



BETTER WORK

Better Factories Cambodia



The origins

- 1999 Cambodia-US trade agreement: expanded access to US markets and quotas on garment exports link to improvements in labour standards
- ILO project to monitor and report on progress – currently known as BFC

OBJECTIVE: improve working conditions and productivity in the garment industry

Better Factories Cambodia

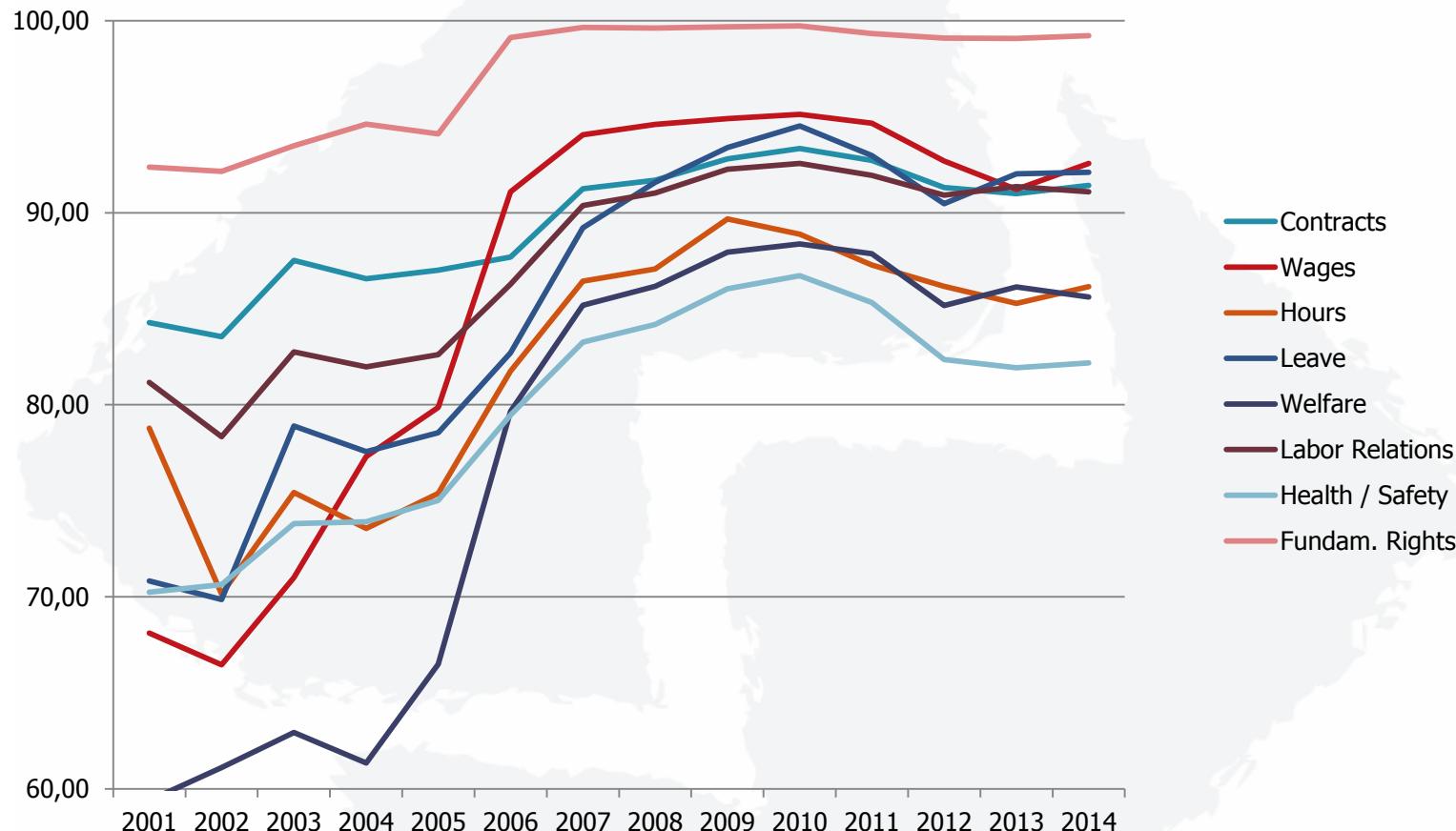
- Over 550 factories
- Almost 550,000 workers
- Working 49 buyers of which 25 have a partnership with BFC



