



## JOINT PRESS RELEASE

### Renewed MOU to further improve working conditions, extending the ILO's Better Factories Cambodia programme (2023-2027)

**10 October 2022, PHNOM PENH, Cambodia** – The Government of the Kingdom of Cambodia, represented by the Ministry of Labour and Vocational Training (MLVT) and the Ministry of Commerce (MOC), Garment Manufacturers Association in Cambodia (GMAC), and the International Labour Organization (ILO) have signed a new Memorandum of Understanding (MOU) to extend the Better Factories Cambodia (BFC) programme for another five years from January 2023 to December 2027. Linking international trade with working conditions through the implementation of the BFC since 2001, the garment industry has become one of the major contributions to the economic growth of the country. Today, BFC works with more than 600 exporting garment, and travel goods and bag factories employing over 650,000 workers in Cambodia.

Under this renewed MOU, the parties have extended their partnership and are committed to improve and maintain good working conditions, and increase competitiveness and productivity in the garment, and travel goods and bag sector in Cambodia.

BFC will continue to assess working conditions in garment, and travel goods and bag factories based on the Cambodian Labour Law, related laws and internationally recognized core labour standards. Factory engagement activities and programmes to enhance workplace improvements and productivity will continue to be conducted, increasingly in collaboration with the MOU partners.

H.E. Dr. Ith Samheng, Minister of Labour and Vocational Training stressed, “The Ministry of Labour and Vocational Training is highly committed to continue and strengthen the collaboration with BFC and other stakeholders to continue to improve working conditions and contribute to the socio-economic development in Cambodia. Under the new MoU, BFC, MLVT, MOC, GMAC, the garment and travel goods and bag manufacturers, trade unions as well as international brands, buyers sourcing from Cambodia will also work together to support the implementation of Cambodia’s Garment, Footwear, and Travel Goods (GFT) Sector Development Strategy 2022-27”.

In collaboration with MLVT and GMAC, BFC will jointly focus on multiple topics, and provide joint capacity development programmes to factories; including improvement of management systems, human resource management, occupational safety and health, and supervisory skills to strengthen the competitiveness and productivity of the industry. Additionally, BFC will work with MLVT to develop a Joint Action Plan to support the capacity development of labour and occupational safety and health inspectors for increased compliance in the sector.

During the occasion, the Minister of Commerce, H.E Pan Sorasak commended the contribution of the BFC programme and stakeholders for their cooperation and efforts to advance labour rights in the Cambodian industry, “In 2022, Cambodia has seen a significant increase in exports in garment and textiles which grew by 23 percent, and for travel goods and bags which grew by 36 per cent since



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2021. The new MoU will see our continued support to the programme and increased collaboration with BFC and other partners to continue to attract investors to the country, create jobs, and better income for workers as well as their families, and support a prospering Cambodian economy,” the Minister of Commerce, H.E. Pan Sorasak.

Graeme Buckley, ILO Country Director for Thailand, Cambodia and Lao PDR, commented that all constitutions share the same goal and vision: to strengthen the garment, and travel goods and bag industry and better improve working conditions. He highlighted that “A crucial part of this renewed commitment from the government of Cambodia and GMAC will be to work with our partners on developing, implementing, and monitoring joint sustainability plans. BFC will commit to continue playing a role as a convenor of industry stakeholders, including international buyers who play an important part in improving the sector through their responsible business practices.”

“We recognize the importance of the contribution of the industry toward Cambodia’s economy and the livelihood of thousands of workers. We are excited for the next five years of this extended partnership with the government and BFC in further advancing the industry,” said Kong Sang, Chairman of GMAC.

Better Factories Cambodia (BFC) is part of the Better Work Program, a collaboration between the International Labour Organization and the International Finance Corporation, which is operating across thirteen countries to catalyse change along global supply chains in the garment industry, the work of BFC has helped to spur improvements in factory working conditions and workplace environment across the industry since 2001.

**To find out more**, please visit: [www.betterfactories.org](http://www.betterfactories.org)

**For more information, please contact:**

Mr. Daramongkol Keo

ILO-BFC Communication Officer

Email: [keo@ilo.org](mailto:keo@ilo.org)