



BetterWork

Transparency and Traceability for SVCs

UNECE, April 2018



International
Labour
Organization



International
Finance
Corporation
WORLD BANK GROUP



Who We Are

We mobilize global brands, governments, factory owners and workers to improve working conditions, drive competitiveness and create a more equitable, more prosperous world for everyone.



About Better Work

Improving working conditions in the world's garment industry.

Changing how the world thinks about work.

The global partnership is brought together by:



International
Labour
Organization



IFC

International
Finance Corporation
WORLD BANK GROUP

And includes:

- ♦ Brands
- ♦ Donors
- ♦ Governments
- ♦ Garment Supplies
- ♦ Manufactureres
- ♦ Workers and Trade Unions

With a multi-stakeholder Advisory Committee providing strategic direction.

Our partners



INDITEX

PRIMARK



Abercrombie & Fitch



AMERICAN EAGLE
OUTFITTERS



PHILLIPS-VAN HEUSEN CORPORATION



ASOS



ANN INC.

PHILLIPS-VAN HEUSEN CORPORATION



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*Corporate Donor

EST. 1884



We currently engage...



140+ buyers across 7 countries



Reaching 1,560+ factories



2,150,000 workers (80% ♀)

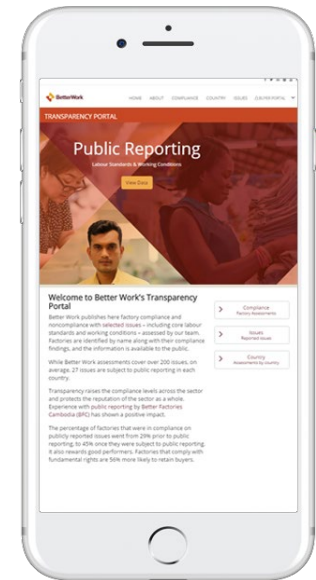
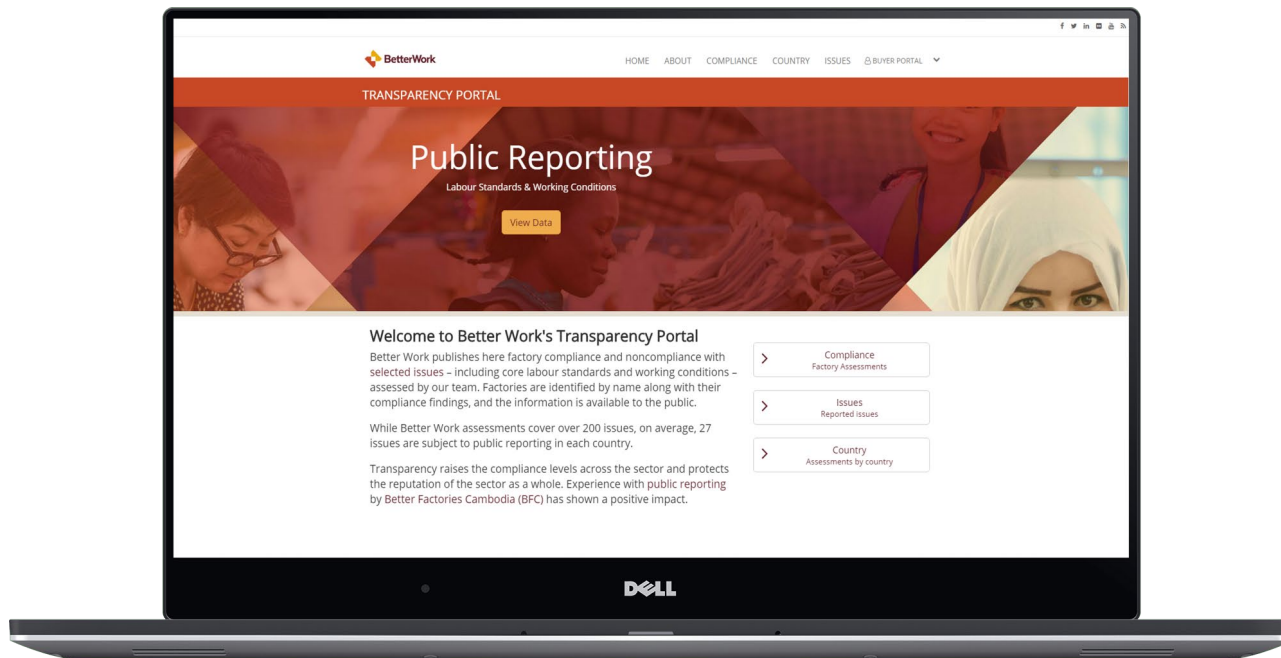