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Changes in Compliance (2005-2014)

Labour Law Compliance By Category in BFC-Monitored Factories, 2001 - 2014



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Reintroducing Public Reporting



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...to accelerate compliance improvement and increase confidence in Cambodia as a sourcing destination

The screenshot shows a web browser displaying the betterfactories.org/transparency/en/issues/view/critical_issues page. The page title is *** Critical Issues Factory List**. The navigation bar includes links for Home, Critical Issues, Low Compliance, Union Compliance, and Custom Reports. Below the title, a sub-navigation bar shows Home / Critical Issues Factory List. A list of bullet points provides instructions for using the page:

- These pages show compliance on the 21 critical issues listed below, and are based on factories' most recent assessment (since 1 Oct 2013).
- Results are published quarterly and factories are able to post information about their performance on the website (click 'VIEW' to see factory profiles).
- A green row indicates that a factory is in compliance on all issues.
- In the Assessment column, the # indicates the number of times the factory has been assessed, followed by the date of the last assessment. The transparency information relates to the last assessment.
- Full descriptions of the issues and legal references are available [here](#).

Below the instructions, there is a search bar labeled "Filter by one or more factories: Type names here..." and buttons for "PRINT" and "EXPORT". A table displays data for a single factory:

FACTORY	ASSESSMENT	ISSUES	RESPONSES	VIEW
8 Star Sportswear Ltd.	#11 (06-02-2014)	✓ 20 ✘ 0	0	VIEW



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What do we report on

1. **Selected critical issues** including core labour standards, basic legal requirements relating to wages and worker safety, and mechanisms for workplace dialogue
2. **Low compliance factories:** Factories with the lowest compliance levels against 52 legal requirements, that have had 3 or more BFC assessments
3. **If strikes comply with the legal requirements**

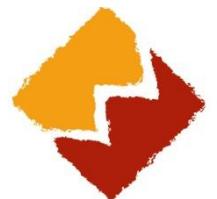
Current coverage: 419 garment factories - 74% of Cambodian garment export industry



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Partnership to make it work

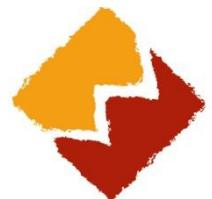
- Tripartite constituents agreed on the mechanism of transparent reporting
- BFC, the Ministry of Commerce and the Ministry of Labour do joint visits to low compliance factories
- Factories appearing for the first time on the transparency database get a one of chance to improve in 60 days
- Buyers work with BFC and factories to support changes



