1992  
( VALORES EN US DOLARES )

CONCEPTO	ENERO	FEBRERO	MARZO	ABRIL	MAYO	JUNIO	JULIO	AGOSTO	SEPTIEMBRE	OCTUBRE	NOVIEMBRE	DICIEMBRE	TOTALES
<b>INGRESOS</b>													
Capacitación	7,098.00	7,622.00	2,076.00	4,854.00	2,600.00	1,300.00	6,200.00	1,300.00	6,200.00	6,200.00	1,300.00	6,200.00	52,950.00
Seguridad e Higiene	731.00	1,183.00	451.00		610.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	9,975.00
Medicina Ocupacional		73.00					250.00	250.00	250.00	500.00	500.00	200.00	1,950.00
Dirección Ejecutiva			178.00										73.00
Intereses	693.00		610.00	366.00	610.00	610.00	610.00	122.00	178.00	610.00	610.00	178.00	1,527.00
Afiliaciones (Ingresos Patrimoniales)	1,220.00	610.00	610.00					610.00	610.00	610.00	610.00	610.00	7,686.00
Otros (Auditorías de Seguridad)		1.00							305.00	305.00	305.00		916.00
	9,742.00	9,489.00	3,315.00	5,220.00	3,820.00	3,088.00	8,060.00	3,282.00	8,543.00	8,615.00	3,715.00	8,188.00	75,077.00
<b>EGRESOS</b>													
1. Personal	1,671.00	1,582.00	1,588.00	1,612.00	1,614.00	1,614.00	1,614.00	1,614.00	1,614.00	1,614.00	1,614.00	3,227.00	20,978.00
2. Mobiliario y Suministros de Oficina	937.00	986.00	1,003.00	967.00	975.00	975.00	975.00	975.00	975.00	975.00	975.00	975.00	11,693.00
3. Alquiler y Mantenimiento	5.00	78.00	45.00	77.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	60.00	685.00
4. Vehículos y Mantenimiento	609.00	682.00	808.00	544.00	640.00	660.00	660.00	660.00	660.00	660.00	660.00	660.00	7,923.00
5. Seminario, Foros y Act. Educ.	90.00	244.00	623.00	250.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	4,807.00
Publicación, Libros y Mat. Educ.						680.00	300.00			270.00			950.00
Asistencia Técnica													300.00
Auditorías y Evaluaciones													0.00
<b>Totales</b>	<b>3,312.00</b>	<b>3,572.00</b>	<b>4,067.00</b>	<b>3,450.00</b>	<b>3,759.00</b>	<b>4,739.00</b>	<b>3,759.00</b>	<b>3,759.00</b>	<b>4,029.00</b>	<b>3,759.00</b>	<b>5,372.00</b>	<b>47,336.00</b>	

EXCHANGE RATE: 1 US\$ = 8.20 COLONES

PRESUPUESTO CONSOLIDADO DE OPERACIONES  
 CONVENIO DE COOPERACION AID-FIPRO N° 519-0372-A-00-9573-00  
 AÑO 1992  
 ( VALORES EN DOLARES )

CONCEPTO	ENERO	FEBRERO	MARZO	ABRIL	MAYO	JUNIO	JULIO	AGOSTO	SEPTIEMBRE	OCTUBRE	NOVIEMBRE	DICIEMBRE	TOTALE
<b>INGRESOS</b>													
Capacitación	7,098.00	7,622.00	2,076.00	4,854.00	2,600.00	1,300.00	6,200.00	1,300.00	6,200.00	6,200.00	1,300.00	6,200.00	52,95
Seguridad e Higiene	731.00	1,183.00	451.00	0.00	610.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	9,97
Medicina Ocupacional	0.00	0.00	0.00	0.00	0.00	0.00	250.00	250.00	250.00	500.00	500.00	200.00	1,95
Dirección Ejecutiva	0.00	73.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7
Intereses	693.00	0.00	178.00	0.00	0.00	178.00	0.00	122.00	178.00	0.00	0.00	0.00	1,52
Afiliaciones (Ingresos Patrimoniales)	1,220.00	610.00	610.00	366.00	610.00	610.00	610.00	610.00	610.00	610.00	610.00	610.00	7,68
Otros	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	91
Convenio AID	305,414.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	305.00	305.00	305.00	0.00	305,41
	315,156.00	9,489.00	3,315.00	5,220.00	3,820.00	3,088.00	8,060.00	3,282.00	8,543.00	8,615.00	3,715.00	8,188.00	380,49
<b>EGRESOS</b>													
1. Personal	8,360.00	8,047.00	8,069.00	7,977.00	7,924.00	8,114.00	8,114.00	8,114.00	8,114.00	8,114.00	8,114.00	16,227.00	105,28
2. Mobiliario y Suministros de Oficina	3,199.00	2,640.00	4,724.00	10,325.00	10,975.00	10,975.00	3,975.00	2,975.00	3,975.00	2,675.00	2,975.00	2,675.00	62,08
3. Alquiler y Mantenimiento	637.00	764.00	800.00	861.00	775.00	775.00	810.00	810.00	810.00	1,160.00	810.00	810.00	9,82
4. Vehículos y Mantenimiento	787.00	867.00	1,030.00	688.00	18,840.00	1,310.00	1,310.00	930.00	930.00	930.00	930.00	790.00	29,34
5. Seminario, Foros y Act. Educ.	5,908.00	4,604.00	9,619.00	5,790.00	5,450.00	6,450.00	8,450.00	8,450.00	10,950.00	8,450.00	7,450.00	6,450.00	88,02
6. Publicación, Libros y Mat. Educ.	60.00	1,180.00	645.00	352.00	100.00	1,680.00	5,000.00	5,000.00	1,500.00	2,270.00	1,000.00	100.00	18,88
7. Asistencia Técnica	0.00	502.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,000.00	5,000.00	0.00	10,50
8. Auditorías y Evaluaciones	0.00	0.00	0.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	25,000.00	28,50
Totales	18,951.00	18,604.00	24,887.00	25,993.00	44,064.00	32,804.00	27,659.00	26,279.00	26,279.00	28,599.00	26,279.00	52,052.00	352,45

EXCHANGE RATE: 1US\$ = 8.20 COLONES

16

PRESUPUESTO CONSOLIDADO DE OPERACIONES  
 CONVENIO DE COOPERACION AID-FIPRO N° 519-0372-A-00-9573-00  
 AÑO 1993  
 ( VALORES EN DOLARES )

CONCEPTO	ENERO	FEBRERO	MARZO	ABRIL	MAYO	JUNIO	JULIO	AGOSTO	SEPTIEMBRE	OCTUBRE	NOVIEMBRE	DICIEMBRE	TOTALES
<b>INGRESOS</b>													
Capacitación	400.00	1,100.00	1,100.00	5,600.00	1,100.00	1,100.00	5,600.00	1,100.00	1,100.00	5,600.00	1,100.00	300.00	25,200.00
Seguridad e Higiene	317.00	1,000.00	610.00	1,000.00	610.00	1,200.00	610.00	1,200.00	610.00	1,200.00	1,200.00	500.00	10,057.00
Medicina Ocupacional	500.00	500.00	500.00	500.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	300.00	6,500.00
Dirección Ejecutiva	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Intereses	0.00	500.00	300.00	0.00	0.00	300.00	0.00	1,000.00	300.00	0.00	0.00	600.00	3,000.00
Affiliaciones (Ingresos Patrimoniales)	610.00	610.00	610.00	610.00	610.00	610.00	610.00	610.00	610.00	1,220.00	610.00	610.00	7,930.00
Otros	0.00	305.00	0.00	305.00	0.00	305.00	0.00	305.00	0.00	305.00	305.00	0.00	1,830.00
Convenio AID	234,525.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	234,525.00
	236,352.00	4,015.00	3,120.00	8,015.00	2,920.00	4,115.00	7,420.00	4,815.00	3,220.00	8,925.00	3,815.00	2,310.00	289,042.00
<b>EGRESOS</b>													
1. Personal	9,389.00	9,389.00	9,389.00	9,389.00	9,389.00	9,389.00	9,389.00	9,535.00	9,389.00	9,389.00	9,389.00	18,778.00	122,203.00
2. Mobiliario y Suministros de Oficina	3,450.00	3,450.00	3,450.00	3,450.00	3,450.00	3,450.00	3,450.00	3,450.00	3,450.00	3,450.00	3,450.00	3,000.00	40,950.00
3. Alquiler y Mantenimiento	870.00	900.00	900.00	910.00	1,060.00	1,060.00	1,080.00	1,080.00	1,080.00	1,080.00	1,080.00	1,040.00	12,140.00
4. Vehículos y Mantenimiento	960.00	960.00	960.00	960.00	960.00	960.00	960.00	960.00	960.00	960.00	960.00	350.00	10,910.00
5. Seminario, Foros y Act. Educ.	4,600.00	4,650.00	10,400.00	4,650.00	4,650.00	12,500.00	4,650.00	4,650.00	10,150.00	4,650.00	5,700.00	4,650.00	75,900.00
6. Publicación, Libros y Mat. Educ.	500.00	500.00	1,500.00	1,000.00	1,000.00	1,500.00	500.00	5,000.00	5,500.00	1,500.00	500.00	1,000.00	20,000.00
7. Asistencia Técnica	0.00	500.00	0.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	800.00
8. Auditorias y Evaluaciones	0.00	0.00	0.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00	3,500.00
Totales	19,769.00	20,349.00	26,599.00	20,359.00	20,509.00	32,659.00	20,029.00	24,675.00	30,529.00	21,029.00	21,079.00	28,818.00	286,403.00

EXCHANGE RATE: 1US\$ = 8.20 COLONES



121

PRESUPUESTO DE OPERACIONES  
FONDOS DEL PROGRAMA FIPRO  
AÑO 1993  
( VALORES EN US DOLARES )

CONCEPTO	ENERO	FEBRERO	MARZO	ABRIL	MAYO	JUNIO	JULIO	AGOSTO	SEPTIEMBRE	OCTUBRE	NOVIEMBRE	DICIEMBRE	TC
<b>INGRESOS</b>													
Capacitación	400.00	1,100.00	1,100.00	5,600.00	1,100.00	1,100.00	5,600.00	1,100.00	1,100.00	5,600.00	1,100.00	300.00	21
Seguridad e Higiene	317.00	1,000.00	610.00	1,000.00	610.00	1,200.00	610.00	1,200.00	610.00	1,200.00	1,200.00	500.00	16
Medicina Ocupacional	500.00	500.00	500.00	500.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	300.00	4
Dirección Ejecutiva	0.00	500.00	300.00	610.00	610.00	300.00	610.00	1,000.00	300.00	300.00	610.00	600.00	3
Intereses	610.00	610.00	610.00	305.00	610.00	610.00	610.00	610.00	610.00	1,220.00	610.00	610.00	7
Afiliaciones (Ingresos Patrimoniales)		305.00				305.00		305.00		305.00	305.00		1
Otros (Auditorías de Seguridad)													
<b>Totales</b>	<b>1,827.00</b>	<b>4,015.00</b>	<b>3,120.00</b>	<b>8,015.00</b>	<b>2,920.00</b>	<b>4,115.00</b>	<b>7,420.00</b>	<b>4,815.00</b>	<b>3,220.00</b>	<b>8,925.00</b>	<b>3,815.00</b>	<b>2,310.00</b>	<b>54</b>
<b>EGRESOS</b>													
1. Personal	1,914.00	1,914.00	1,914.00	1,914.00	1,914.00	1,914.00	1,914.00	2,060.00	1,914.00	1,914.00	1,914.00	3,828.00	25
2. Mobiliario y Suministros de Oficina	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	950.00	500.00	10
3. Alquiler y Mantenimiento	20.00	50.00	50.00	60.00	60.00	60.00	80.00	80.00	80.00	80.00	80.00	40.00	7
4. Vehículos y Mantenimiento	660.00	660.00	660.00	660.00	660.00	660.00	660.00	660.00	660.00	660.00	660.00	200.00	5
5. Seminario, Foros y Act. Educ.	100.00	150.00	400.00	150.00	150.00	2,500.00	150.00	150.00	150.00	150.00	1,200.00	150.00	2
6. Publicación, Libros y Mat. Educ.			500.00			500.00			500.00			500.00	2
7. Asistencia Técnica						300.00							
8. Auditorías y Evaluaciones													
<b>Totales</b>	<b>3,444.00</b>	<b>3,724.00</b>	<b>4,474.00</b>	<b>3,734.00</b>	<b>3,734.00</b>	<b>6,884.00</b>	<b>3,754.00</b>	<b>3,900.00</b>	<b>4,254.00</b>	<b>3,754.00</b>	<b>4,804.00</b>	<b>5,218.00</b>	<b>51</b>

