



Request for Proposals for an Evaluation of the Electronic Payment System in the Thai Fishing Industry

OCTOBER 2018

Summary

Humanity United and the Freedom Fund are seeking an evaluator or research institution to conduct an evaluation of the transition to an electronic payment system in Thailand's fishing industry.

The purpose of the project is to provide a comprehensive and impartial assessment of the effectiveness of the electronic payment system. The project's final output will be a report which provides an assessment of the new legislation mandating this system of payment, analysis of the implementation of that system, and an evaluation of how it is functioning in reality. The report will provide a detailed insight into challenges to effective implementation and will provide well-informed practical recommendations for strengthening of the system. The final report will be a useful resource for both government officials regulating the industry, for private sector/vessel owners implementing new systems for electronic payment in order to be in compliance with the new regulation, and for a range of actors involved in addressing labour rights abuses and exploitative conditions within the Thai fishing industry.

The evaluation should commence soon after a contract is signed, which is estimated to be in December 2018. The budget available for the evaluation is \$75,000 USD.

Background to Humanity United, Freedom Fund, and the assessment

Humanity United is a foundation dedicated to bringing new approaches to global problems that have long been considered intractable. We build, lead, and support efforts to change the systems that contribute to problems like human trafficking, mass atrocities, and violent conflict.

The Freedom Fund identifies and invests in the most effective frontline efforts to end modern slavery. It selects key geographic areas – 'hotspot' projects – known to have high rates of trafficking and/or forced labour, and where interventions are most likely to be impactful.

Since 2015, Humanity United and the Freedom Fund have been jointly supporting a portfolio of grants aimed at preventing and responding to forced labour in the Thai seafood industry. Together, our aim is to create a robust enabling environment to allow corporations, government officials, and migrant workers themselves to work in parallel to eradicate forced labour from the seafood sector in Thailand.

There are an estimated 200,000 fishers working in the Thai seafood sector on approximately 11,000 registered commercial fishing vessels. The International Labour Organisation's 'Ship to Shore' baseline

study conducted in 2017¹ found that one-third of fishing and seafood processing workers had experienced wage and pay violations, including minimum wage violations. The Royal Thai Government has begun taking steps to strengthen payment mechanisms and enforce wage regulations. On 1 November 2017 a Ministry of Labour Ministerial Order established the requirement for electronic payment of fishers via bank accounts beginning in April 2018, and a commitment was made for stronger labour inspection and enforcement.²

Preliminary research into the transition from cash to an electronic wage payment was conducted in 2017 by ILO Ship to Shore Rights³ and a number of recommendations were provided to the Royal Thai Government and the Ministry of Labour in particular, in advance of the roll-out. We anticipate that the report for the HU/FF-funded evaluation will be published a little more than a year after implementation was mandated to occur (see timeline on p5).

Purpose and key evaluation questions

Objective

The purpose of this project is to provide a comprehensive and impartial assessment of the effectiveness of the e-payments system. The evaluation should review effectiveness of this system of payment against various objectives that were broadly intended to be achieved through this regulation (outlined below), provide detailed insights into the challenges faced by the system, and overview of the preparation for and enablers of the system, and provide practical recommendations for improvement.

The evaluation should consider whether the system:

- is effective in protecting workers against payment violations (regularity of payments, adherence to minimum wage laws, withholdings, etc.);
- is effective in relation to enabling workers to access a regular wage and maintain understanding/control over their wage payments, including consideration of banking infrastructure and financial literacy;
- is effective in relation to enabling transparency and accountability within the fishing industry (e.g. Labour inspectors can check banking records to determine whether workers have been paid in accordance with the law).

Essentially, this evaluation will assess the degree to which the objectives of the system are being met and investigate factors contributing to any divergence between expected and actual results. The evaluation will consider both positive and negative outcomes, identifying unforeseen circumstances which could indicate the system has not worked or is being manipulated. The evaluator will provide detailed insight into how and why challenges occur and assess whether those challenges can be fixed or guarded against.

Based upon a detailed understanding of the e-payments system, the intricacies of the environment in which it exists, and the challenges to effective implementation, the researchers will provide a detailed and workable set of recommendations. Recommendations must be feasible in light of the capacity of the Royal Government of Thailand, vessel owners, and resources available, and they should take into consideration the wider landscape and the range of actors involved.