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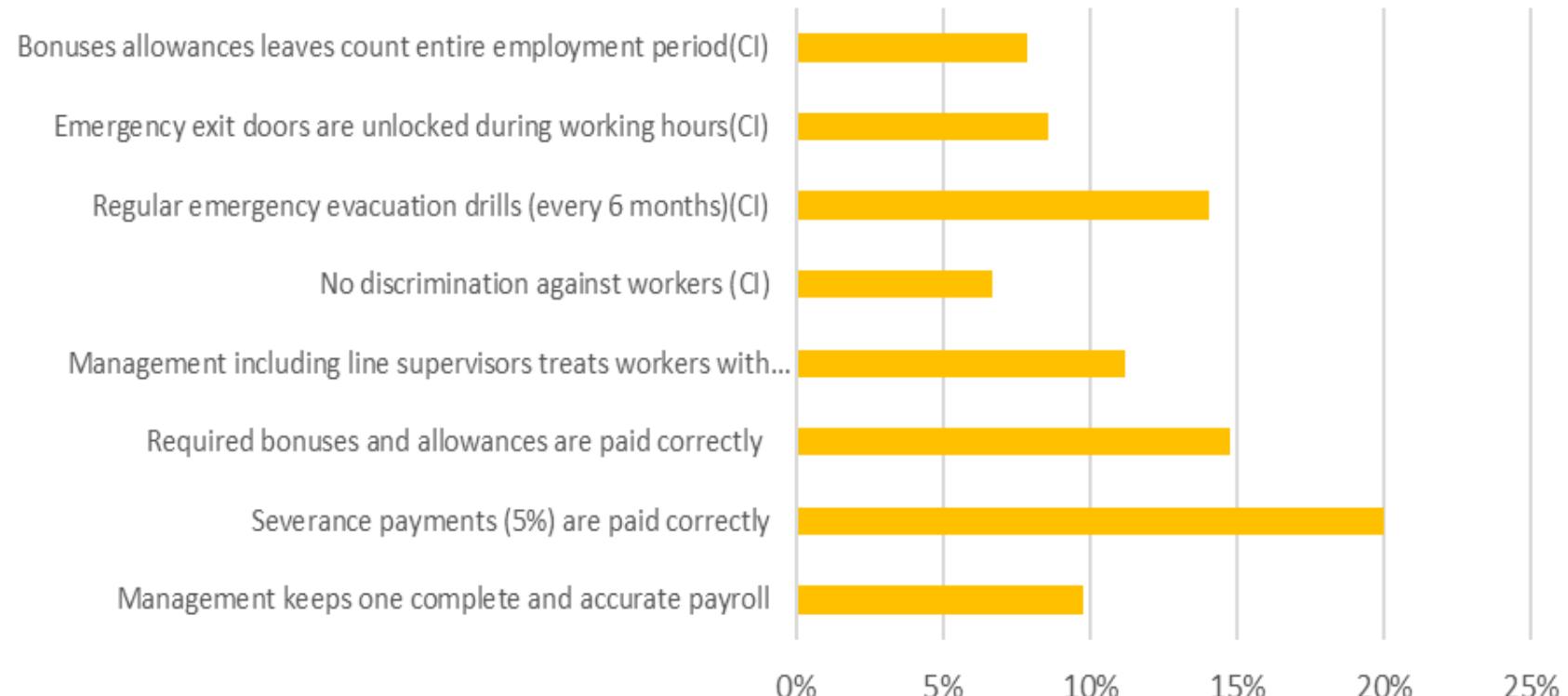