EXCHANGE RATE: 1 US\$ = 8.20 COLONES

8

PRESUPUESTO DE OPERACIONES  
CONTRIBUCION DEL US AID AL PROGRAMA FIPRO  
AÑO 1993  
CONVENIO DE COOPERACION Nº 519-0372-A-00-9573-00  
( VALORES EN DOLARES )

CONCEPTO	ENERO	FEBRERO	MARZO	ABRIL	MAYO	JUNIO	JULIO	AGOSTO	SEPTIEMBRE	OCTUBRE	NOVIEMBRE	DICIEMBRE	
<b>INGRESOS</b>													1
Convenio AID	234,525.00												2
<b>EGRESOS</b>													
1. Personal	7,475.00	7,475.00	7,475.00	7,475.00	7,475.00	7,475.00	7,475.00	7,475.00	7,475.00	7,475.00	7,475.00	14,950.00	
2. Mobiliario y Suministros de Oficina	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	
3. Alquiler y Mantenimiento	850.00	850.00	850.00	850.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	
4. Vehiculos y Mantenimiento	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	
5. Seminario, Foros y Act. Educ.	4,500.00	4,500.00	10,000.00	4,500.00	4,500.00	10,000.00	4,500.00	4,500.00	10,000.00	4,500.00	4,500.00	4,500.00	
6. Publicación, Libros y Mat. Educ.	500.00	500.00	1,000.00	1,000.00	1,000.00	1,000.00	500.00	5,000.00	5,000.00	1,500.00	500.00	500.00	
7. Asistencia Técnica		500.00											
8. Auditorias y Evaluaciones						3,500.00							
<b>Totales</b>	<b>16,125.00</b>	<b>16,625.00</b>	<b>22,125.00</b>	<b>16,625.00</b>	<b>16,775.00</b>	<b>25,775.00</b>	<b>16,275.00</b>	<b>20,775.00</b>	<b>26,275.00</b>	<b>17,275.00</b>	<b>16,275.00</b>	<b>23,600.00</b>	2

EXCHANGE RATE: 1 US\$ = 8.20 COLONES

XD-ABE-596-A

78561

**EVALUATION OF THE INDUSTRIAL FOUNDATION  
FOR THE PREVENTION OF OCCUPATIONAL HAZARDS**

**USAID PROJECT NO. 519-0372**

**Submitted to:**

**Mr. Sergio Guzman  
Project Officer  
USAID/El Salvador  
San Salvador, El Salvador**

**Submitted by:**

**DEVRES, INC.  
7201 Wisconsin Avenue, Suite 500  
Bethesda, MD 20814  
Tel: (301) 951-5546  
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**Contract No.: 519-0327-0-00-1135-00**

**November 18, 1991**

## **LIST OF ACRONYMS AND ABBREVIATIONS**

**FIPRO**  
**FUSADES**  
**OSHA**  
**USAID**

**Industrial Foundation for the Prevention of Occupational Hazards**  
**Salvadoran Foundation for Economic and Social Development**  
**Occupational Safety and Health Agency**  
**U.S. Agency for International Development**

## TABLE OF CONTENTS

LIST OF ACRONYMS AND ABBREVIATIONS .....	i
TABLE OF CONTENTS .....	iii
LIST OF ANNEXES .....	vii
EXECUTIVE SUMMARY .....	ix
I. EVALUATION .....	1
A. Background .....	1
1. History of FIPRO .....	1
2. Structural impediments to controlling occupational hazards/the role of economic incentive .....	1
B. Objectives and Strategies .....	4
1. Introduction .....	4
2. Findings .....	4
3. Conclusions .....	5
4. Recommendations .....	7
C. Managerial and Financial Capability .....	7
1. Introduction .....	7
2. Findings .....	8
3. Conclusions .....	9
4. Recommendations .....	9
D. Effectiveness of Methodology and Techniques .....	10
1. Training .....	10
a. Introduction .....	10
b. Findings .....	12
c. Conclusions .....	13
d. Recommendations .....	13
2. Inspection .....	13
a. Introduction .....	13
b. Findings .....	14
c. Conclusions .....	15
d. Recommendations .....	15

3.	Technical Assistance .....	15
a.	Introduction .....	15
b.	Findings .....	16
c.	Conclusions .....	16
d.	Recommendations .....	16
4.	Establishment of safety programs and manuals .....	17
a.	Introduction .....	17
b.	Findings .....	17
c.	Conclusion .....	17
d.	Recommendations .....	17
5.	Management information systems/accident classification system ...	18
a.	Introduction .....	18
b.	Findings .....	18
c.	Conclusions .....	18
d.	Recommendations .....	19
6.	Publication/library .....	19
a.	Introduction .....	19
b.	Findings .....	19
c.	Conclusion .....	19
d.	Recommendations .....	20
7.	Equipment to evaluate hazard .....	20
a.	Introduction .....	20
b.	Findings .....	20
c.	Conclusion .....	20
d.	Recommendations .....	21
8.	Occupational medical services .....	21
a.	Introduction .....	21
b.	Findings .....	21
c.	Conclusion .....	21
d.	Recommendation .....	21
E.	Labor-Management Cooperation .....	21
1.	Introduction .....	21
2.	Findings .....	22
a.	Labor management relations within FIPRO member companies .....	22
b.	Improvement of labor-management relations due to labor participation in the Tri-Party-Intersectorial Commission ....	22
3.	Conclusion .....	23
4.	Recommendations .....	23

22

<b>F.</b>	<b>Marketing and Communications</b> .....	<b>23</b>
<b>1.</b>	<b>Introduction</b> .....	<b>23</b>
<b>2.</b>	<b>Findings</b> .....	<b>24</b>
<b>3.</b>	<b>Conclusion</b> .....	<b>24</b>
<b>4.</b>	<b>Recommendations</b> .....	<b>24</b>
<b>II.</b>	<b>RECOMMENDATIONS</b> .....	<b>25</b>
<b>A.</b>	<b>FIPRO</b> .....	<b>25</b>
<b>B.</b>	<b>Labor</b> .....	<b>25</b>
<b>C.</b>	<b>Government - Ministry of Labor</b> .....	<b>26</b>
<b>III.</b>	<b>LESSONS LEARNED</b> .....	<b>27</b>

## LIST OF ANNEXES

<u>Annex</u>		<u>Page</u>
1	Scope of Work .....	1-1
2	Methodology of Evaluation .....	2-1
3	Work Plan .....	3-1
4	Persons Interviewed .....	4-1
5	Abstract and Summary Portion of A.I.D.'s Evaluation Summary .....	5-1
6	Outline of Basic Project Identification Data .....	6-1
7	Attachment 1 .....	7-1



## EXECUTIVE SUMMARY

### A. USAID, Project #519-0372

Evaluation of FIPRO project October 3, 1991 to October 27, 1991.

### B. Project Objectives

The primary goal of this project is to support FIPRO to gain self sufficiency in providing training and technical assistance to member companies in order to improve workplace conditions and to foster better cooperative labor-management relations. Equally important is the activity to encourage the organization of a National Safety Council and National Plan through the creation of a Tri-Party-Intersectorial Commission composed of labor, management, and government.

*Should be consistent with  
official documentation:  
Improve working conditions in  
workplaces throughout El  
Salvador.*

### C. Purpose of the Evaluation/Methodology

The purpose of the evaluation is to assess whether FIPRO's strategy is appropriate and effective, whether the goals and objectives are relevant and are being met, and whether the operating procedures are relevant and effective.

The methodology used was to evaluate the performance of FIPRO personnel relative to each of the major functions that they perform and to compare their methods, techniques and accomplishments with the stated goals. This was done by a review of AID documents, FIPRO files, reports, publications and training materials, as well as making field studies at eight member companies to compare inspection findings and technical assistance findings to the findings in the FIPRO's reports. Also in-depth interviews were conducted with FIPRO personnel as well as with various management, labor and government officials.

### D. Findings/Conclusions

The key factors in this evaluation are:

- Is FIPRO improving labor-management relations by its efforts to provide services to control workplace hazards?
- Is there evidence that FIPRO is becoming self-sufficient?
- How well does FIPRO perform the services that it is supposed to perform?

**1. Labor-management relations**

There is a fundamental conflict in the design of this project which in essence requires FIPRO to work directly against stated goals of improving labor-management cooperation through effective worker participation. FIPRO and others see a conflict wherein encouraging worker participation through democratic processes would be seen as counter productive to FIPRO's ability to generate more service requests from members. Occupational safety and health issues can be sensitive and are sometimes used to organize workers. Occupational Safety and Health Committees which truly encourage authentic workplace democracy would be seen by FIPRO members as contrary to their economic interest. FIPRO personnel also see true worker participation as risking their relationship with their members. They therefore focus on training which makes them "less vulnerable" (I.D.1) and they perform technical assistance without truly involving labor (see I.D). FIPRO personnel talk with workers during their services but they do not involve them in their inspections and technical assistance services.

Another inherent problem for FIPRO is to improve labor management relations through the reduction of workplace hazards is the structural impediments which create economic disincentives to control workplace hazards. That is, the legal, political and economic structures do not insure the internalization of the costs of occupational injury and disease. (See I.A. BACKGROUND) It is an extremely difficult to "sell" employers on the economic need to control hazards when the structures do not require the employers to pay for the harm which results from the production processes.

**2. Evidence of self-sufficiency**

There is no evidence to suggest that FIPRO will be able to become self-sustaining. In these two years member income accounts for about ten percent (10%) of the annual budget.

**3. Effectiveness of services performed**

Section I.D.1. through 8., comments specifically on each of these functions. Notwithstanding the criticism of lack of labor participation (See I.E.) and the inappropriate emphasis on training (See I.D.1.) FIPRO performs their technical services competently. They need improvement in many of the areas as pointed out in the findings sections in I.D.1. through 8. However, overall FIPRO personnel are competent and perform their services satisfactorily. With more experience and training they could easily improve significantly.

FIPRO was not born of perceived common economic self interest of its members. The political, economic and legal structures in which FIPRO members work actually provide economic disincentives for controlling workplace hazards. (See I.A. Background).

In summary, FIPRO has been unsuccessful in causing any significant improvement in labor-management relations in member companies and has achieved little success in bringing labor and management together on a national level. There is no evidence of hope for self-sustainability. FIPRO's services, although performed in a satisfactory manner, can be seen as a subsidy to the richest national and multinational firms, which by comparison to small and medium sized companies, are in much better conditions relative to occupational hazards.

FIPRO was not born of perceived common economic self interest of its members. It was created with relatively little seed money from La Constancia, S.A. and nine other companies owned in part by La Constancia. USAID paid a high percent of its costs.

On the factory level, true labor-management cooperation in occupational safety and health matters will result as a consequence of participatory processes wherein labor and management cooperate in the identification, evaluation and control of workplace hazards. Workers are often keenly aware of the problems associated with their machines and processes. Labor-management relations will improve to the extent that the interaction of labor and management results in improved working conditions.

