



BetterWork

Vietnam

AT A GLANCE



International
Labour
Organization



International
Finance
Corporation
WORLD BANK GROUP

In numbers



36 billion

Value of
apparel exports
in USD



15

Percentage of
total export
earnings from the
garment industry



359

Active Factories
enrolled with
Better Work



572,600

Workers
impacted by the
programme



80

Percentage
of female
garment
workers

Better Work Vietnam is shaping a garment industry that provides decent work for hundreds of thousands of factory workers, makes the businesses they work for stronger, and drives inclusive national growth and prosperity.

Many headline Better Work impact results originate from Vietnam. Tufts University's finding of a 25 per cent increase in factory profitability after four years with the programme, for example, is compelling evidence that improving working conditions is win-win for workers and businesses alike.

During the next phase of its strategy, the programme will take its proven approach to more factories and accelerate improvements in working conditions and business competitiveness in the garment sector. The focus will be on the interventions that have greatest impact, on collaborating with public and private sector partners to scale-up reach, and on creating a critical mass of factories touched by the programme, such that responsible practices become the de-facto business culture – in Better Work factories and far beyond.

“Better Work demonstrates that compliance and social dialogue can strengthen a factory’s competitiveness. We take these principals and make it real on the factory floor. Better Work partners with governments, workers and employers, to find what works for everyone. Together we are creating Better Work, Better Business and Better Lives.”

PAULA CHURCH ALBERTSON, BETTER WORK VIETNAM PROGRAMME MANAGER

Impact to date

Since 2009, Better Work Vietnam—a joint initiative of the UN's International Labour Organization (ILO) and the International Finance Corporation (IFC), a member of the World Bank Group—has been working with workers, employers, the government and multinational businesses to profoundly influence the garment industry. Through assessments, training and advisory work at the factory level, as well as research and advocacy at the national and regional levels, the programme has:



IMPROVED LIVING AND WORKING CONDITIONS,

as workers report increased take home pay, better job security and shorter working hours the longer a factory participates in the programme.



IMPROVED PRODUCTIVITY.

Production lines with supervisors trained by Better Work achieved up to 22% higher productivity.



ENHANCED PROFITABILITY.

The average firm increased its profitability by 25% after four years of participation in the programme – a result of productivity gains and factories becoming preferred suppliers with leading brands.



SPREAD AWARENESS OF LABOUR RIGHTS

via workplace training, educational materials, animations and a dedicated app to guide factory staff through the Labour Law.



BOOSTED INDUSTRY TRANSPARENCY

through a new public reporting portal that informs brands, national stakeholders and the general public about factory level compliance, helping drive and incentivize lasting improvement.



INFLUENCED NATIONAL LAW AND POLICIES.

For example, when the Vietnamese government took inspiration from Better Work's factory worker-management committees, changing the national labour code to make worker-management dialogue mandatory in all of the country's industries, covering up to 10 million workers.

Facts and figures drawn from an independent study of 15,000 workers and 2,000 managers by Tufts University: go.betterwork.org/impact.

Where next?

During its next strategic phase (2017-22), Better Work Vietnam will build on its impact to date with four broad objectives:

1. ACCELERATE IMPROVEMENTS IN WORKING CONDITIONS AND BUSINESS COMPETITIVENESS IN THE GARMENT SECTOR AND BEYOND.

- ◆ Lift the number of factories engaged with the programme to more than 500 by the end of 2022, including by extending the geographical reach
- ◆ of the programme. This will give the Better Work Vietnam coverage of roughly one million workers.
- ◆ Focus on advisory and training initiatives that have the greatest impact at the factory level, while also helping to make responsible labour practices the business standard – both in Better Work factories and across the industry more broadly.
- ◆ Expand the reach of the programme through strategic collaboration and partnerships, for example drawing

in the IFC's expertise in environmental standards and resource efficiency; and on ILO expertise working with small- and medium-sized enterprises.

2. BUILD A BUSINESS ENVIRONMENT THAT RESPECTS LABOUR RIGHTS.

- ◆ Expand training for local and national brand teams on compliance, international labour standards and the Better Work model, so partners can promote good practices across their supplier base. At least a quarter of local buyer partners will receive specialized training over the next five years.
- ◆ Expand influence to factories where Better Work does not have on-the-ground presence through bespoke training for buyer partners on the programme's approach, tools and findings.
- ◆ Broaden channels for dialogue and exchange with regular platforms for brands and vendors to share best practices and models for sustainable sourcing and compliance.
- ◆ Continue to advocate for brands to eliminate duplicate audits, and redirect resources saved to build capacity and implement initiatives to support sustainable improvements in supplier factories.

3. WORK WITH OTHER ILO TEAMS TO DEEPEN THE ROLE OF NATIONAL STAKEHOLDERS IN IMPLEMENTING BETTER WORK'S APPROACH.

- ◆ Leverage the already strong relationships with national stakeholders, working with other ILO specialists to deliver targeted advice to national policymakers, including on labour law revisions scheduled for 2019.
- ◆ Double the number of provincial Labour Inspectorates trained by Better Work as part of

a broader plan – in collaboration with other ILO teams – to roll out a coordinated capacity building programme for national labour inspectors.

- ◆ Extend enforcement of the Zero Tolerance Protocol on issues such as child and forced labour to 22 provinces, targeting persistently noncompliant factories with new management approaches and support.
- ◆ Train and support the Vietnamese Chamber of Commerce, the General Confederation of Labour and the Ministry of Labour (MOLISA) as they adapt to and implement Industrial Relations reforms, including the implementation of worker-management committees in all factories.
- ◆ Connect national stakeholders with the private sector to share practical lessons learned.

4. EMPOWER WOMEN, REDUCE SEXUAL HARASSMENT AND CLOSE THE GENDER PAY GAP.

- ◆ Support factories' efforts to develop practical workplace policies on gender and incorporate gender equality principles into existing internal company rules, including a fairer gender balance in worker-management committees.
- ◆ Engage with partners with an expertise in gender to implement training, with particular emphasis on training women in supervisory and leadership skills.
- ◆ Scale up factory training on sexual harassment prevention, introducing new modules and tools aimed at workers and managers.
- ◆ Inform national debates on national labour laws and policies promoting gender equality, by illustrating the legal gaps and deficits observed at the enterprise and sectoral level.

Key Partners

GOVERNMENT

- ◆ Ministry of Labor, Invalids and Social Affairs (MOLISA)



EMPLOYER ORGANIZATIONS:

- ◆ Vietnam Chamber of Commerce and Industry (VCCI)



WORKERS ORGANIZATIONS

- ◆ Vietnam General Confederation of Labour (VGCL)



BUSINESS COMMUNITY

- ◆ 59 brand and retail partners



CURRENT DONORS:

- ◆ AUSTRALIA (DEPARTMENT OF FOREIGN AFFAIRS AND TRADE)
- ◆ CANADA (EMPLOYMENT AND SOCIAL DEVELOPMENT; DEPARTMENT OF FOREIGN AFFAIRS, TRADE AND DEVELOPMENT)
- ◆ IRELAND (DEPARTMENT OF FOREIGN AFFAIRS AND TRADE)
- ◆ NETHERLANDS (MINISTRY OF FOREIGN AFFAIRS)
- ◆ SWITZERLAND (STATE SECRETARIAT FOR ECONOMIC AFFAIRS)