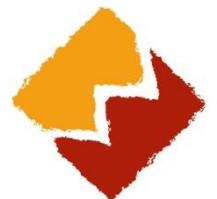
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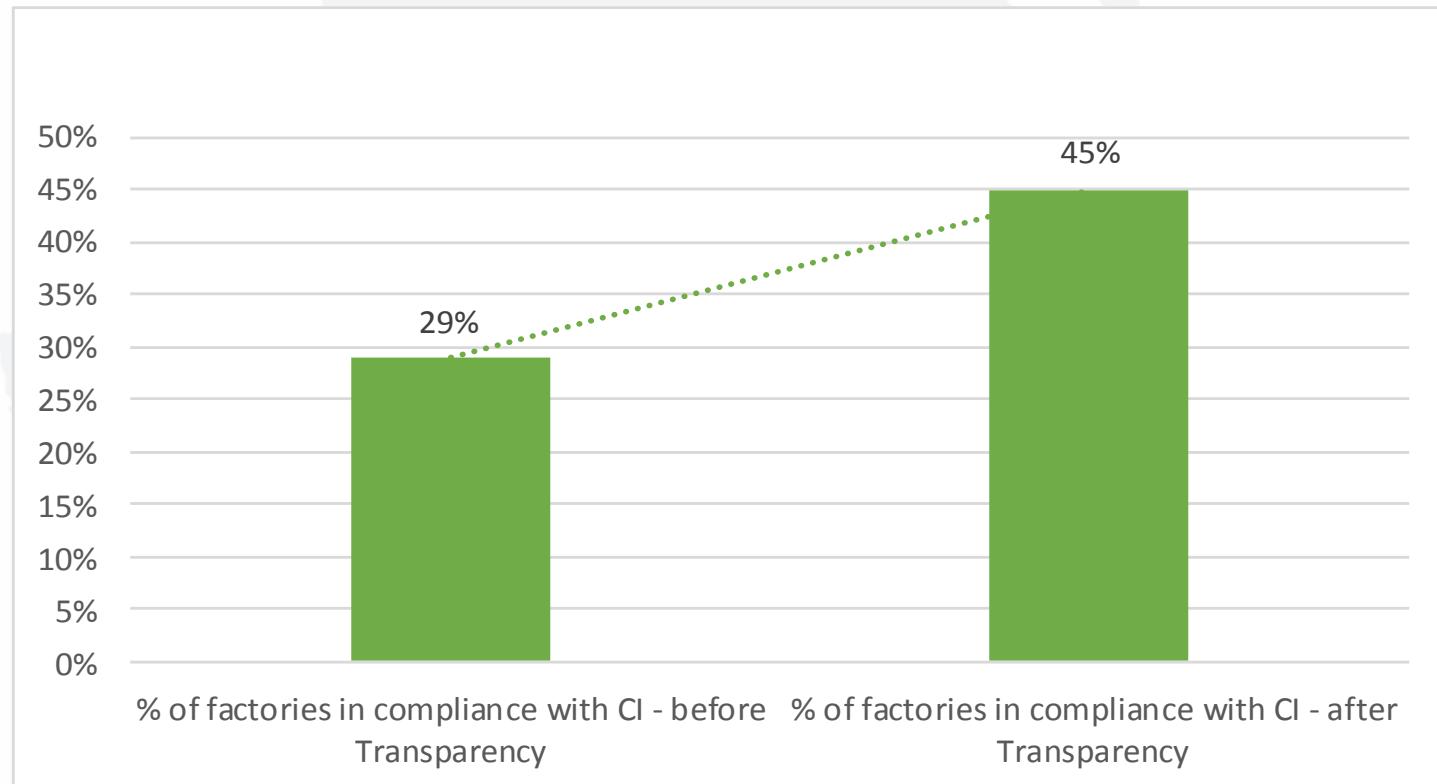
Top Positive Changes since 2014





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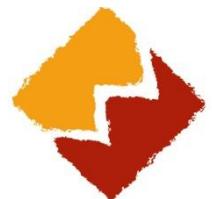
Before and After Transparency Factories Compliance with Critical Issues (2014 – end 2015)



