

# TECHNICAL COOPERATION PROJECT SUMMARY

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<b>PROJECT TITLE</b>	<b>BETTER WORK NICARAGUA</b>
<b>REGION/COUNTRY</b>	THE AMERICAS/Nicaragua
<b>PROJECT DURATION</b>	January 1, 2009 – December 31, 2016
<b>FUNDING LEVEL</b>	USD 6,700,000
<b>PROBLEM TO BE ADDRESSED</b>	<p>Harsh working conditions in garment factories have been for years at the center of a large and growing debate about globalization and labor standards. Low wages, long hours, high temperatures, excessive noise, poor air quality, unsanitary conditions, and abuse (both verbal and physical) are often cited as evidence of non-compliance labor practices which characterize production in developing countries. For many years now, Nicaragua has been at the high end of the global working conditions in the industry. The apparel industry has been providing formal jobs to many people living in poverty and with little access to the formal economy. A tripartite commission (Business, government, labor) active in the free trade zone has been able to maintain active dialogue and negotiations, even establishing negotiated minimum wages in the zone. For a global program such as Better Work, Nicaragua becomes fertile land to effectively monitor labor standards and pilot initiatives beyond the minimum. However, for making sector-wide improvements and increase the competitiveness of the country sector as a whole, all factories operating in Nicaragua need to be program participants.</p>
<b>PROJECT OBJECTIVES</b>	<p>To support decent work in the apparel sector by:</p> <ul style="list-style-type: none"><li>• monitoring compliance with national labor law and international labor standards;</li><li>• strengthening government’s ability to conduct labor inspections; and</li><li>• increasing the capacity of worker and employer representatives to engage in social dialogue.</li></ul>
<b>PROJECT STRATEGY</b>	<p>Better Work is an innovative program that improves working conditions in global supply chains by combining</p>

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labor monitoring and training to apparel factories around the world. The Better Work strategy focuses on market incentives for both producers and buyers, as labor law compliance increases competitiveness and international firms are driven by the need to protect their reputation and image. By monitoring garment factories' compliance with international labor standards, Better Work informs major brands and buyers of labor conditions in the sector. Multinational apparel brands use that information to help determine where they place their orders. Better Work develops the competitiveness of the sector by providing technical assistance to factories that need to improve their compliance with international labor standards and national labor laws. The program also educates workers and managers on labor rights and responsibilities, and provides a space for factory level social dialogue, the manager-workers Performance Improvement Consultative Committees (PICCs).

## PROJECT IMPACT/RESULTS

- ✓ Better Work Nicaragua is currently operating in 22 factories, representing 32% of the industry and covering almost 50% of the workforce. Among the factories in the program are the large Korean firms, some of which employ up to 5,000 workers.
- ✓ Better Work and the Ministry of Labor (MITRAB) signed a Protocol describing the actions to be taken if “zero tolerance” issues are found during the assessments. Issues considered to be of “zero tolerance” are child labor, forced labor, and any violations that put the lives and safety of workers at risk.

## GRANTEE

International Labor Organization (ILO)

## IMPLEMENTING PARTNERS

International Finance Corporation (IFC)

## CONTACT INFORMATION

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Last update, August 2013

8/28/13