On the national level labor-management cooperation through the Tri-Party Intersectorial Commission will be successful to the extent that it fosters and effects changes in the economic, legal and political structures which impede development in occupational safety and health. That is to the extent that fair safety and health laws are passed and enforced, that premiums to Social Security are related to experience, and that all workers are included in the social security system.

The best way to get labor laws passed is through the pressure of an active labor movement. That is one which is well trained, articulate and active regarding Occupational Safety and Health issues.

The best way to have effective enforcement of Occupational Safety and Health laws is through a well trained and equipped team of inspectors in the Ministry of Labor.

The recommendation is for USAID to continue to support FIPRO through September 1992 and initiate changes which truly involve democratic initiatives. Also to support alternative democratic initiatives and pluralism within organized labor while at the same time supporting the Ministry of Labor to become more effective.

#### **E. Recommendations**

The following is a summary of the recommendations. Greater detail can be found in Section II.

**1. FIPRO**

**a. Continue to fund FIPRO beyond September of 1992, in order to maintain the Inter-Sectorial Tri-Party Commission to serve as a forum for the three sectors to establish a national Plan and to advise on Occupational Safety and Health matters. Discontinue funding for other activities as of September 1992.**

**b. Arrange a meeting as soon as possible between FIPRO's Board of Directors and staff should meet as soon as possible to discuss ways that members companies can assist FIPRO to gain self-sufficiency.**

**c. Inform FIPRO's Board of Directors periodically in writing by FIPRO of the results of their recommendations related to inspectors, follow-up inspections and technical assistance so the Board can evaluate the effectiveness of FIPRO's service relative to hazard controls being implemented.**

**d. Foster authentic democratic initiatives by way of worker participation in member companies by encouraging labor-management committees with equal labor-management representation and involvement of workers and/or worker representatives in all aspects of FIPRO's services to member companies.**

**e. Encourage organizational mechanisms within the Tri-Party-Intersectorial Commission to increase full and equal participation of labor so industry and government will not be able to subdue the labor sector.**

**2. Labor**

**a. Seek additional funds to create a Worker Occupational Health Institute which embraces all labor confederations (truly pluralistic) with the goal of having full labor participation by way of democratic processes to speak with one voice to pressure for structural changes to cause economic incentives to control hazards. The Institute could be a vehicle to provide worker education in Occupational Safety and Health.**

**The Institute's primary purpose would be to train union representatives from the various sectors in the fundamental principles of occupational safety and health, as well as the economic, political and legal aspects, in order to develop competent, articulate, national leaders to pressure government and industry to make structural changes to cause the internalization of the costs of occupational injury and disease (See I. BACKGROUND).**

**b. Provide in-depth comprehensive training in the technical, political, economic and legal aspects of Occupational Safety and Health to the Labor Sector of the Commission through the Worker Institute in order to create active, qualified and articulate labor leaders to pressure for meaningful change. The pressure would be exerted by way of**

the Tri-Party Commission as well as directly on the government and industry through broad base political pressure of unions.

*This paragraph should probably be omitted. Does not off to funding!*

At this stage in El Salvador it is not recommended that USAID or FIPRO encourage workers representatives to speak out to pressure for structural change since this can result in death threats or death. When peace comes these representatives will be ready.

3. Government - Ministry of Labor

*Does not clarify who these actions are for.*

a. Establish long-term institutional relationships between the Ministry of Labor, Occupational Safety and Health Division in El Salvador and the U.S. Department of Labor, Occupational Safety and Health Administration in order to train inspectors and supervisors in wide variety of hazard categories offered at the OSHA Institute in Rosemont, Illinois, to increase technical competency within the Ministry of Labor.

b. Donate obsolete technical equipment which is still useful, but not being used by U.S. Department of Labor OSHA personnel, to the Department of Labor in El Salvador.

c. Bring OSHA inspectors and industrial hygienists who speak Spanish to El Salvador to accompany inspectors and to give advice to inspectors in El Salvador regarding investigation techniques. OSHA personnel with experience in El Salvador could then participate in the design of training programs offered in the OSHA Training Institute and could present this training to El Salvador inspectors, labor representatives and FIPRO members.

d. Donate funds to purchase books in Spanish to create a reference library for use by the Ministry of Labor personnel as well as the general public.

e. Train Ministry of Labor personnel to use participatory educational methods so they can design or implement Worker Education courses in Occupational Safety and Health for labor representatives.

Please note that in Attachment 1 there is a section entitled Ways to Achieve Meaningful Results Despite Impediments. This is a general methodology that can be used by FIPRO, government or labor to begin campaigns to control hazards in ways that are technologically and economically feasible, if not the most effective.

F. Lessons Learned

1. Development projects are most successful when they are born of a common recognized self-interest within the group that asks for help.

2. Design faults in the Project can only lead to partial or superficial success. Occupational Safety and health efforts are meant to shift the "subsidy" the workers give to owners by bearing the costs of workplace injury and disease, to the owners so they have incentives to control hazards. This project gives a "subsidy" to the owners by underwriting training and technical assistance to the most capable national and multinational firms. The design is upside down.

3. In countries where the legal, political and economic structures do not require the employer to pay the bulk of costs from workplace injury and disease, meaningful development will result to the extent that the structure is changed to shift the costs from the worker or government to the employer.

4. When creating projects to improve labor-management relations, labor should be brought in at the design stages in order to get their in-put and buy in which will reduce suspicion and tension which is critical.

5. If self-sustainability is not really an objective it should not be included as an objective because it makes the Project vulnerable to unnecessary criticism.

## I. EVALUATION

### A. Background

#### 1. History of FIPRO

FIPRO first started with the financial help of the Rafael Meza Ayau Foundation and contributions from the ten founding members associated with La Constancia, S. A. in 1987. This source contributed 50,000 Colones in April of 1988. Two hundred and fifty thousand (250,000) colones was contributed by FORTAS de FUSADES. This was followed by the contribution of USAID of one million forty thousand (\$1,040,000) U.S. dollars in 1989 which was to be distributed over a three year period ending in September 1992. This economic support was intended to result in this non-profit organization being sustained by membership and fees from training and technical services provided to member companies. There was apparently no market research done to determine the viability of the investment relative to independent economic self support. FIPRO was intended to become self supporting through income received from services to members.

#### 2. Structural impediments to controlling occupational hazards/the role of economic incentive

The following is meant to be helpful in understanding the basis of the conclusions and recommendations. It will point out the effect of legal, political, and economic structures in El Salvador regarding the "internalization" of the cost of workplace injuries and disease and the importance of structural changes to create the environment in which success in occupational safety and health efforts is economically feasible.

Industrial decision makers can be expected to act according to their perceived economic self interest. There is acceptance of the notion that "Safety Pays", or it is good business to control occupational hazards, to the extent that one can see how it pays. In developed countries there are two primary forces which make it profitable to control risks. These are legal and economic. However, they both proceed from a political source.

In the United States, when workers began to successfully use Common Law to sue employers for workplace hazards that resulted in industrial injury, industrialists pressured state legislators to pass worker's compensation laws. With the passage of workers compensation laws, workers were required to give up their right to sue their employer for negligence related to workplace injury, but were granted the right to receive specified benefits for lost wages and medical costs. It was shortly after the States had begun to pass workers compensation laws that the National Safety Council was formed. A key point to recognize is that in the United States workers compensation premiums paid to a private insurance company are directly related the number of accidents and diseases compensated by their insurance company. So with the advent of workers compensation laws there was a clearly perceived reason to reduce accidents. That is, by doing so the next year's worker's compensation

premiums would be lower. Therefore, it is seen that the National Safety Council was born from the common economic self interest of business owners who were now required to pay according to their workplace accident and disease experience.

Another economic incentive to control workplace hazards was recognized by industrial decision makers when in 1970 the U.S. Congress passed the Occupational Safety and Health Law. There was a proliferation in membership in the American Society of Safety Engineers, American Industrial Hygiene Association and the National Safety Council as a result of this law and its enforcement. The threat of OSHA penalties and the possibility of embarrassing publicity created a clearly perceived need to control hazards.

In the United States, Common Law still exists to give incentive to manufacturers of industrial equipment to design, manufacture and sell safe equipment and to provide adequate warnings regarding industrial chemicals. Witness the effect of asbestos litigation on the asbestos industry and the proliferation in the lawsuits related to the manufacture and sale of dangerous industrial equipment.

When considering possibilities to achieve success in occupational health and safety initiatives in El Salvador one must be aware of the legal, economic, and political structures in which occupational safety and health conflict takes place.

In El Salvador, companies who belong to the Social Security Institute (thirteen point four percent (13.4 %) of the total economically active population employed) pay a premium that is dependent upon their industrial classification and the size of their payroll but has no relation to their experience with regard to injury and disease in the workplace. Fewer accidents do not result in lower premiums.

In El Salvador, eighty six point six percent (86.6%) of the workers are not protected by Social Security insurance and receive only Public Health services. The Social Security system simply doesn't exist for the great majority of El Salvador's workers. Most medical treatment for workplace injury and disease is paid for by the Public Health Services of the Ministry of Health.

In El Salvador, the Ministry of Labor's Occupational Safety and Health essentially does not fine employers.

*\* Probably not necessary. El Salvador is a civil law country. No substantiation.*

*In El Salvador there is no Common Law as we know it in the U.S.. The current government represses labor. There is extremely high underemployment. The country's Public Health System, paid for by government revenues, is picking up the bill for the medical treatment caused by workplace hazards. No one pays the support of lost wages to the family of injured worker in eighty six percent (86%) of the cases.*

Workplace injury and disease, without lost wage support for the family, results in additional tragedy and disaster for the entire family. The previously active worker becomes



disabled and, both, he or she and the family pay a very dear price. However, the employer in whose workplace the accident occurred pays nothing extra and can easily find a willing worker to replace the disabled one. It is in this environment that FIPRO is attempting to effect change regarding occupational hazards.

For example, consider the construction industry and how these factors might affect a construction industry decision-maker considering worker's safety. Laying pipe in trenches will sometimes result in workers being buried alive when the sides collapse. This hazard can be controlled by installing a shoring system or sloping the sides of the trench to a safe angle. To do either takes time and money. The decision maker must make low bids to get the work. If none of the bidders have to worry about higher premiums due to fatal accidents and none have to worry about government inspectors and none have to worry about getting sued by workers, how can we convince the decision-maker that safety pays? The decision maker surely knows that he/she will never work if he/she submits a bid which includes the cost of safety measures.

The same extends to the time and material cost for guarding floor openings, wall openings, scaffolds, etc., during construction activity.

There is a price for safety and someone is already paying that price. The question is who is subsidizing whom?

When the costs of occupational injury and disease are included in the price of the product, they have been "Internalized". That is, the price of the product includes the cost of the injury and disease which occurs during the production or construction process. Premiums to Social Security, workplace fines and lawsuits are mechanisms to cause internalization. When these costs are internalized we can say with conviction that "Safety Pays". In El Salvador there is very little internalization of costs. But when the costs are internalized there is a price.

For example, if land owners had to pay premiums to Social Security in relation the amount of injury and disease suffered by farm workers, the land owner would have an incentive to control these costs because otherwise his costs would have increased.

There is no "free ride", except the "free ride" that is presently taking place in El Salvador wherein farm workers are subsidizing the low prices of farm products. In other words, the prices of bananas, coffee, sugar, cotton, chocolate, and beef are now lower because there is no mechanism in El Salvador to internalize the costs of birth defects, central nervous system disorders, spontaneous abortions, mental disturbances, brain damage, cancer, and fatal injuries caused by dangerous exposure to pesticides. People who purchase the farm products (U.S. citizens to a large extent) get a free ride on the backs of the poorest members of El Salvador's society who suffer these horrible diseases and tragedies.