and their families

Where we work



Transparency Portal



Default Landing Page Renders on Multiple Devices



What is Public Reporting?

- ♦ Publication of **factory-level** compliance information
 - ♦ Only factories with at least 2 or more assessments are eligible
 - ♦ Only **selected issues** assessed by Better Work are reported
- ♦ Factories are **identified by name** with their non-compliance findings
- ♦ Information is posted on the Better Work **transparency portal**



How does Public Reporting work?

- ♦ Unannounced factory assessment
- ♦ Factory Assessment Report indicates non-compliance with publicly reported issues
- ♦ On average 26 issues are reported per country
- ♦ Data is continuously updated – subsequent assessment data replaces previously posted assessment data
- ♦ In place in all Better Work countries except for Bangladesh (planned for later this year)

Information displayed on the Transparency Portal



The Transparency Portal **shows** the following:

- ♦ Factory Name
- ♦ Country
- ♦ Assessment date (most recent assessment)
- ♦ Number of non-compliances, with a list of non-compliance issues
- ♦ Response (if any) posted by the factory

What issues are subject to Public Reporting?



- ♦ Selected issues - core labour standards especially FOA and Discrimination, basic requirements relating to wages, OSH, and workplace dialogue (all country programmes)
- ♦ Country-specific issues that are especially relevant in the country in question
- ♦ Refusals by a factory to allow Better Work to conduct an assessment after 2 occasions



Factory responses

- ♦ Factories can upload text and attachments directly to the Transparency Portal to provide context or indicate progress
- ♦ Better Work only reviews to ensure that responses are appropriate for public posting (e.g., no names or photos of people)



Challenges

- ♦ Getting buy-in from constituents – communication is key
- ♦ Site design and IT issues – providing data in a user friendly format for a range of user needs
- ♦ Heightened focus on publicly reported issues, with less emphasis placed on important issues that are not publicly reported



Why Public Reporting?

- ♦ Improves compliance – e.g., in Cambodia, the percentage of factories that were in compliance on publicly reported issues improved by 57 per cent after public reporting was implemented
- ♦ Protects\ enhances reputation of the industry
- ♦ Helps buyers and governments better target interventions
- ♦ No negative impact on growth at sectoral level



Why Public Reporting?

- ♦ Levels the playing field
- ♦ Helps factories to be more accountable and to take ownership to address their own issues (importance of social dialogue)
- ♦ Shifts focus and energy to focusing on more sustainable solutions



Traceability- why it is important

- ♦ Buyers publishing their own supply chain is a good first step- tends to only be tier 1 though
- ♦ Provides more visibility to the lower tiers
- ♦ Unearths the most challenging issues of the most vulnerable workers
- ♦ Creates efficiencies in terms of systematic solutions to issues



Traceability- why it is important

- ♦ Helps to address the harder to resolve issues- purchasing practices, pre-sourcing audits, wages, hours
- ♦ Helps brands\ manufacturers to move beyond auditing and address sustainable solutions
- ♦ Helps gov'ts\ labour inspectors to more systematically ID problems and find solutions- to move beyond enforcement only solutions



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Thank you!



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