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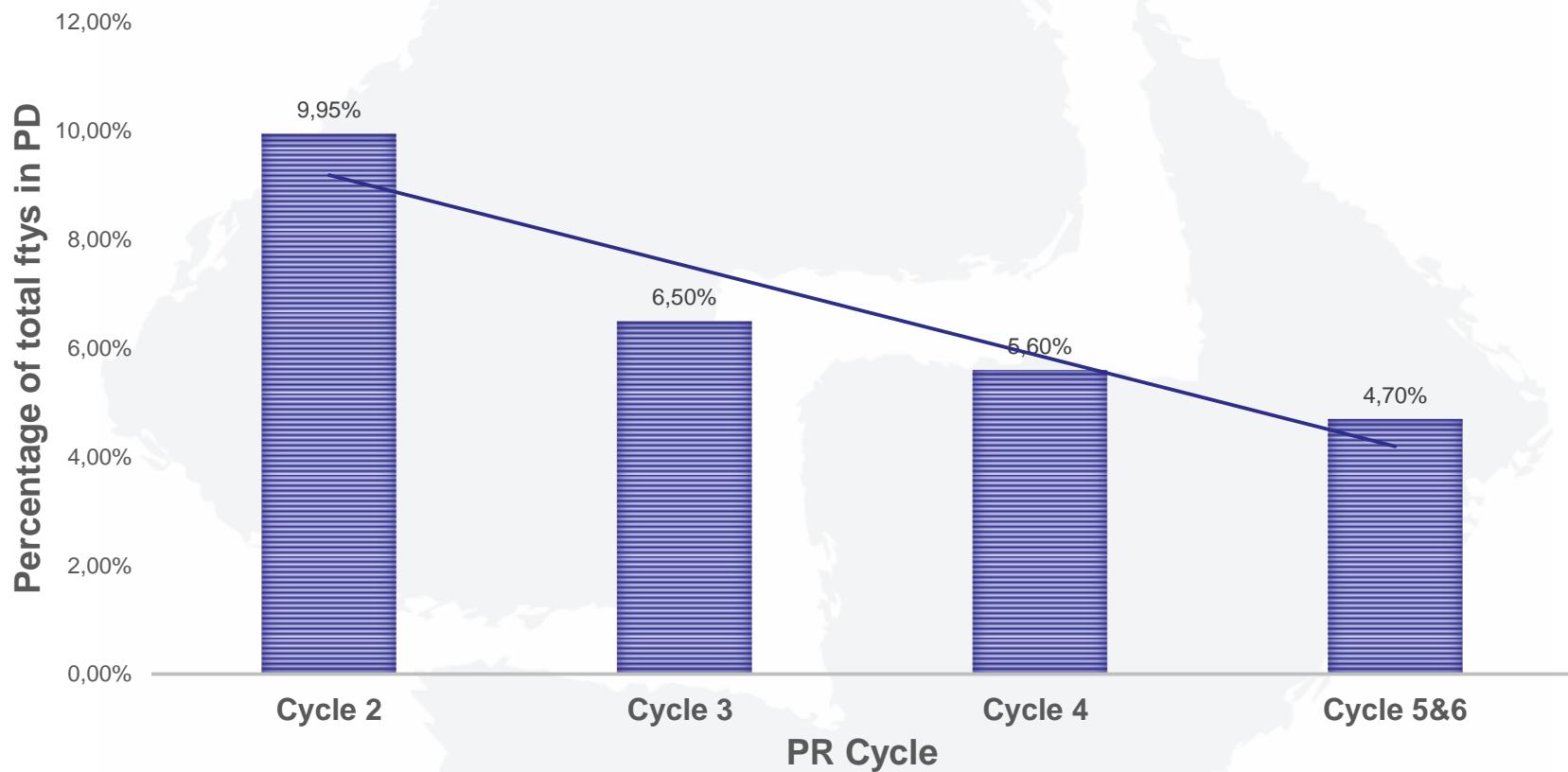


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Low Compliance Factories: Positive Trends (2014 – 2015)

