



BetterWork
Jordan

Annual Report



International
Labour
Organization



IFC

International
Finance Corporation
WORLD BANK GROUP

2020 DATA

FOREWORD



Jordan

The Jordanian garment industry has faced a difficult year as a result of COVID-19 but has shown resilience in the face of the pandemic. Better Work Jordan has over ten years of experience in the garment industry and has successfully built strong collaborations with the tripartite partners representing government, workers and employers. While Better Work Jordan primarily works with the exporting garment sector in Jordan, the programme has recently expanded to include factories in other sectors, including plastics, chemicals and engineering.

Canada



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COUNTRY CONTEXT



88

factories enrolled with Better Work Jordan in total



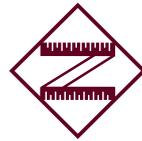
65,026

workers in registered factories



72%

of workers in enrolled factories are women



69

compliance assessments carried out



530

advisory visits performed



1,788

people joined the trainings

Data presented from Better Work records for garment and non-garment factories as of December 2020. This report includes findings from assessments completed in early 2021 - through 2020, 53 assessments were completed.

Impact of COVID-19 on the garment sector

COVID-19 has had a major financial and human impact on the garment sector in Jordan. In 2020, exports decreased by 15 per cent; six factories shut down and there were approximately 7,000 fewer workers in participating factories. As of January 2021, 10 per cent of the employees had tested positive for the coronavirus across 46 of the 88 factories. Jordanian workers were paid minimum wage but barred from working during some months of the year to limit the spread of COVID-19. Migrant workers continued working, albeit with reduced hours, which impacted their ability to send money home to their families.

Partnerships

Two Memorandums of Understanding were signed with two key partners in 2020, building on on-going work and for collaboration going forward. The MoU between the ILO and the Ministry of Labour made it possible to establish a Better Work unit inside the Ministry to lead the inspection of garment factories, which will be done jointly with Better Work staff in the coming years. The second MoU was signed with the Jordan Garment Accessories & Textiles Exporter's Association (J-GATE) to promote decent job opportunities and improve the sector's competitiveness.

Trade agreements

The most significant agreement is the United States-Jordan Free Trade Agreement, which gives Jordan preferential duty rates and quota-free access to the US market. Jordan also has another agreement with the European Union to simplify the rules of origin, which determines where goods have been produced or manufactured. It is a component of the EU's broader response to the Syrian refugee crisis to create decent jobs for Syrians and Jordanians in host communities. The EU agreement also applies to three non-garment sectors and has driven Better Work Jordan's expansion into plastics, chemicals and engineering sectors.

GARMENT SECTOR STATISTICS

- ◆ The majority of the workers in the exporting garment sector are women (72 per cent) and most are migrants (76 per cent), mainly from South Asia.
- ◆ Most workers are based in direct exporting factories located in three main industrial zones, however around 10 per cent of workers are in satellite units (smaller factories in rural areas that employ mostly Jordanians) and six per cent are in subcontracting factories.

We have had a complete shut down for some of the factories, while others are currently downsizing their production lines, which places both business owners and workers at unease. However, during these hard times, a sense of unity has emerged, which is bringing companies together in order to surpass this unfortunate series of events.

Dina Khayyat, J-GATE Chairperson

NON-COMPLIANCE FINDINGS

Main results from 69 assessments

COVID-19 has exposed some weaknesses in the industry in terms of compliance and provision of decent working conditions. Many factories had to prioritize COVID-19-related changes, which led to delays in addressing persistent issues and other violations. A small number of factories had severe violations, such as forced labour, inaccurate and late payment of wages, and reductions in the number of meals provided to workers. The tripartite stakeholders and brands partnered to address these issues rapidly. The following are highlights from each compliance cluster, with a specific focus on changes in 2020 and the impact of COVID-19.