*Not necessary!  
Unsubstantiated*

*Necessary?  
Editorial.*

*33*

Also, in manufacturing industries the workers are "subsidizing" low prices when they and their families pay for amputations, burns, cancer, lead poisonings, central nervous systems disorders, brain damage, birth defects, etc. In 1987 a study showed that over ten percent (10%) of workers in FIPRO member companies suffered industrial accidents. This is a significant number of accidents. Increased human rights, worker rights and justice through truly democratic initiatives should result in significant structural changes to cause the internalization of the costs of workplace injury and disease.

This evaluation focused on the Objectives, Strategies, and Techniques of FIPRO relative to the effective efforts to stimulate, promote and motivate in ways which address the causes of the existence of occupational injury and disease. Occupational hazard in El Salvador must be seen as a natural outcome of systemic deficiencies or structural injustice. One should not continually treat the symptoms without attempting to address the cause of the symptom.

## **B. Objectives and Strategies**

This section will assess whether FIPRO's strategy is appropriate and effective, whether the goals and objectives are relevant and are being met, and whether the operating procedures are relevant and effective for strategy implementation and goal achievement.

### **1. Introduction**

FIPRO has two primary objectives:

a. To foster the prevention of occupational safety and health hazards by assisting member companies to establish occupational safety and health programs and by offering services of training and technical assistance, and by doing so to foster better labor-management relations.

b. To promote the organization of a National Safety Council consisting of three sectors from government, management and labor, whose purpose is to define and encourage the execution of a National Plan to deal with occupational safety and health problems in El Salvador.

### **2. Findings**

a. There is a natural conflict within the design of this project. The key to the success of this project is the extent of improvement in labor-management relations that FIPRO fosters. All sources knowledgeable in labor matters said that they see the self defeating or suicidal effect of FIPRO's activities to encourage true worker participation in matters as sensitive as workplace injury and disease. It is natural for FIPRO members to discourage active participation of workers to find problems (identify hazards) previously not recognized which will cost money to control. This is not always true for all members but my

experience of making over 800 workplace inspections to I.D. hazards lead us to realize that industrialists are usually not happy with organizations intent on finding hazards which cost money to correct, especially if they had not yet been identified. FIPRO would jeopardize the relationship with member companies to the extent that they encourage meaningful worker participation.

b. On the National level, FIPRO is working with Democratic Unions to <sup>unsubstantiated</sup> establish the Tri-Party-Intersectorial/ National Safety Council. Because of the repression of labor and polarization which now exists between labor relative to industrialist and government, labor is very suspicious of initiative taken by industrialists. FIPRO is seen by suspicious labor representatives as being an organ of the industrialists who have no interest in authentic workplace democracy. Rather FIPRO is seen as likely to foster "pro-solidarity", the movement under way in Central America to undermine legitimate labor organizations. It is in this context that nine out of thirty Democratic Unions who were invited to participate in the formation of the labor sector of the Tri-Party commission have decided to participate.

*by some trade unions in El Salvador*  
The design of the Tri-Party-Intersectorial commission in essence stacks the deck against labor. Labor expects the government will side with industry on key questions as they have in the past. This gives labor further reason to suspect the motives of the other sectors. The government has been reluctant to pass and enforce meaningful labor laws and their allegiance to the industrialists is clear to labor.

### 3. Conclusions

FIPRO's objectives are certainly worthwhile. The questions are: (1) Is FIPRO really causing greater labor-management cooperation? and (2) Is this the best way to achieve greater labor-management cooperation?

Section I., E. comments specifically on labor-management cooperation and concludes that the track record of FIPRO in this regard is not very good. On the national level, while the three sectors have been meeting, labor is very suspicious and true cooperation has not yet begun. Relative to FIPRO members, labor participation is minimal so there is little labor cooperation with FIPRO or the management within FIPRO members except for Occupational Safety and Health Committees where workers, for the most part, are not equally represented.

From another point of view one might ask: Is giving one million forty thousand dollars to an organization to provide subsidized services to the richest, most developed sector of El Salvador's society the best way to reduce workplace hazards in order to foster better labor-management relations? One of the founding members has already decided to eliminate a safety consultant who was previously contracted from another country to perform safety services because they decided to pay less for the same services provided by FIPRO. FIPRO members, to a large extent, are the most capable companies in El Salvador and have already integrated safety into their management systems much more than the other poorer sectors of El Salvador's industrial society. The cost of technical assistance provided by FIPRO is low

Note:

- 5 1. FIPRO affiliated companies employ 17600 people which is not insignificant.
2. Improvement in labor-management relations was one of the original objectives.

relative to market price. Instead of subsidizing the rich, why not help the poorer workers where problems by comparison are much greater? Especially in the construction industry and in agriculture, perhaps the two most dangerous industries in El Salvador.

This project attempts to foster better labor-management relations by encouraging worker participation in occupational safety and health matters. This will be possible if industrialists had greater economic needs to consider. Clearly they do not. Legal arguments to industrialists are very weak considering the state of the labor code. The response to moral exhortations is not encouraging.

Should the U.S. Government continue to subsidize occupational safety and health services to the richest sector of El Salvador's society with the hope that it will "improve labor-management relation and worker participation" so that things would get better for workers and campesinos? It is really not working very well in this regard and what does exist will fall apart when USAID withdraws support.

*There is no analysis which backs up this statement*

Should the U.S. Government support efforts to improve working conditions to prevent occupational hazards in El Salvador? Absolutely yes. U.S. citizens get a "free ride" due to the "subsidies" being paid by the poorest sector of Salvadoran society who in effect "pay the price" of occupational hazards with their suffering and their lives. It has been reported that there are about two hundred and fifty (250) known annual deaths among campesinos due to pesticide exposure. One can imagine the magnitude and severity of birth defects, brain damage, cancer, etc., due to less than lethal concentration of pesticides, many of which are manufactured in the United States but prohibited for use in the U.S. due to their extreme toxicity. U.S. citizens and industrialists do benefit from these tragedies. It is strongly felt that participating in the prevention of these hazards is important.

The political, economic and legal structures which exist have dictated the injustice that workers commonly suffer. Any meaningful permanent change in working conditions will come about by making permanent structural changes. This simply means fairer labor laws that are enforced. The question is to how best foster structural change in this regard.

The best way to get labor laws passed is through the pressure of an active labor movement. That is one which is well trained and articulate regarding the magnitude and severity of problems so that they can bring pressure to bear. The best way to have effective enforcement of occupational safety and health laws is through a well trained and equipped team of inspectors.

A decision will have to be made whether to continue the support for FIPRO, and/or to consider alternative methods or to simply forget occupational safety and health support in El Salvador altogether.

Our recommendation is to continue support for FIPRO until through September 1992 and to support alternative methods which FIPRO can't be expected to do. Support to FIPRO

beyond September 1992 should be only to create a forum for the Tri-Party Intersectorial Commission. This Commission is a base to build upon and is very important to maintain communication between government, labor and business.

The recommendations that follow relate to the ways to improve FIPRO in the coming year, to motivate labor's support for structural change and to support government's efforts to implement those changes.

4. Recommendations

See Section II.

C. Managerial and Financial Capability

1. Introduction

FIPRO is organized in a traditional line structure with the Board of Directors reporting to the highest governing body, the General Membership Board. An Executive Committee provides oversight for administrative operations and is composed of five (5) board members.

The Executive Director of FIPRO is responsible to the Board of Directors for planning, organizing, directing and controlling the operation of the organization. In addition to the Executive Director, FIPRO is staffed with sixteen (16) personnel composed of seven (7) technical and nine (9) administrative/support staff. Of the sixteen (16) personnel, seven (7) are department heads who report directly to the Executive Director.

Assignment of tasks for each of the departments are delineated in accordance with the design of the program's objectives and requirements. Staff have been cross-trained in the technical assistance and training areas and responsibilities are shared as necessary.

The organization remains highly dependent upon the Department of Marketing and Communications to identify potential member companies and to generate adequate publicity for the variety of training workshops presented periodically. The process from identification to membership status is often slow and several months may lapse before a company decides to sign on. As a result, FIPRO staff adjust their work calendars accordingly, carrying out safety and health inspections and follow-up only when a new company has obtained membership status. Also, the staff respond to requests to training or technical assistance for member and non-member companies as they are received.

Once a company has obtained membership status, the Department of Occupational Health and Security and the Chief of Occupational Health will arrange a visit to the company to carry out an evaluation of health and safety conditions. Based upon the findings, FIPRO

will identify the areas of training and technical assistance services it can provide. It remains up to the company to determine if it will proceed with FIPRO's range of services.

An additional focus of FIPRO which directly impacts on the organization's ability to generate business is the intersectorial (government, business and labor) coordination and development objective. Within the Department of Intersectorial Coordination and Development, FIPRO is working toward the creation of a National Safety Council as well as an across the board system of evaluative procedures to determine the effectiveness of occupational health training and technical assistance programs.

The technical team described above is supported by the Department of Administration and Finance and the Department of Information. Financial activities and written procedures were reviewed in the Administration and Finance Department to determine adequate control standards. An assessment was carried out with the Department of Information to review tasks and responsibilities. Unlike the Administrative and Finance Department, the Department of Information depends principally upon accident and health data gathered by the member companies and submitted to FIPRO. At best, receipt of this information is negligible and results in an inability to fully assess occupational and health problems in the workplace.

An assessment of the level of staff morale and appropriate assignment of tasks was carried out and is reported on in the Findings section.

In addition to a three-year grant from USAID/El Salvador (ending in 9/92), FIPRO is supported by revenues received from memberships, technical assistance and training services. Beyond the period of USAID funding, self-sustainability of the project is of major concern. This does not necessarily reflect on the organization (although new sources for income generation need to be explored), but on the commitment of business to foster occupational health and safety in the workplace. Also, the ability of FIPRO to unite government, business and labor will prove of considerable importance in assuring the program's objectives are met.

## 2. Findings

a. FIPRO's management structure presently permits the organization to respond to their clients in an efficient manner. However, as now organized, seven (7) department heads report to the Executive Director with no responsible intermediate.

b. Although training and technical assistance services are the principal functions of the technical staff, time utilization is of particular concern, given the sporadic membership affiliation and defined training seminar dates. The number of personnel will need to be carefully analyzed on a regular basis to assure continuing effective utilization of existing resources.

c. There is no evaluative process to measure the effectiveness of radio and newspaper publicity. FIPRO is unable to determine how effective either media is or its corresponding impact.

d. Staff morale is quite high and tasks are shared when and as the work load dictates.

e. Staff, in general, are adequately trained and matched to the different assignments of tasks presently being carried out.

f. The financial and administrative structure is presently capable of responding to the requirements of the organization. An adequate number of personnel are assigned to the financial office.

g. Self-sustainability of the FIPRO program does not appear viable at this time. Receipts during 1990 (January-December) for training and technical assistance totaled C209,229 versus total expenditures of C1,611,017. (Fixed costs for FIPRO totaled C358,344.) Membership and donations accounted for a relatively minor income base. Although new revenue generating ideas are being considered, no new sources have been tapped.

### 3. Conclusions

FIPRO presently maintains a technical and support staff which responds to the on-going work requirements of the organization. Although apparently top-heavy with seven (7) department heads in a seventeen (17) person company, the tasks and responsibilities have been well delineated. Effective time utilizations remains a concern, although increased business could result in a more efficient use of human resources.

FIPRO, however, is presently walking a precarious line vis-a-vis its future. It must develop increased business and new sources for revenues if it is to exist beyond the period of USAID funding. The organization has now entered its third and final year of the USAID grant and still shows an extraordinary gap between revenues and expenses. Given the slowness of obtaining members, the fact that only 13.4% of revenues were obtained from technical assistance over the past two years and the lack of new initiatives to date, it does not appear that FIPRO can become self-sustaining within the remaining twelve month period. Members are simply not utilizing FIPRO's services to any degree to give hope for significant economic support to attain self-sustainability.