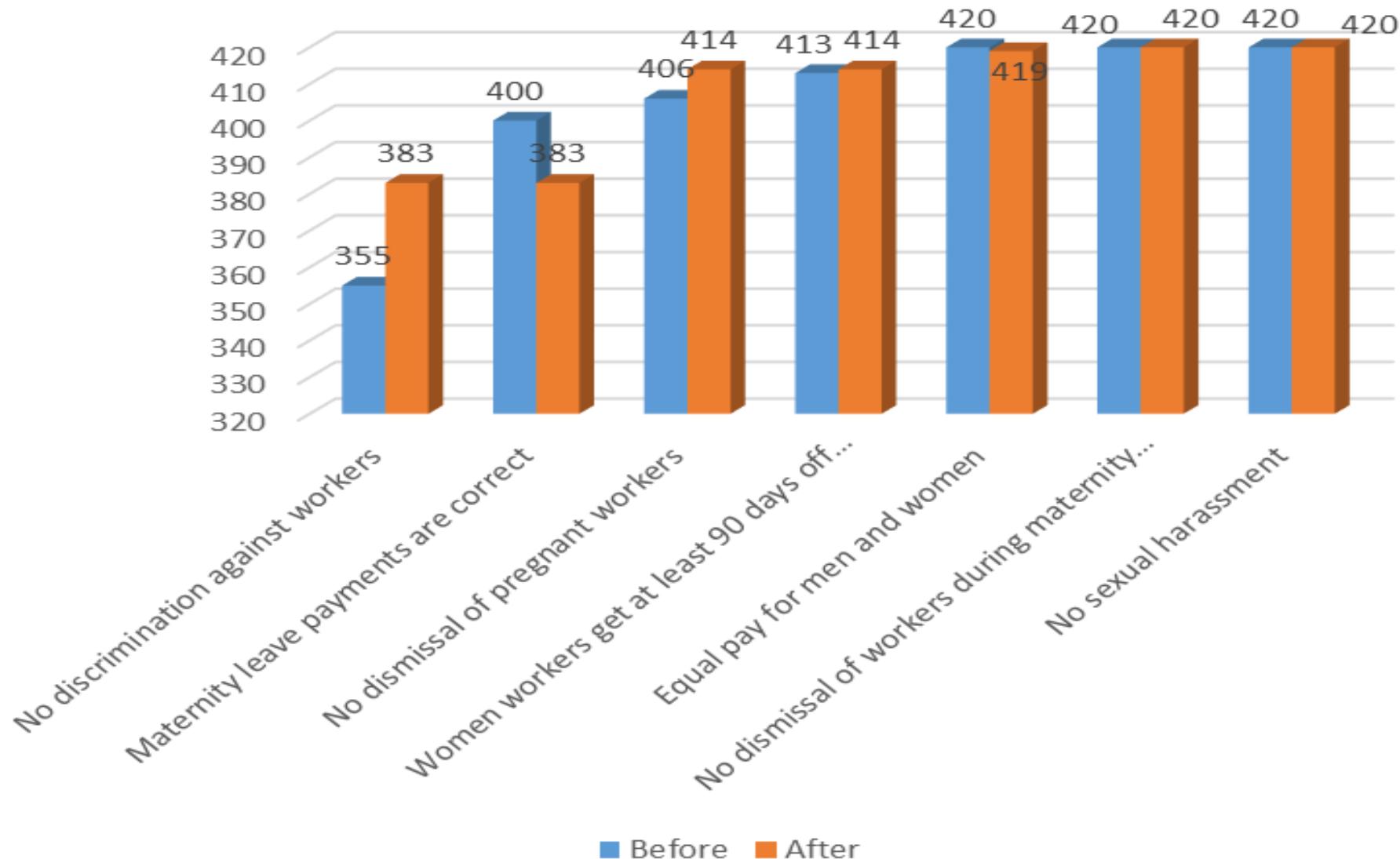


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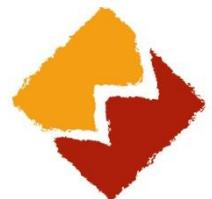
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Compliance Score: Gender Related Issues (October 2015; 420 factories covered)



Transparency sets a benchmark and motivates the management team not only to maintain the current situation, but also to always pursue a higher standard