[Detailed information available in Better Work Jordan Annual Report 2021: An Industry and Compliance Review.](#)



| | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  CHILD LABOUR |  DISCRIMINATION |  FORCED LABOUR |  FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING |
| <p>The assessments found no evidence of factories employing workers under the age of 16.</p> <p>1% of factories had workers under the age of 18 without proper documentation.</p> | <p>55% of factories had workers who had to take pregnancy tests during recruitment.</p> <p>6% of factories made pay decisions based on race, colour, origin, or citizenship status.</p> | <p>3% of factories used threats such as deportation or cancellation of visas to force workers to stay at the job.</p> <p>1% of factories denied workers access to their personal documents such as passports.</p> | <p>81% of factories failed to implement all provisions of the Collective Bargaining Agreement (CBA), the core of the labour law.</p> <p>6% of the factories did not give union representatives access to workers in the workplace.</p> |
|  COMPENSATION |  CONTRACTS AND HUMAN RESOURCES (HR) |  OCCUPATIONAL SAFETY & HEALTH (OSH) |  WORKING TIME |
| <p>35% of factories did not pay workers within seven days of the date wages become payable. Half of cases were attributed to COVID-19.</p> <p>7% of factories did not keep only one accurate payroll (double books).</p> | <p>30% of factories had workers who paid unauthorized fees to recruitment agents.</p> <p>20% of factories had workers who had been bullied, harassed, or subjected to humiliating treatment.</p> | <p>58% of factories did not have the required onsite medical facilities or staff.</p> <p>36% of factories had accommodations that did not comply with the minimum space requirements.</p> | <p>3% of factories had involuntary overtime work (also cited as Forced Labour).</p> <p>3% of factories did not provide one hour per day breaks for breastfeeding.</p> |

ACHIEVEMENTS



Partnering for results despite times of crisis

The evolving situation with COVID-19 in Jordan disrupted some of the traditional Better Work service delivery mechanisms. The programme was able to swiftly adapt service delivery while expanding to new areas to fulfil the unique needs caused by the pandemic. And while some of the methods may have changed, the overall goal of the programme remained the same – to improve the working and living conditions of workers. The pandemic also highlighted the importance of tripartite dialogue – government, workers and employers – and demonstrated the sector’s maturity and collaborative ability. Better Work Jordan continued to progress in capacity-building activities for the tripartite stakeholders and formalized many of these relationships through key MoUs in 2020.



**COVID-19
RESPONSE**

Supporting stakeholder adaptation

The programme adapted the majority of training and advisory services to virtual platforms while conducting physical assessment visits as far as the epidemiological situation allowed. Better Work Jordan also provided timely support to employers through industrial seminars on changes to laws and regulations, especially on contracts and wage payment during the pandemic. Better Work Jordan facilitated agreements between employers and workers on travel arrangements and PCR test fees, which were then included in the annex of the Collective Bargaining Agreement. In order to tailor its response to the rapidly changing needs of both workers and managers, Better Work Jordan initiated direct calls with both groups (see case study) to get better information on the issues faced by factories and their employees and to provide advice and support for managing the crisis.

ACHIEVEMENTS



**PROMOTING
GENDER EQUALITY**

More women in supervisory role

Better Work Jordan made substantial progress on its four-pillared gender strategy that focuses on ending discrimination, supporting paid work and care, increasing voice and representation, and enhancing leadership and skills. There are encouraging signs that progress is being made on the issue of leadership and skills development. According to data for a subset of 59 factories assessed in 2020 and in 2019, 51 per cent of supervisors are women, compared to 37 per cent last year. Better Work Jordan is also working to develop job descriptions for middle management positions so that the hiring and recruitment process will be more transparent and equitable. Workers also say that they have developed new skills: 62 per cent of women say they have learned skills in the last year, compared to 56 per cent of men. [See Better Work Jordan gender strategy: progress report and update for further information.](#)



**WORKING WITH
GOVERNMENT**

Assessments done jointly with the Ministry of Labour

Better Work Jordan intensified its close collaboration with the Government of Jordan, and particularly with the inspection department of the Ministry of Labour. Per the terms of an MoU signed in May 2020, the Ministry of Labour has now set up two Better Work units: one in the headquarters in Amman and one in Irbid, a major industrial zone. Joint visits with labour inspectors have also proceeded: the vast majority of Better Work Jordan assessments in 2020 were done together with a ministry inspector. Funding from the EU has also allowed Better Work Jordan to expand its successful secondment programme for Ministry of Labour inspectors, with 12 additional inspectors participating in 2020. Labour inspectors are also trained on topics such as national and international labour standards, the Collective Bargaining Agreement, Sexual Harassment Prevention (SHP), dorm guidelines, virtual facilitation skills and biological risk assessment.