### 4. Recommendations

a. FIPRO management personnel and the Board of Directors should meet to examine the financial problem and recommend solutions. If FIPRO member companies are unwilling to provide financial support, there is no future for FIPRO.

b. FIPRO should proceed immediately to evaluate its marketing and communication strategy to ascertain the most cost-effective and efficient media, and the corresponding impact on businesses.

c. FIPRO staff should continue to motivate member companies to obtain the necessary statistical data on occupational safety and health.

d. FIPRO needs to develop a planned strategy to visit non-member and member businesses on a continuing basis to develop interest in the services which FIPRO provides.

D. Effectiveness of Methodology and Techniques

The Statement of Work calls for a general evaluation of the effectiveness of the methodology and techniques used by FIPRO to implement activities in section B. It calls for specific functions to be evaluated in sections C, E, F, and I. The specific functions which were evaluated are: Training, Inspection, Technical Assistance, Establishment of Programs, Management Information Systems and Accident Classification Systems, Publication-Library, Equipment and Occupational Medical services. This Section will look at each function separately.

1. Training

a. Introduction

In order to understand the conclusions and recommendations it will be necessary to have an understanding of the role of training and the philosophy of hazard control accepted by safety professionals.

There is a strong tendency for management personnel to understand the source of workplace hazards to be the behavior or unsafe act of workers. They feel that there would be fewer safety problems if only workers would be careful and wear the personal protective equipment. The same management that strictly controls production quotas and quality objectives will say they just can't get workers to be careful. They buy into the philosophy of blaming workers for the problems because it fits their world view. That is, a world view that does not focus on the dangerous environment and the management system as the primary source of the existence of hazards.

As a result of this philosophy, management representatives see training, posters and exhortations to workers to use personal protective equipment to control hazards as the primary method. It is quicker, easier and cheaper to pass out personal protection equipment and tell the workers to be careful than to make engineering changes (machine guarding, ventilation systems, protected trenches, etc.). It is also the wrong approach.



**FIPRO's members put more emphasis in Training than other services.**

**A high percentage FIPRO income from members (62%), aside from the initial membership quotas, comes from training services. This is not to say that training is not important. It is meant to point out that this perspective of the importance of training is very different from a labor perspective on causation and methods to deal with workplace hazards. This perspective will also be contrary to the worker's reality in which production imperatives often overwhelm the ability to behave safely while exposed to uncontrolled physical conditions which are hazardous.**

**Occupational safety and health training courses are written by people from different sectors, such as, insurance companies, governmental agencies, employer associations and labor organizations. When these courses address technical issues they should all be based on the same principles. With few exceptions, occupational safety and health training material regardless of its source will be consistent relative to hazard identification, evaluation and control techniques. However there is a political or philosophical basis upon which topics are selected and there is a natural bias in the way that material is presented. For example, one might not choose topics that are related to the most serious hazards faced by a group of workers which if to do so would be controversial, conflictive, and offensive to managers who might be reluctant to spend money to control the hazard. Or one might present the material in ways that tend to focus on worker's behavior as the practical control measure to justify not spending the money to effectively control the hazard.**

**Unsafe acts as well as unsafe conditions should be seen by the managers as faults of the management system. The remedies to these hazards, according to the System Safety philosophy, do not lie within the individual as much as they lie within the management system. As management assumes responsibility for control of production and quality, they must also assume responsibility and control for unsafe acts and unsafe conditions. Safety Management accepts the fact that accidents are foreseeable, predictable, and controllable. The management system is the place to look for remedies, not the individual worker. This is not to say that workers have no responsibility regarding safety. It is meant to explain the philosophy accepted by safety professionals. However, this philosophy often conflicts with industrial managers world view which finds it easier and cheaper to focus on worker's behavior.**

**Safety professionals accept a hierarchy of hazard control selection. That is, when one is attempting to implement the most effective and reliable control techniques, there is an established methodology, agreed upon by safety professionals as the most effective approach. First, we should try to eliminate the hazard altogether if this is possible. For example, we might use battery operated forklift trucks to eliminate carbon monoxide instead of gasoline operated forklift trucks in a warehouse. When elimination is not feasible, we should consider engineering design techniques and safety devices to reduce risks of injury. After exhausting these methods which are economically and technically feasible we will be left with residual hazards which we now address by training, instructions and warnings. For hazards which still**

exist we use personal protective equipment to further reduce the risk of injury. Training, instructions, and warnings and the use of personal protective equipment are highly dependent upon worker behavior and are less reliable and effective. It is wrong to select these lower order controls when feasible engineering controls exist. However, it is easier, quicker, and cheaper to use personal protective equipment and tell workers to "be careful".

The quick-fix is often no fix at all. Worker behavior will always be important. But it must be seen in its proper place.

b. Findings

1. A review of the training material and the courses offered by FIPRO reveal that the design of the materials is not based on a worker's perspective of workplace realities. Rather it is based on management perspective. Aside from the tendency of these materials to focus on worker behavior, this is not meant to be a criticism of the materials per se. But rather to point out that this material will not be as relevant to workers as would Worker Education Material which is based on a worker's view of reality. Workers will be able to relate to and be involved in training which is relevant to the day to day tasks they perform.

For example the head of the Electrical Worker's Union of El Salvador said much of the training his members received was interesting and they learned something but it was very general and didn't relate to the dangerous tasks that his members must perform. He suggested that training specifically related to the means to inspect personal protective equipment to know if it is defective would be helpful. He also would like his workers to know how to select personal protective equipment with the correct rating for the various voltages that they work on. The training they receive is not related to their specific task. The type of training he would like could lead to workers refusing to use defective personal protective equipment which was previously thought to be safe. Or they could recognize that they are being provided with personal protective equipment not appropriate for their exposure. Or they could learn that a better work practice would be to de-energize the power before working when it was left on in the past for economic reasons. One can see that this approach would be controversial, conflictive, and offensive to management which is not willing to have workers aware of such issues. However, this type of training goes right to the most serious hazards and best control techniques. This type of training is most relevant and has a greater hope of affecting relevant changes. This type of training is lacking in FIPRO. The selection of topics and design of the courses of FIPRO are based on a management philosophy and a management bias.

Most of the courses offered by FIPRO focus on worker behavior or they are purely of a technical nature. They do not focus on the management system to implement preventive programs, to hire sufficient house keeping personnel, to assign and hold supervisors accountable for unsafe acts of workers, to budget money for safety, or to use safety devices (ventilation, machine guards, guardrails, interlocking switches, etc.) instead they focus on

personal protective equipment. This type of training could be seen as conflictive and controversial.

2. The total number of workers trained in the first year was 4,473. This included such courses as defensive driving, fire fighting, danger of alcoholism, electric hazards, personal protective equipment, worker health and diseases, human relations, accident investigation, etc.

In the second year the total number of workers trained to date is 2,024. This included courses similar to the first year. The total amount of money received from training in the first year was approximately \$21,750 U.S. In the second year it was \$27,350 U.S.

c. Conclusions

FIPRO has been very active in their training function in these two years. For the most part, the type of courses that they have presented are non-controversial and non-conflictive but not the most relevant. They are more readily accepted by FIPRO members because they reinforce the philosophy that attention should be paid to worker behavior.

It is natural that Occupational Health and Safety thinking in El Salvador should be at this level at this time. However, most FIPRO members are well beyond the "state of the industry" thinking in El Salvador. These elite companies should be receiving training more advanced than that offered by FIPRO. The type of programs currently attended will naturally be more in demand and FIPRO's success is dependent upon the demand of the members. FIPRO does recognize the need for more advanced safety management training and has been trying to get its members to accept it.

d. Recommendations

FIPRO should continue to try to bring up the level of the courses offered.

2. Inspection

a. Introduction

FIPRO relies primarily on safety inspections to identify hazards. However, there are other means which are more productive in this regard which FIPRO could easily utilize. For example, surveys, private interviews and group interviews asking the following questions are often much more productive in helping the professional outsiders understand the most important hazards in a particular workplace.

- Do you know of an accident that has resulted in death or serious injury to anyone? Does the hazard still exist?
- What is the most dangerous work you have had to do here?
- What is the most dangerous work that you have seen performed by others?
- If you could make only one safety improvement, what would you do?
- What is the worst exposure to airborne chemicals that you have experienced in this workplace?
- Do you know anyone who has had to quit because they got sick?
- Do you know of anyone who has refused to do a job because it was too dangerous?
- Are there any jobs that are done occasionally that are particularly dangerous?
- Is there any work that is dangerous that you have to do during emergencies or breakdowns in the production system?

While many workers would be afraid to answer and others would not understand so well, most workers who have been in intimate contact with the machines and the work processes would be able to give important answers to these questions.

The inspection process as the means to identify hazards has limitations because: 1. Workers and supervisors stop the unsafe work when they see the inspection party coming; and 2. The inspector can only see what work is taking place at the time he or she passes by, so infrequently performed work is overlooked.

In preparation for the evaluation of FIPRO's inspections, twelve (12) inspection files were read in detail and visits were made to eight (8) of the twelve factories where the inspections took place to compare the inspectors' findings with the evaluator's findings.

b. Findings

FIPRO has performed general inspections to detect general hazards in all member companies. They rely primarily on the inspection method and some worker interviews but did not systematically and comprehensively seek answers to the previously mentioned questions. To do so would be to actively involve workers. While worker

44

representatives would surely appreciate this type of participation, factory owners would likely object to this method.

FIPRO inspectors write clear safety reports and identify a wide variety of safety hazards.

With respect to the industrial hygiene evaluation the reports indicate a lack of understanding of hazard evaluation techniques. For instance the industrial hygienist concluded the existence of health hazards in many instances without having specific information relating to the concentration and duration of the exposure. FIPRO is quick to say that such an exposure could cause specific symptoms when they really don't have sufficient evidence in the report to make such a conclusion. This could lead to a lack of credibility which is extremely important for FIPRO to maintain.

c. Conclusions

FIPRO's safety inspections are performed in a competent manner and result in the identification of a wide variety of hazards. However, the means of hazard identification is limited. There are instances in the report where health hazards are not properly considered. The report indicates little worker participation in the inspection process. Worker representatives are not informed about the results. The person who reviewed the health hazard evaluations apparently did not detect the fact that the conclusions were drawn without sufficient information.

d. Recommendations

FIPRO's inspectors should involve workers and worker representatives in the hazard identification process during inspections but also through surveys, and/or systematic interviews. They should send their findings to union representatives, request their members to post findings in order to show workers which hazards have been controlled and which are pending. The inspection report should indicate how workers and worker representatives participated. Workers and their representatives, as well as management representatives, should be asked to participate in the design of the training programs.

3. Technical Assistance

a. Introduction

FIPRO has been moderately successful in getting members to make specific requests for technical assistance. The Executive Director of FIPRO stated that members have been more interested in training because they are "less vulnerable" with services focused on training. In preparation for the evaluation of technical assistance services the evaluator reviewed six (6) files which described the technical assistance rendered and visited five (5) workplaces to confirm evaluation findings with the workplace. Evaluations

focused on heat stress, carbon monoxide, noise, trichloromethane and job safety analysis of three particularly dangerous jobs.

The quality of the technical assistance to FIPRO members is very important for the reputation of FIPRO. FIPRO's reputation is key to getting more requests for technical assistance since FIPRO members are closely linked. With some FIPRO members occupational safety and health consultants from abroad visit them on a yearly basis to perform evaluations and sampling. These people would be sensitive to FIPRO's findings that do not agree with theirs. Also some of FIPRO members employ occupational safety and health professionals who would also be sensitive to the findings of FIPRO. Therefore it is very important for the survival of FIPRO to be able to defend their conclusions with evidence.

b. Findings

The reports of the sampling relative to noise, trichloromethane, carbon monoxide and heat stress are not written in a way that the reader can understand whether the sampling was personal sampling or environmental sampling. This is an important distinction in sampling strategy and methodology. There is no indication in the reports of a factual basis for arriving at the conclusion that a hazard exists. That is, the concentration and duration of the particular exposure must exceed the permissible exposure level when averaged over an eight (8) hour work day for most exposures. No personal sampling of eight (8) hours was done, yet various conclusions relative to the existence of hazards were made without explanation.

c. Conclusions

FIPRO's reputation for technical accuracy is critical for its success. Active workers who have been made aware of potentially serious health hazards and managers who are faced with the important economic decisions must be able to depend on the advice of FIPRO. FIPRO must be able to defend its conclusions. There is not sufficient evidence on file for the reviewer to understand the basis of the conclusions. The conclusions and recommendations may well be the correct ones, but it is not clear from the reports.

d. Recommendations

The industrial hygienist should give more detail about methods of sampling, duration and concentration of samples and any limitations. If recommendations are made when there is insufficient evidence of exposures above the permissible exposure level, an explanation should be given.