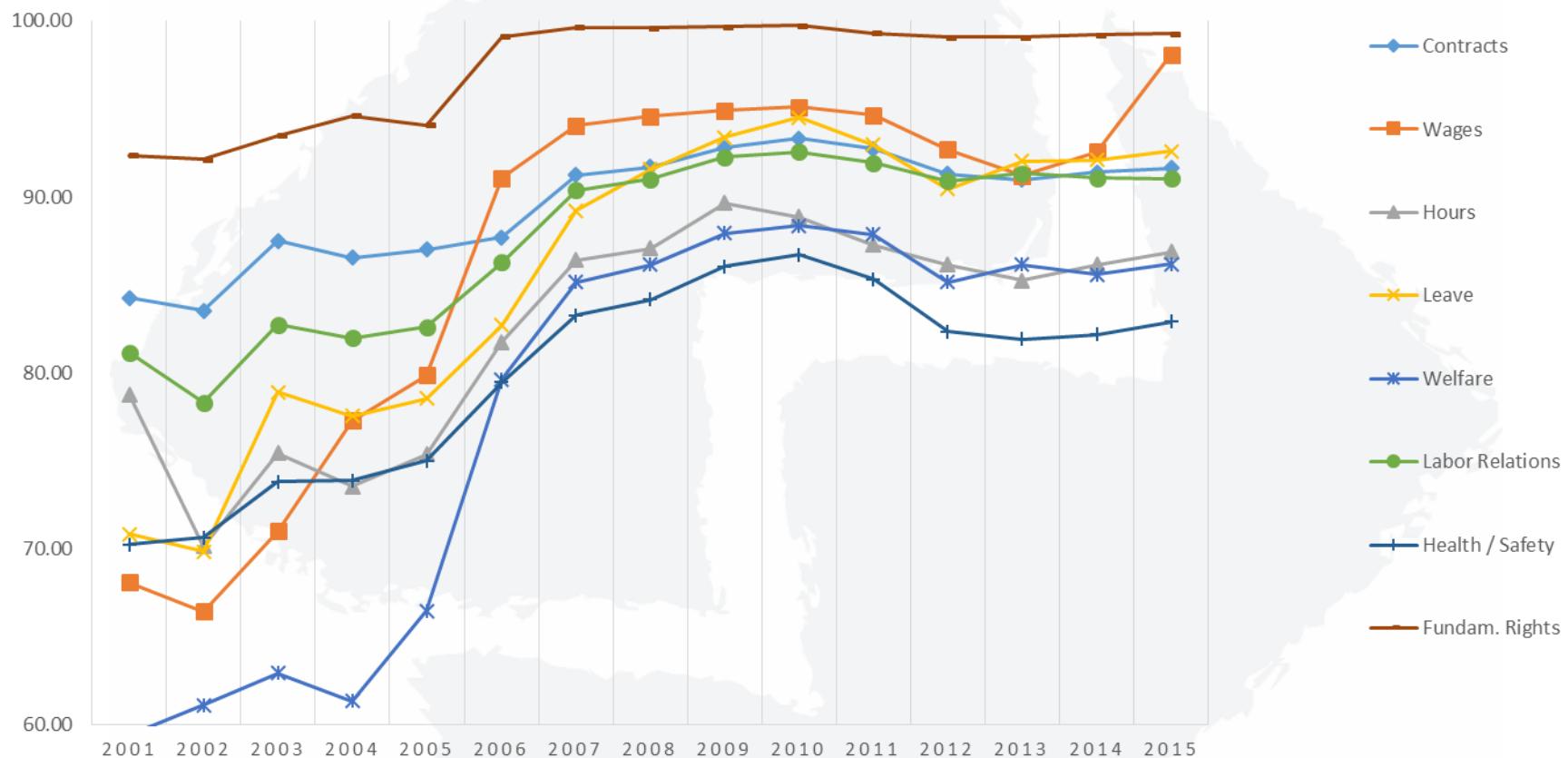
Peter Chiang, VP of Production, Grand Twins International Cambodia



Compliance trends BFC 2001 - 2015

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LABOUR RIGHTS COMPLIANCE BY CATEGORY IN BFC-MONITORED FACTORIES, 2001 - 2015



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Transparency in other Better Work countries



- Haiti since start of the programme
- Bangladesh
- Indonesia (2017)
- Vietnam (end 2016)
- Jordan, being discussed