ACHIEVEMENTS



WORKING WITH BRANDS

Brands united against forced labour

Brands were very active in Jordan in 2020 and pushed individual factories to address worker complaints and issues uncovered by Better Work Jordan. In one instance, Better Work Jordan convened all brands sourcing from the factories with forced labour violations, among other non-compliance issues, to address these concerns. These brands then wrote a letter to the Ministry of Labour that prompted top officials from the Ministry, the union and the employer's association J-GATE to visit the factory together. In another instance during worker strikes in October and November, brands sourcing from these factories encouraged management to improve dialogue with workers and increase the involvement of the union. While many brands were very active, some went out of business or stopped sourcing from Jordan: there are now five fewer brands sourcing from Jordan compared to 2019.



WORKING WITH EMPLOYERS

J-GATE: employers association advocates for sector

The Better Work Jordan team engaged with individual factories during the course of COVID-19, primarily through virtual communication, and through deepening its relationship with J-GATE. J-GATE had several major successes throughout 2020 in terms of advocating for the sector. The country effectively shut down in mid-March, but stakeholders from the garment sector, led by J-GATE, were able to successfully lobby the government to allow production to resume for

garment factories with additional health and safety measures in place. In addition, J-GATE played a pivotal role in lobbying the government to relax the rules around contracts to allow migrant workers who had been working at factories that went out of business to be transferred to new ones. Better Work Jordan also hosted industry seminars for employers to clarify Government of Jordan defence orders and Standard Operating Procedures for the garment sector to operate during the pandemic.



WORKING WITH TRADE UNION

Ensuring decent working conditions for migrants and Jordanians

The General Trade Union of Workers in Textiles, Garment & Clothing is the worker representation body for Jordan's garment sector. Through funding from the Canadian government, Better Work Jordan supported the union in implementing the sectoral CBA, particularly on ensuring unified contracts for migrant, Syrian and Jordanian workers, and informing workers about the CBA. Better Work Jordan has trained union staff on several subjects and delivered Training of Trainers so that the union can train workers directly and on a larger scale in the future. Better Work Jordan has also arranged for bilingual organizers to work with the union and support it in their outreach to migrant workers. At the end of 2020, Better Work Jordan hired a consultant to assist the union in developing a long-term strategy.

ACHIEVEMENTS

ON THE GROUND BENEFITS

Better Work Jordan organized calls to 2,000 workers

Communicating with workers is a key part of Better Work Jordan's mission. Typically, Enterprise Advisors interact with workers and managers face-to-face in the factory during the course of core service delivery, but this was not always possible during the pandemic, and the pivot to remote working forced a shift in this model. In conjunction with union representatives, Better Work Jordan was able to coordinate phone calls and semi-structured interviews with workers, once during the lockdowns from March to May (with 1,400 workers), and again during the rise in COVID-19 cases from September to November (with 500 workers and managers from 70 factories). This engagement was crucial during the first months of the pandemic, as there was widespread confusion and misinformation. Travel was heavily restricted throughout this time, both locally and internationally,

due to government restrictions. As a result, migrant workers were in their dormitories for weeks without work. This caused mental stress for many of them, with concerns ranging from their own personal safety and that of their families and friends at home, to their job security for the future. The Government of Jordan eventually issued a decree that employees (regardless of nationality) had to be paid for this time period, and Better Work Jordan sought to inform workers of their rights under this rule through phone calls and messages. These phone calls also brought to light some significant issues and violations in the sector, such as lack of nutritious food and delayed payment of wages, which Better Work Jordan followed up on in conjunction with the tripartite partners. The main results of the second round of interviews with migrant workers are summarized in the graphics below:

Our main goal is to communicate with the workers and make them feel they are not abandoned."

Zainab Yang, Better Work Jordan Team Leader

I received over a hundred calls from alarmed workers in a single day, caused by fears from unofficial information mentioning fatalities due to COVID-19 in their proximity."