Technical assistance reports should be written in greater detail so the reviewer can determine the basis upon which these recommendations were concluded.

4. Establishment of safety programs and manuals

a. Introduction

One of the primary functions of FIPRO is to assist in the development of safety programs in member companies. The safety programs normally consist of seven fundamental elements integrated into the management system. Before FIPRO began to function, some of its members had such programs in place. Others had Central Committees which were at various levels of competency. Others had nothing. FIPRO had suggested to member companies after the initial general inspection that they establish occupational safety and health committees with equal representation among workers and managers.

b. Findings

There are no such committees with fifty percent management and fifty percent labor in place in FIPRO's members at this point. FIPRO has recently received its first request to help establish an occupational safety and health program, according to FIPRO's Executive Director. When FIPRO makes their initial inspection they do not systematically evaluate the occupational safety and health program. They do encourage the establishment of committees and they have provided technical assistance to members to establish committees. However, these would be Central Committees rather than committees with equal representation between labor and management.

c. Conclusion

FIPRO has provided advice to member companies relative to the structure of a Central Committee which is very similar to an Occupational Safety and Health Program. By design the committee would not be of equal labor management representation. However, within the Central Committee or Safety and Health Program, there should be a safety and health commission of equal representation of labor and management in order to have active worker participation. FIPRO has been successful in helping members in this regard. They do not systematically evaluate the Occupational Safety and Health Program or the central committee as part of their inspection. They offer Program evaluation as part of their Technical Assistance services.

d. Recommendations

FIPRO should develop a program evaluation methodology that is flexible enough to be applicable to all FIPRO members from the most to the least developed.

5. Management information systems/accident classification system

a. Introduction

This evaluation involves the assessment of whether FIPRO generates enough statistics to evaluate the impact of its activity (MIS) and to determine to what extent they have begun to implement an Accident Classification System among their members.

b. Findings

1. Management information system

FIPRO does not in-put quantitative data relative to the various services performed. They do not establish specific goals for each function and then make periodic measures to ensure that they are meeting expectations. FIPRO's Executive Director gave a reasonable explanation for this. They do create figures related to tasks relative to next year's goals but they are educated guesses. To a large extent, FIPRO cannot control the amount of work performed regarding various functions because it is dependent upon member requests. With regard to in-putting numbers related to various functions, this has not yet been done because figures are generated quarterly and are easily accessible in reports. This was found to be correct.

2. Accident classification system

Very few FIPRO members have recently begun to keep accident records and to send them to FIPRO. This function is really in its infancy. The previous evaluator, found that in his work, none of the eight (8) companies visited could provide records of previous year's accidents. FIPRO has made efforts to encourage members to report and has competently designed a form to be used by members. However, they have had little success in this regard.

c. Conclusions

1. Management information system

While this information should be put into MIS system this should be seen as a minor criticism due to the explanation.

2. Accident classification systems

The failure of members to collect and enter data is to a large extent because they do not see the need. Most safety and health programs where they exist have not developed to the point where they would attempt to analyze data. This is not an easy sell for FIPRO. However, they have recently had some success in this regard.



d. Recommendations

1. Management information system

FIPRO should require a weekly or monthly entry of all quantitative measures of performance to use as a tool to "see" progress.

2. Accident classification system

FIPRO should continue with aggressiveness to encourage members to enter or send this information to FIPRO.

6. Publication/library

a. Introduction

This evaluation is to assess whether publications have been developed from a formulated strategy and whether they are focused and effective. Also it covers the assessment of the overall impact of the publications. The library and resource material is also considered.

b. Findings

1. Publications

The great majority of publications of FIPRO relate to what FIPRO has done or could do for members. One page of the Information Bulletin is dedicated to hazard recognition or control. We had expected to find more handouts related to specific hazards and more occupational safety and health technical material published by FIPRO. There is no formulated strategy in this regard. However, the publications explaining what they did and can do are well designed and clearly written. This type of publication is important to publicize the services of FIPRO.

2. Library

FIPRO does not maintain a library although they do have some books/literature.

c. Conclusion

Publications which exist do not include specific hazards identification, evaluation, and control information which can be given or sold to members or the public. The library is deficient.

d. Recommendations

FIPRO should develop a plan to develop technical publications that avoid the tendency to create "safe" topics which focus on worker behavior. They should spend money or be funded with sufficient money to purchase a good reference library in Spanish. FIPRO's Executive Director will be sent data relative to a book recently published at the University of California which is a catalog of Spanish occupational safety and health material available in North and South America.

7. Equipment to evaluate hazard

a. Introduction

Safety professionals and industrial hygienists need a wide variety of equipment in order to be able to identify and evaluate specific hazards. FIPRO has purchased some equipment.

b. Findings

FIPRO's safety and health personnel have the following equipment available:

- Heat stress monitor;
- Sound level meters and octave band analyzers for noise;
- Test monitors for carbon monoxide, hydrogen sulfide, combustible gas, and oxygen;
- Light meters;
- Hand pumps with detector tubes; and
- Ionizing radiation monitors.

They do not have pumps and accessory equipment or other devices to measure dusts such as lead, silica, asbestos, cotton, etc. They do not have equipment to calibrate their hand pump.

c. Conclusion

FIPRO personnel are competent in using the equipment available. However, they should be able to sample dusts. They should be able to calibrate the hand pump since this will affect its accuracy.

d. Recommendations

FIPRO should purchase this equipment and train their people to use it.

8. Occupational medical services

a. Introduction

FIPRO employs a part-time occupational physician who assists members in the design of occupational medicine programs and assists with the promotion of industrial clinics. Some of the member companies employ part-time physicians who offer medical services to workers and their families. Most of these physicians are not trained in occupational medicine so the FIPRO physician is able to provide helpful advice. It should be pointed out that the evaluator is not really qualified to evaluate the effectiveness of the physician's work.

b. Findings

The physician is apparently qualified to do his job. He is enthusiastic and points out that he unfortunately does not have sufficient equipment to perform medical surveillance.

c. Conclusion

These services are apparently needed and are being performed competently.

d. Recommendation

Continue service in this regard and provide the physician with equipment to perform medical surveillance. He knows what he needs.

E. Labor-Management Cooperation

"A well informed, participating workforce is the basis of a successful occupational safety and health program".

1. Introduction

The question of FIPRO's performance relative to improvement in labor-management relations was evaluated on two levels. First, how well FIPRO encourages better labor management relations within FIPRO member companies. Second, how well FIPRO has helped improve better labor-management relations on the National level through the establishment of the Tri-Party-Intersectorial Committee.

2. Findings

a. Labor management relations within FIPRO member companies

Because of conflicting objective pointed out in I.B.2., it was not possible to measure or evaluate in any reliable way the extent to which FIPRO's activity increased better labor management relations. The follow up inspections indicate that many of the hazards noted by FIPRO in the initial inspection were not corrected. In some cases there were significant improvements. To the extent that corrections were not made this could harm labor-management relations.

FIPRO has performed a significant amount of training. Notwithstanding the critical remarks relative to training made in I.D.1., a this training would likely improve labor-management relations to some degree. Any efforts taken by FIPRO's physician to encourage positive change should be seen as potentially improving labor-management relations to the extent that real changes are made.

However, critical to the evaluation in this regard is the fact that FIPRO and FIPRO member companies will not encourage authentic worker participation. None of the safety and health committees have equal representation between labor and management. Report findings are not posted and copies are not sent to union representatives. Union representatives are not involved in FIPRO activity. In essence, workers are treated paternally by member companies and by FIPRO. They are not truly involved and this cannot help labor management relations.

b. Improvement of labor-management relations due to labor participation in the Tri-Party-Intersectorial Commission

Labor is participating by way of the recently established Labor Sector of the Tri-Party Commission. The Labor Committee is in its infancy. The first meeting was held by the newly elected members on October 10, 1991. Approximately thirty (30) unions selected by AIFLD from UNOC were invited to participate. Nine (9) accepted the invitation.

Many comments by labor representatives as well as people knowledgeable regarding labor reactions in El Salvador indicated that labor is taking a "hands off" "wait and see" attitude towards FIPRO. They are suspicious of FIPRO as a tool of the oligarchy to undermine their position. By participating they risk their position in their union to the extent that their fellow representatives and members would be suspicious of their reasons for participating. One labor official said he had to be careful and had to explain his participation because he knows there would be criticism within his union of his alignment with FIPRO. He was willing to participate because this is potentially a forum that could be useful. However he is very suspicious.

One labor leader wrote to the U.S. Ambassador saying that FIPRO is a bureaucracy of the "owners" and is a truly commercial enterprise that takes advantage of economic aid to fortify the elite sector of El Salvador. This opinion is shared by other union representatives.

Regarding the value of the Tri-Party Commission it was found that a significant amount of work has been done to organize this Commission. There is active participation by government and industry. This commission is very important to El Salvador, and can be a vehicle to do many positive things. The labor sector could use this forum to negotiate and pressure for many positive changes. However, at the present time very little has been done as far as labor's participation in this commission. Labor fears that they will be controlled by the government and industry in this commission since government invariably sides with industry in vital questions concerning labor.

### 3. Conclusion

Up to now there is not much evidence that FIPRO has significantly improved labor-management relations within FIPRO member companies. On the national level, labor participation is just beginning so one cannot measure improvement at this time. Because of the polarization between labor relative to government and industry, labor is very suspicious. The actions of industry and government will determine in part whether labor-management relations are improved to the extent that they truly encourage and permit labor participation. Labor feels the deck is stacked against them because government will always side with industry.

### 4. Recommendations

FIPRO should follow the recommendations in Section II of this report in order to encourage greater worker participation in occupational safety and health matters. Authentic, free participation which leads to improved working conditions will improve labor management relations.

On the national level, FIPRO should redesign the Tri-Party structure so labor and management are on an equal basis regarding voting relative to policy issues.

## F. Marketing and Communications

### 1. Introduction

Marketing and communication is an important and necessary function for FIPRO to generate new members and request for services.

2. Findings

FIPRO advertises through radio and newspaper advertisements as well as through their publications. They spent approximately \$17,000 U.S. for publicity and publications in the first year and generated income of approximately \$24,000 U.S. from fees related to training and technical assistance in that year. In the second year they spent \$15,700 U.S. on publicity and publications and received approximately \$30,000 U.S. for technical assistance and training.

Membership increased from thirty to forty one from the first year to the second. FIPRO had not undertaken research or study to determine the effectiveness of the advertising relative to radio and newspaper ads.

3. Conclusion

Publications and publicity are vital functions that are apparently not cost effective.

4. Recommendations

Based on the two year record there is no reason to expect FIPRO will become self-sufficient. Further publicity of what FIPRO has done will not result in improved working conditions. Direct personal approaches for marketing would be more cost-effective.

----- 54 |

## II. RECOMMENDATIONS

The following is a summary of the recommendations. Greater detail can be found in Section I.

### A. FIPRO

1. Continue to fund FIPRO beyond September of 1992, in order to maintain the Inter-Sectorial Tri-Party Commission to serve as a forum for the three sectors to establish a national Plan and to advise on Occupational Safety and Health matters. Discontinue funding for other activities as of September 1992.

