

TECHNICAL COOPERATION PROJECT SUMMARY

PROJECT TITLE	BETTER FACTORIES CAMBODIA
REGION/COUNTRY	EAST ASIA & PACIFIC/Cambodia
PROJECT DURATION	December 31, 2012 – November 30, 2016
FUNDING LEVEL	USD 2,160,000
PROBLEM TO BE ADDRESSED	<p>Harsh working conditions in garment factories have been at the center of a large and growing debate about globalization and labor standards for years. 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-compliant labor practices which characterize production in developing countries such as Cambodia.</p> <p><u>Country Context</u></p> <p>Recent trade developments in the region, the rapid increase of minimum wages and a lack of a strategic vision for the industry might be a threat for the long term future of the garment sector in Cambodia. Better Factories Cambodia is looking for opportunities to support constituents to develop a strategic vision for the industry that will increase productivity and add value to the garment sector.</p>
PROJECT OBJECTIVES	<p>To support decent work in the apparel sector by:</p> <ul style="list-style-type: none">• monitoring compliance with national labor law and international labor standards;• strengthening government’s ability to conduct labor inspections; and• increasing the capacity of worker and employer representatives to engage in social dialogue.
PROJECT STRATEGY	<p>Better Work combines labor monitoring and training to apparel factories around the world. The 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</p>

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major brands and buyers of labor conditions in the sector. The program also educates workers and managers on labor rights and responsibilities, and provides a space for factory level social dialogue, the Performance Improvement Consultative Committees (PICCs), which include managers and workers.

PROJECT IMPACT/RESULTS

- ✓ Better Work is active in 549 apparel and 13 footwear factories in Cambodia, benefiting approximately 505,000 workers.
- ✓ Compliance monitoring results are published on the internet, by factory. At least 39 apparel and footwear brands use this information.
- ✓ Findings indicate improvement related to severance payments, emergency preparedness and payment of bonuses.
- ✓ Factories do not trade-off minimum wage compliance with compliance in other areas.
- ✓ Once factories become compliant, they rarely revert to non-compliance.

GRANTEE

International Labor Organization (ILO)

IMPLEMENTING PARTNERS

International Finance Corporation (IFC)

CONTACT INFORMATION

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