Anne Weerasuriya, Better Work representative

Most workers surveyed reported reduced hours and income and greater mental stress



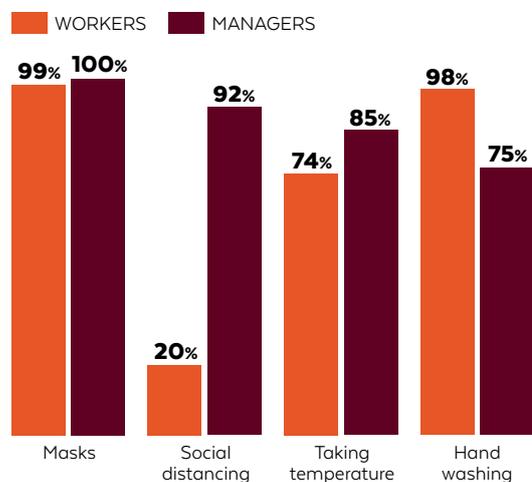
Managers have tried to reach workers through supervisors and organized meetings with representatives



Workers report learning about COVID-19 mostly from social media, family and friends, and less from their employers



Preventive measures taken according to workers and managers



TACKLING CHALLENGES

Investigating root causes to address systemic issues in the sector

The Jordanian garment sector faces several large, endemic challenges that make achieving decent working conditions for all workers uniquely challenging. For example, cultural and situational factors in Jordan make it particularly difficult for victims of sexual harassment to come forward. In addition, the labour law makes it harder to effectively apply the ILO model of tripartism as workers, especially migrant workers, are not fully represented.



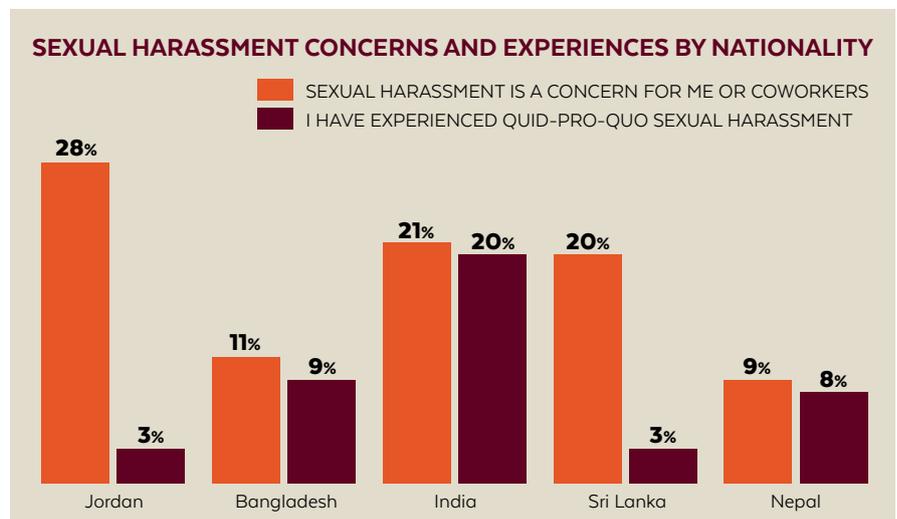
SEXUAL HARASSMENT

Addressing sexual harassment in the industry

Sexual harassment is a pervasive problem in garment factories throughout the world, and Jordan is no exception. According to a representative survey of workers carried out in 2019 and 2020, 18 per cent of respondents said that they or their co-workers are concerned with sexual harassment and eight per cent of workers said that they have personally experienced quid-pro-quo sexual harassment. This also varies by nationality, with Jordanian workers most likely to cite concerns but least likely to report having experienced quid pro quo harassment, while one in five Indian workers had concerns with harassment and

had experienced it personally (see the graphics). Stakeholders now acknowledge sexual harassment as an issue in the sector, whereas before they were reluctant to speak about it.

The 2019 CBA includes a clause on violence and harassment, including the measures employers should take to prevent and address harassment.