2. Arrange a meeting as soon as possible between FIPRO's Board of Directors and staff to discuss ways that members companies can assist FIPRO to gain self-sufficiency.

3. Inform FIPRO's Board of Directors periodically in writing by FIPRO of the results of their recommendations related to inspectors, follow-up inspections and technical assistance so the Board can evaluate the effectiveness of FIPRO's service relative to hazard controls being implemented.

4. Foster authentic democratic initiatives by way of worker participation in member companies by encouraging labor-management committees with equal labor-management representation and involvement of workers and/or worker representatives in all aspects of FIPRO's services to member companies.

5. Encourage organizational mechanisms within the Tri-Party-Intersectorial Commission to increase full and equal participation of labor so industry and government will not be able to subdue the labor sector.

### B. Labor

1. Seek additional funds to create a Worker Occupational Health Institute which embraces all labor confederations (truly pluralistic) with the goal of having full labor participation by way of democratic processes to speak with one voice to pressure for structural changes to cause economic incentives to control hazards. The Institute could be a vehicle to provide worker education in Occupational Safety and Health.

The Institutes' primary purpose would be to train union representatives from the various sectors in the fundamental principles of occupational safety and health, as well as the economic, political and legal aspects, in order to develop competent, articulate, national leaders to pressure government and industry to make structural changes to cause the internalization of the costs of occupational injury and disease (See I.A.)

2. Provide in-depth comprehensive training in the technical, political, economic and legal aspects of Occupational Safety and Health to the Labor Sector of the Commission through the Worker Institute in order to create active, qualified and articulate labor leaders to pressure for meaningful change. The pressure would be exerted by way of the Tri-Party Commission as well as directly on the government and industry through broad base political pressure of unions.

*Not necessarily true!*

At this stage in El Salvador it is not recommended that USAID or FIPRO encourage workers representatives to speak out to pressure for structural change since this can result in death threats or death.

C. Government - Ministry of Labor

1. Establish long term institutional relationships between the Ministry of Labor, Occupational Safety and Health Division in El Salvador and the U.S. Department of Labor, Occupational Safety and Health Administration in order to train inspectors and supervisors in wide variety of hazard categories offered at the OSHA Institute in Rosemont, Illinois, to increase technical competency within the Ministry of Labor.

2. Donate obsolete technical equipment, which is still useful but not being used by U.S. Department of Labor OSHA personnel, to the Department of Labor in El Salvador.

3. Bring OSHA inspectors and industrial hygienists who speak Spanish to El Salvador to accompany inspectors and to give advice to inspectors in El Salvador regarding investigation techniques. OSHA personnel with experience in El Salvador could then participate in the design of training programs offered in the OSHA Training Institute and could present this training to El Salvador inspectors, labor representatives and FIPRO members.

4. Donate funds to purchase books in Spanish to create a reference library for use by the Ministry of Labor personnel as well as the general public.

5. Train Ministry of Labor personnel to use participatory educational methods so they can design or implement Worker Education courses in Occupational Safety and Health for labor representatives.

Please note that in Annex 7, Attachment 1, there is a section entitled Ways to Achieve Meaningful Results Despite Impediments. This is a general methodology that can be used by FIPRO, government or labor to begin campaigns to control hazards in ways that are technologically and economically feasible, if not the most effective.



### III. LESSONS LEARNED

- A. There are significant needs to improve working conditions even within the elite national and multi-national companies which are members of FIPRO. The problems are much more serious in the smaller and middle sized companies. Nevertheless there is much work to be done within FIPRO member companies.
- B. Conflict in the design of the Project can only lead to partial or superficial successes.
- C. Development projects are most successful when they are born of a common recognized economic self-interest within the group that asks for help.
- D. Meaningful development in the field of Occupational Safety and Health in El Salvador will result from structural changes which give industrial decision makers an economic incentive to control hazards. That is, fairer labor laws that are enforced, social security premiums related to experience and inclusion of all workers in the social security system.
- E. Notwithstanding the impediments due to structural injustice, significant improvements can be made by following the selection criteria related to specific campaigns mentioned at the end of Section II, Recommendations.
- F. When creating projects to improve labor-management relations, labor should be brought in at the design stages in order to get their in-put and buy in which will reduce suspicion and tension which is critical.
- G. Feasibility studies relative to self-sustainability should be done beforehand.

**ANNEX 1**

**Scope of Work**

**1-1**

8

## II. PURPOSE OF THE EVALUATION

The purpose of this contract is to carry out a mid-term evaluation of the FIPRO project 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 will be used as an independent assessment of the validity of this approach to improving work conditions in El Salvador.

## III. STATEMENT OF WORK

The contractor will report its findings, present conclusions that are based on the findings, point out examples of note-worthy accomplishments, and recommend improvements based on the overall evaluation exercise. Finally, the contractor is expected to list and briefly discuss lessons learned that emerge from the analysis.

Specifically the contractor shall undertake the following activities:

- A. Assess whether FIPRO's strategy is appropriate and effective, whether the goals and objectives are relevant and are being met, and whether the operating procedures are relevant and effective for strategy implementation and goal achievement. If modifications are recommended, detail what these are.
- B. Evaluate the effectiveness of methodologies and techniques used by FIPRO to implement activities.
- C. Evaluate FIPRO's educational and promotional activities, including training and publications. With respect to publications, assess whether they have a formulated strategy, are focused and effective, and if the presentation is appropriate to accomplish their stated objectives. Also assess the overall impact of the publications.
- D. Evaluate the managerial and financial structure/capability of FIPRO. Areas to be addressed include appropriate assignment of tasks, level of morale, and level of efficiency, and possibilities for self-sustainability of the project beyond the period of AID funding.

- E. Assess whether FIPRO generates enough statistics to evaluate the impact of its activities and to pinpoint specific problem areas.
- F. Assess whether the current mix of technical assistance and training for the FIPRO staff is adequate. Recommend areas where modifications or additions should be made.
- G. Examine the relationship of FIPRO activities to other local and international entities who work in El Salvador in the occupational safety and health field. Assess the effectiveness of communication between FIPRO and these organizations (including democratic labor unions). Recommend any approach to improve formal or informal linkages with these organizations.
- H. Evaluate FIPRO's relationship to workers, including labor unions, and recommend approaches for improving this relationship.
- I. Assess whether service to companies is adequate, accessible, effective, and efficient. Offer recommendations to improve FIPRO's services.
- J. Evaluate the overall impact of FIPRO's activities. Cite specific achievements, and quantify impact and accomplishments where possible. Evaluate whether the project is on track in meeting project objectives.
- K. Assess whether FIPRO has managed its resources in a cost effective manner, and whether the investment of resources has produced a reasonable return. If possible, calculate a cost/benefit ratio.

### Background Information

1. The contractor shall review the following documents for background information:
  - a. FIPRO's 1990 and 1991 Action Plans.
  - b. The Cooperative Agreement.
  - c. Information on FIPRO's activities from the ODI files.
  - d. FIPRO bulletins.
  - e. Other relevant information from ODI's files.
  - f. Semiannual review reports.
  - g. National policies on Occupational Safety.

2. The contractor shall discuss issues with appropriate FIPRO, AID, U.S. Embassy, GOES, and other public and private sector officials as necessary.

#### IV. METHODS AND PROCEDURES

A total of 28 person days will be required. A six-day work week is authorized. The evaluation should commence on or about April 22 1991, and end no later than May 3rd. During the first week after arrival at post, the contractor will be briefed by AID and FIPRO personnel, shall thoroughly review pertinent documents, and shall submit a work plan. The work plan will schedule activities, describe the methodology to be followed, specify the information to be gathered, and specify the use of this information in the analysis to be undertaken.

The work plan must be approved by the A.I.D. Project Manager so that the parties are in agreement on the points to be addressed in the evaluation and on the methodology to be utilized. During the next two and a half weeks, the contractor will carry out the approved workplan to include interviews, review of documents, field visits, and preparation of reports. The final week shall be available for oral presentation of reports and revision of written documents.

#### V. DELIVERABLES

A. Draft Report: Three copies in English and 3 in Spanish shall be delivered to the A.I.D. project manager at least six working days prior to the scheduled date of departure from El Salvador. AID and FIPRO officials will review the draft report and recommend changes in the report three days before departure from country. The day before departure from country the contractor will present the final draft report. The body of the report should be approximately 30 pages.

B. Final Report: Within three weeks after the departure of the evaluator, the firm shall deliver three copies in English and three in Spanish of the final report. The final report must contain the following:

1. **Executive Summary:** This should include development of project objectives, the purpose of the evaluation, methodology used, findings, conclusions and recommendations. It will also include comments on development impact and lessons learned. It should be complete enough so that the reader can understand the evaluation without having to read the entire document. The summary should be a self-contained document.
  2. **Project Identification Data Sheet** (see appendix A).
  3. **A paginated Table of Contents.**
  4. **A copy of the scope of work under which the evaluation was carried out. Any deviation from the scope will be explained.**
  5. **A listing of the evaluator(s); those interviewed, including host country personnel, their field of expertise and the role they played; and any field visits.**
  6. **The body of the evaluation should include a) the economic, political, and social context of the project; b) evidence/findings of the study concerning the evaluation questions; c) conclusions based on the study findings; and d) recommendations based on the study findings stated as actions to be taken to improve project performance.**
  7. **The lessons learned should be clearly presented. These should describe the causal relationship factors that proved critical to project success or failure, including necessary political, policy, economic, social and bureaucratic preconditions within the host country and AID. These shall also include a discussion of the techniques or approaches which proved most effective or had to be changed and why. Lessons related to replicability and sustainability will be discussed.**
- C. **Project Evaluation Summary:** The contractor will complete the abstract and detailed summary portion of the A.I.D. "Evaluation Summary" for submission with the final report. USAID/El Salvador will provide the contractor with appropriate forms and instruction.

**ANNEX 2**

**Methodology of Evaluation**

**ANNEX 3**

**Work Plan**

W



Work Plan:

- October 3 to 5 Read AID documents; review FIPRO's files and reports, training material and library; conduct interviews with FIPRO's Staff.
- October 7 to 12 Continue interviews with FIPRO's Staff, conduct interviews with representatives of relevant organizations.
- October 14 to 19 Continue with above (October 7 to 12) and prepare report.
- October 21 Submit Draft Report.
- October 23 Oral Presentation of Draft Report.
- October 23 and 24 Prepare Final Report; Exit Briefing with FIPRO.
- October 26 Submit Final Report.

65

**ANNEX 4**

**Persons Interviewed**

## PEOPLE AND ORGANIZATIONS CONTACTED

### 1. USAID Personnel:

- . Sergio Guzman, Project Chief.
- . Karen Freeman, Evaluation Officer.
- . Norma de Mata, AID Project Development Officer.
- . John Anderson, Deputy Director of the Office for Democratic Initiatives.
- . Tom McKee, Development Planning and Programming Officer.

### U.S. Embassy:

- . Kevin Johnson, Labor Attache.

### 3. American Institute for Free Labor Development:

- . Edwin Palenque, Country Program Director.

### 4. Union Contacts:

- . Pedro Regalado, Construction Workers Union.
- . Jose Santos Garcia, Head of Electrical Workers Union.
- . Juan Isidro Vasquez Mejia, Construction Workers Union.
- . Joaquin Bernardo Vanegas, Textile Workers Union.
- . Marcos Rony Taura, CTS.
- . Jose Armando Guevara Arado, FESACORA.
- . Herman Garcia, Confederation of Democratic Workers.
- . Miguel Angel Molino Figueroa, Independent Union FAMOSA.

### 5. Industry Contacts:

The following companies were contacted and in-depth interviews were held with various people from these companies:

- . CAESS, Industrias Unisola S. A., Tabacalera de El Salvador, Embotelladora Tropical, Baterias de El Salvador, AVX Ceramics Inc., Fabrica Molinera Salvadorena, SIGMA.
- . Carlos Cromeyer, President of the Chamber of Construction Companies.
- . Hector Vidal, Director of the National Association of Private Companies.