¹ ILO Ship to Shore Rights, *Baseline research findings on fishers and seafood workers in Thailand*, 2017

² <http://www.mfa.go.th/main/en/news3/6886/93086-Thailand-Raises-Awareness-on-Employment-Contracts.html>

³ ILO Ship to Shore Rights, *Moving to Electronic Payment in the Thai Fishing Industry*, see https://shiptoshorerights.org/wp-content/uploads/ilo-shiptoshore_banking-final-report_EN.pdf

The assessment should take place in different locations across Thailand: Songkhla, Pattani, Phang Na, Samut Sakhon, Rayong, Chonburi, and possibly Tak (including non-seafood workers) aiming to provide a representative view of the national programme and a comparison of the experiences workers have had with e-payments across the country. Research should ensure a range of perspectives are incorporated in order to provide the most comprehensive understanding of whether or not the system is functioning properly, and if not, why.

Key assessment questions (please note that these will not need to be addressed in order)

- 1) To what degree have the objectives of the e-payments systems (increased transparency and accountability, reduced wage-related violations, and improved worker control over wages) been achieved? What factors explain the degree to which objectives have been met to date, and what can be done to strengthen and maximize the system and its effectiveness?
- 2) What negative or unexpected consequences or impacts have emerged in response to the introduction of the e-payments systems? What unique challenges or consequences or negative externalities are faced by specific groups (women, undocumented workers, particularly marginalized workers, etc.) or stakeholders? Has the introduction of the system imposed unfair costs on workers or employers? How can these consequences/impacts be addressed?
- 3) To what degree are key stakeholders (workers, employers, financial institutions) equipped to successfully engage in and benefit from the e-payments systems? What sort of preparation (for vessel owners, workers, banks) was done in advance of the roll-out to enable compliance? Is the enabling environment (e.g. infrastructure, financial literacy, etc.) adequate for supporting the system's success? What are key barriers and enablers, and what can be done to optimize stakeholders' engagement?
- 4) Provide specific recommendations for different stakeholders (government, fishing owners/operators, NGOs, trade unions/worker associations) about how the challenges identified could be overcome and the system strengthened to safeguard workers; drawing from the recommendations, set out indicators/criteria to assess the effectiveness of the e-payment system in future.

Target audience

Primary: Royal Thai Government, particularly those departments involved in regulating the seafood industry, including the Ministry of Labour; private sector businesses operating in Thailand; and NGOs and trade unions/worker associations monitoring implementation and progress of reform in the fishing sector. Findings will be used to promote best practice, strengthen government and business systems, consider ways to support vessel owners' compliance with new regulations, and provide useful and practical guidance for implementation and improvement.

Secondary: US and EU governments, other stakeholders invested in Thailand's seafood sector, labour reform academics and activists interested in learning from the adoption of an electronic payment system.

Research methodology and budget

Humanity United and Freedom Fund invite researchers to propose methods that are fit for purpose to achieve the objectives of the assessment. Mixed methods will be preferred. Qualitative aspects should

include a document review and key informant interviews (workers, government officials, fisheries associations, vessel owners, vessel captains, and members of local NGOs and unions/associations) in Thailand. Scrutiny of the e-payment policy documents, company policies and commitments vs. actions and outcomes should be a central piece of evidence informing the resulting report.

Humanity United and Freedom Fund will cover all costs associated with the completion of this external evaluation; completion of this work is estimated to cost up to \$75,000 USD. Appropriateness of costs put forward will be reviewed on the basis of the methodology adopted.

The proposal should provide a high-level description of the methodology (final methodology and sampling strategy to be determined/refined after awarding of contract and initial landscaping) and specifically address the following, at least in a preliminary way, noting that sampling/selection criteria may be revised if application successful:

Access to respondents: representative sample of fishing workers⁴, from across the sampled districts; vessel owners and members of the National Fishers Association of Thailand; vessel captains; relevant government officials, and local NGO and union/association workers. Please provide a list of proposed stakeholders to be interviewed, and strategy for selecting NGO staff and migrant workers (where relevant).

Access to data: including government policy information, worker contracts, evidence of payments and relevant information from financial institutions, in particular local bank branches and their corresponding banks in Bangkok, where needed to evidence effectiveness of the system and to gain an understanding of why/who has been slow to add ATMs, Khmer language capacity, etc.

Sensitive data collection methods: the selected method should give careful consideration to the environment these populations are working within, including the sensitivities around salary information, working relations between vessel owners/skippers/chieu and fishermen, access to ATMs/banks, financial literacy, and the need to triangulate information. We invite applicants to outline the strengths and weaknesses of their method of data collection approach in being able to secure reliable and truthful information from respondents while protecting vulnerable populations. The proposal should clearly explain how the research team plans to obtain ethical approval for this research. Criteria and processes for referring critical cases of exploitation to local government units and/or NGO services or unions/associations should be outlined. Data management and data security should also be addressed in the proposal.

Sampling strategy and sample size for quantitative assessment: the proposal should provide examples of sampling strategies in complex environments from previous work to help ensure that a representative sample of respondents are achieved, including practical considerations, workers profiles, and types of work involved. The proposal should include sample size calculations.

Data quality: the proposal should detail the techniques that will be employed to ensure satisfactory data quality. The process should allow adequate time and budget for activities such as translation and back translation, protocol testing and piloting, enumerator recruitment and training, supervision of fieldwork, checking of data entry, etc.

⁴ *Representative sample would be ideal if possible, but not absolutely necessary. Please explain why/why not possible in application. Note that HU/FF could facilitate introductions to NGOs that have access to fishers.*

Project deliverables and high-level project timeline

The main output of this research will be an externally facing technical report of no more than 40 pages with a set of recommendations and a 4-page summary report.

Other documents to be provided (which may/may not be annexed to the main report) include:

- An assessment plan including a full, costed methodology and detailed work plan. The assessment plan will include a detailed research methodology; outline of data collection tools including informed consent protocols; plan for training and quality checks (if more than one interviewer/data collector will be used); a data management protocol that discusses research ethics, documents the data management lifecycle, and details approaches to data security and privacy; and a data analysis plan.
- Research instruments in English and relevant local languages (e.g., Thai, Burmese, Khmer)

The timing of the research will be dependent on Humanity United/Freedom Fund's ability to identify the right research partners and develop an appropriate methodology. We anticipate a contract to be signed by December 2018 and the research to be completed by June 2019.

The anticipated schedule of major deliverables is:

Main deliverables	Proposed timeline
Full research protocol, including any revised sampling strategy (may be revised after final mapping of local areas and stakeholders), sample size calculation, draft interview guide (s) and survey instrument(s)	Jan 2019
Ethical approval obtained from institutional review board (if required)	Jan 2019
Training of interviewers and field work	Feb.- March 2019
Draft technical report (~40 pages or less) and summary report (≤4 pages) ready for internal review	May 2019
Presentation of key findings for internal review and discussion	May 2019
Final technical report and summary report (≤4 pages) ready for external dissemination	June 2019
Participation in dissemination workshops organised by Humanity United/Freedom Fund (travel costs will be reimbursed separately, where relevant).	July 2019

Proposal format and timeline

Interested parties should prepare a proposal of no more than 5 pages (excluding items #3-8, which should be included as annexes). Proposals should contain the following sections:

- 1 Profile of organisation(s), evaluation team and how the team was selected.
- 2 A description of how the work will be executed, including suggested methodological approaches in line with the methodology section, above.
- 3 Operational and ethical considerations and plans to mitigate these, especially considering the challenges in accessing and soliciting candid responses from vulnerable workers, as well as from business operators and government officials.
- 4 High-level workplan for completing milestones and deliverables.
- 5 Proposed budget in USD.
- 6 CVs of proposed evaluation team member(s), including team structure, defined roles and time commitment of key project team members.

7 Contact information for three client references.

8 Up to three examples of reports from previous evaluations that demonstrate qualifications, a similar sampling approach to the one proposed for this evaluation, and relevant subject matter expertise.

The final evaluation plan will be developed by the evaluator, in consultation with Humanity United/Freedom Fund. The evaluator is expected to facilitate this process.

The proposal must be written in English and submitted electronically in Microsoft Office or PDF format.

Anticipated timeline for RFP process:

01 October 2018	Release of RFP.
19 October 2018	Request for clarification sent to Ame Sagiv (asagiv@humanityunited.org) and Sarah Mount (smount@freedomfund.org)
By 2 Nov. 2018	Final proposals due. Please submit all documents to Dalia Malek at dmalek@humanityunited.org with cc to the email addresses above.
By 23 Nov. 2018	Follow up discussions with shortlisted candidates completed.
By 30 Nov. 2018	Research team is selected.
December 2018	Contract is signed.

Requirements/Qualifications

- Demonstrated experience with migrant labour issues, preferably in South East Asia
- An advanced understanding of challenges and best practices in payments to fishers or in a similar informal sector
- Experience in mixed methods research, large-scale data collection, complex sampling frameworks, and qualitative and quantitative data analysis.
- Team should include a digital finance expert who can advise on practical recommendations for how to implement a viable e-payments system
- Demonstrated experience conducting evaluations that engage a broad set of stakeholders across the public and private sector
- Ability to work in Thailand in local languages, or capacity to subcontract and manage an experienced team who can
- Experience working in sensitive contexts and conducting trauma-sensitive interviews
- The principal investigator(s) should have strong English language skills and the capacity to write for an expert as well as non-technical audience