6. Government:

- . Dr. Lopez Salazar, Ministry of Labor, Occupational Safety and Health Department.

7. FIPRO:

- . The Junta Directiva,
- . Eduardo Antonio Solorzano, President.
- . Raul Melara, Secretary.
- . Jose Adonay Santamaria Perla, Vice-President.
- . Juan Ignacio Vilanova, Treasurer.
- . Rene Minero, First Director.

FIPRO Staff:

- . Jose Roberto Serrano, Executive Director of FIPRO.
- . Lorena Cecilia Barba Rivas, Chief of Safety and Health Division.
- . Manuel de Jesus Cardenas, Chief of Training Department.
- . Luis Felipe Sanchez, Training Assistant.
- . Pedro Napoleon Montalvo, Chief of Occupational Medicine.
- . Lisandro Milian, Chief of Department of Coordination and Intersectorial Development.
- . Einar Odir Giron, Chief of Data Processing.
- . Jaime Humberto Cruz, Chief of Communication and Marketing.
- . Alejandro Joviello de Fuertes, Assistant in Communication and Marketing.
- . Fidias Rivera, Chief of Department of Administration.
- . Carlos Roberto Duran, Accountant.

**ANNEX 5**

**Abstract and Summary Portion of A.I.D.'s Evaluation Summary**

# A.I.D. EVALUATION SUMMARY - PART I

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

## IDENTIFICATION DATA

<b>A. Reporting A.I.D. Unit:</b>  Mission or AID/W Office _____ (ES# _____)	<b>B. Was Evaluation Scheduled in Current FY Annual Evaluation Plan?</b> Yes <input type="checkbox"/> Slipped <input type="checkbox"/> Ad Hoc <input type="checkbox"/> Evaluation Plan Submission Date: FY ____ Q ____	<b>C. Evaluation Timing:</b> Interim <input type="checkbox"/> Final <input type="checkbox"/> Ex Post <input type="checkbox"/> Other <input type="checkbox"/>
<b>D. Activity or Activities Evaluated</b> (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)

## ACTIONS

E. Action Decisions Approved By Mission or AID/W Office Director	Name of Officer Responsible for Action	Date Action to be Completed
Action(s) Required		

(Attach extra sheets 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:

	Project/Program Officer	Representative of Borrower/Grantor	Evaluation Officer	Mission or AID/W Office Director
Name (Typed)				
Signature				

**ABSTRACT**

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

This project aims to improve labor-management relations by providing financial support to the National Foundation for the Prevention of Occupational Hazards to enable them to provide technical assistance in the fields of Occupational Safety and Health to the 41 member companies. The USAID funding is for three years from September 1989 to September 1992. This two-year evaluation (October 3 to October 27) was performed by reviewing documents, FIPRO files, interviews with industry, labor and management personnel and eight (8) visits to factories. The purpose was to determine if strategies, objectives and techniques were consistent with established goals. The major findings and conclusions are:

- o There is a conflict in the design of the Project which led to superficial or partial achievement of goals.
- o There is little evidence of improved labor-management relations.
- o The strategy and techniques to address Occupational Hazards are superficial or symptomatic rather than systematic.
- o The project can be seen as financial support of the richest most capable sector of El Salvador's society. There is no indication of self-sustainability.

**Recommendations:**

- o Make changes in the strategy and techniques of FIPRO.
- o Support Organized Labor and Government to encourage systematic change to create incentives to improve working conditions.

**Lessons Learned:**

- o Development projects are more successful when they are born of a common recognized self interest within the group that asks for help.
- o Using projects to prevent workplace hazards to improve labor management relations will be successful to the extent that workplace conditions are improved.
- o In countries where the legal, political and economic structures do not require the employer to pay the bulk of cost of workplace injury and disease, meaningful development will result to the extent that the structure is changed to shift the costs from the worker or government to the employer.

**COSTS**

**1. Evaluation Costs**

Name	1. Evaluation Team		Contract Number OR TDY Person Days	Contract Cost OR TDY Cost (U.S. \$)	Source of Funds
	Affiliation				

Commission/Office Professional Staff  
Person-Days (Estimate)

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

11

# 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:

- Purpose of evaluation and methodology used
- Purpose of activity(ies) evaluated
- Findings and conclusions (relate to questions)
- Principal recommendations
- Lessons learned

Mission or Office:

Date This Summary Prepared:

Title And Date Of Full Evaluation Report:

### PURPOSE OF EVALUATION AND METHODOLOGY

The purpose of the evaluation is to assess whether FIPRO's strategy is appropriate and effective, whether the goals and objectives are relevant and are being met and whether the operating procedures are relevant and effective.

The methodology was to evaluate performance relative to each of the major functions and to compare methods, techniques and accomplishments with stated goals. This was done by reviewing AID documents, FIPRO's files, reports, publications, and training material as well as field visits to eight (8) member companies to compare inspection and technical assistance findings of the evaluator to the findings in FIPRO's report. Also, interviews were held with FIPRO's management, labor, government and FIPRO's personnel.

### FINDINGS/CONCLUSIONS

1. There is fundamental conflict in the design of the Project. FIPRO aims to increase labor-management cooperation through Worker Participation, FIPRO and others realize conflict by activities which encourage true worker participation in companies since this activity would be seen as "stirring up problems" (identification of hazard) which often have solutions which involve expenditures. On the national level, there is considerable suspicion of the part of labor and little has been accomplished in two years. FIPRO's strategy and techniques address occupational hazards in a superficial or symptomatic rather than systematic way.
2. There is no evidence that FIPRO is becoming self-sufficient.
3. FIPRO performs their technical functions in a competent way. However, one could view these services as subsidies to the richest sector of El Salvadorean society when effective efforts in preventing workplace hazards should address the problem of the poor bearing the burden of workplace hazards.

### RECOMMENDATIONS:

#### 1. To FIPRO:

- o Begin to foster authentic participation of workers and unions by encouraging labor-management committees with equal labor-management representation and by involving workers and union in all aspects of FIPRO's Services to member companies.
- o FIPRO's Board of Directors and Staff should meet as soon as possible to discuss ways that member companies can assist FIPRO to gain self-sufficiency.
- o Encourage organizational mechanisms within the Tri-Party-Intersectorial Commission ensure full and equal participation of labor so it will not be subdued by Industry and Government.
- o Purchase needed resources such as books and technical equipment.
- o Develop Publications related to occupational hazards for distribution.
- o Begin to input Management Information System data.



**2. To AID:**

- Seek additional funds to support a Worker Occupational Safety and Health Institute which embraces all labor confederations to train worker representatives in a labor approach to Occupational Safety and Health issues.
- Establish long term institutional relations between the Ministry of Labor, Occupational Safety and Health Division of El Salvador and the Department of Labor, Occupational Safety and Health Administration in the United States in order to enhance capabilities of El Salvadorean inspectors.

**Lessons Learned:**

- Development project are most successful when they are born of a common recognized self-interest within the group that asks for help.
- Design faults in the Project can only lead to partial or superficial success. Occupational Safety and Health efforts are meant to shift the "Subsidy" the workers give to owners by bearing the costs of workplace injury and disease, to the owners, so they have incentives to control hazards. This Project gives a "subsidy" to the owners by underwriting training and technical assistance to the most capable national and multinational firms. The design is upside down.
- In countries where the legal, political and economic structures do not require the employer to pay the bulk of costs from workplace injury and disease, meaningful development will result to the extent that the structure is changed to shift the costs from the worker or government to the employer.
- When creating projects to improve labor-management relations, labor should be brought in at the design stage in order to get their input and buy in which will reduce suspicion and tension which is critical.
- If self-sustainability is not really an objective it should not be included as an objective because it makes the Project vulnerable to unnecessary criticism.

**ANNEX 6**

**Outline of Basic Project Identification Data**

74

OUTLINE OF BASIC PROJECT IDENTIFICATION DATA

1. Country: El Salvador
2. Project Title: Industrial Foundation for the Prevention of Occupational Hazards.
3. Project Number: 519-0372
4. Project Dates: August 31, 1989 - September 30, 1992.
5. Project Funding:
  - a. AID Grant \$1,040,000
  - b. Private Sector Contributions. \$ 345,830
  - TOTAL \$1,385,830
6. Project Designers: FIPRO
7. Responsible Mission Officials: (for the LOP)
  - a. Mission Director: John Sanbrailo
  - b. Division Director: Deborah Kennedy
  - c. Project Officer: Sergio Guzman
8. Previous Evaluation: None

**ANNEX 7**

**Attachment 1**

## ATTACHMENT 1

### Ways to achieve meaningful results despite economic, political and legal impediments

**Instruction/Problems:** There is a tendency among some occupational safety and health professionals to concentrate on studying very obvious and serious occupational hazards even though the possibilities for controlling the hazard is limited because it is difficult technologically and very expensive to control. Instead of trying to deal with hazards which are difficult to control, priority should be given to serious hazards which are easy to control.

**Recommendations:** FIPRO, Labor and Government should establish priorities based on the likelihood of being able to achieve success in reducing hazards. They should work in ways that can encourage the greatest protection to the greatest number of workers.

The following is a criteria for selection of hazards that are easiest to deal with.

The hazard category must meet all of the following characteristics:

- It must be serious and common;
- It must be easy to recognize. This way expensive sampling and evaluation equipment is not needed and it is easy to convince that it is a problem;
- It must be easy to control. That is people within the factory should have the competency to implement the control; and
- It must be inexpensive to control.

**Examples:** Please keep in mind that the control measures for the hazards that apparently meet this criteria are certainly not ideal and in some cases leave us with significant hazard. However, these control measures can significantly reduced the risk of injury and disease and perhaps would be a way to begin to control occupational hazards while working within a system where political, legal and economic structures create significant impediments. Occupational safety and health professionals and labor representatives at all levels should always be encouraging structural change.

- **Lock out of machinery under repair.** The hazard here is if someone turns on the power while a machine is being adjusted, aligned or repaired the mechanic will be injured. Also, residual energy may exist even after the power is turn off. Campaigns could be started by FIPRO, the Ministry of Labor, or labor unions to encourage a Lock-out Program in which the mechanic exposed to the start-up hazard controls the power source. The cost here is usually the price of a lock and/or a minor design change so the equipment accepts the lock

- **Asbestos dust exposure during vehicle brake repair.** Asbestos causes asbestosis a lung disease, as well as, five (5) types of cancer. Mechanics often use an air hose to blow out the asbestos dust when inspecting and repairing brakes. This exposes everyone in the shop to asbestos dust. Ventilation systems to capture this dust cost about \$500 in the U.S. While encouraging companies to buy these systems occupational safety and health professionals could encourage the use of a wet cloth to wipe down the brakes and to capture the dust before it falls on the floor. This will surely expose the mechanic to some level of asbestos dust but it will significantly reduce the exposure to other people in the shop. It is very easy to implement.
- **Lead exposures.** Lead dust and fumes should be controlled by ventilation systems which capture the contaminant so it never enters the workplace. While encouraging the use of effective ventilation systems the occupational safety and health professional could encourage housekeeping and training regarding personal hygiene habits. Housekeeping and personal hygiene habits can significantly reduce the hazard of ingestion of lead. Also a simple control is to reduce the temperature of the lead to lower than 600o F since at this temperature dangerous fumes will not be generated.

**FIPRO, the Ministry of Labor, or labor unions could develop handout publications for workers and managers and could begin campaigns to address the particular hazard.**

**Some other examples are:**

- **Confined spaced entry; and**
- **The use of gloves while exposed to degreasing solvents; are there procedures to control blood exposures in health care facilities from AIDS.**

**This list could be extended by safety and health professionals within FIPRO, the Ministry of Labor and Unions.**