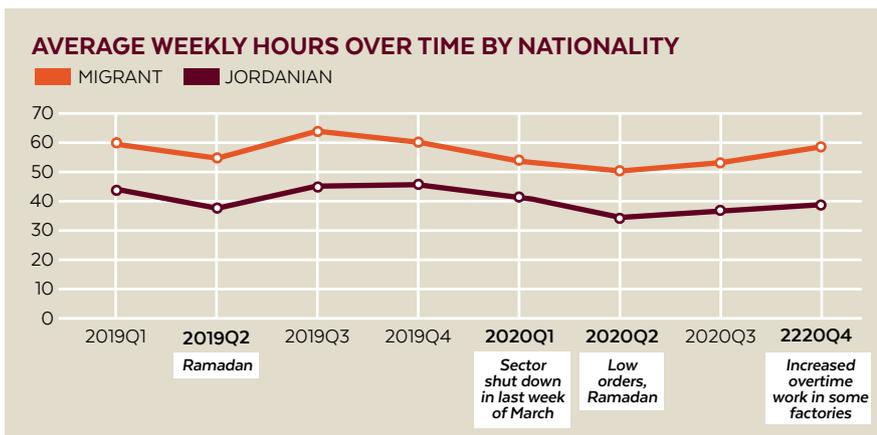
TACKLING CHALLENGES



WORKING TIME

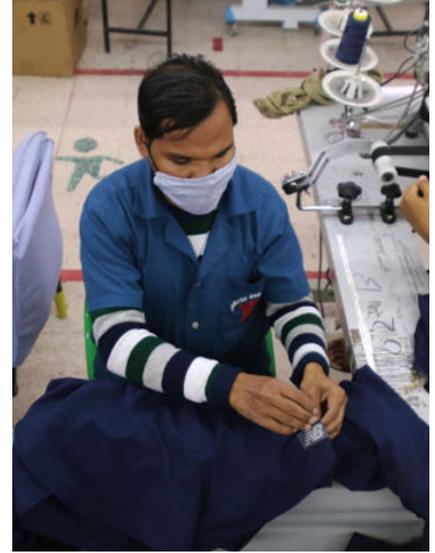
Migrants felt the effects of fewer hours the most

The COVID-19 pandemic significantly disrupted working time in the factories, and migrant workers and Jordanians were affected differently. In late March, when all factories were forced to close – except for a select few that were producing personal protective equipment (PPE) – all workers stayed home (Jordanian workers) or in the factory-provided dorms (migrant workers). As the pandemic drew on and demand for garments dropped, factories reduced the number of hours available to workers. This had the biggest impact on migrant workers who, pre-pandemic, worked long hours and tried to accumulate as much overtime earnings as possible to send home to their families. Working hours dropped by an average of eight hours per week for migrant workers from 2019 to 2020, while they only dropped by four hours per week for Jordanian workers. Many Jordanian workers did not work at all during this time period, as factories asked them to stay home, but employers paid them through various programmes administered by the government. The reduction in overtime hours significantly affected the income of migrant workers: not only were they no longer eligible for overtime pay, but also the lack of hours meant that they could not hit their target bonuses. Working hours for migrant workers increased at the end of the year as factory orders rebounded and some factories increased available overtime work.



The factory reduced my working hours to 8 hours a day, and now I cannot reach my target bonus and must depend on the basic salary. It has become a great challenge to maintain family expenses along with personal expenses.”

Moni, female Bangladeshi Operator



WORKER VOICE AND SOCIAL DIALOGUE

Barriers to worker voice at the sectoral level

Some elements of the diverse garment workforce in Jordan lack full and effective representation at the sectoral level. Jordan has yet to ratify the ILO Convention on the Freedom of Association and Protection of the Right to Organize (No. 87) and Jordanian law places several legal restrictions on Freedom of Association. Jordanian Labour Law stipulates a single trade union structure, which restricts workers from forming their own unions. There are further restrictions on migrant workers and the positions they can hold in the union, which causes a disjoint between the majority-migrant workforce and Jordanian leadership of the union. Better Work Jordan supports the union in developing a long-term strategy, hiring migrant union organizers to enhance communication between the TU leadership and broader workforce, and providing training of trainers to the union organizers so that more workers can be trained and informed through them.

ISSUES AND ACTIONS

ISSUES

CORRECTIVE ACTIONS TAKEN

Persistent non-compliance related to OSH, particularly in the context of COVID-19, such as insufficient emergency safety measures and a lack of space and cleanliness in migrant workers' accommodations were present. Health services also failed to meet standards in the majority of factories.

Better Work Jordan has collaborated with factories to set up OSH committees where workers and managers can meet and discuss issues and work together to design solutions. The vast majority of workplaces now have OSH committees in place. Factory management's focus on worker safety in the context of the pandemic had positive effects beyond COVID-19 safety measures, such as greater compliance with the appropriate use of PPE. Better Work Jordan also reached out directly to workers to explain the health risks of the virus and to provide information on how to protect themselves, including printing brochures in multiple languages.

Workers' mental well-being: repetitive work, production pressure, lack of trust with management, and financial burdens are detrimental to worker well-being, especially for women and migrants who face additional challenges.

The team has identified mental health as a fundamental issue which needs to be addressed in the sector, and stakeholders have agreed to tackle it: a provision in the 2019 CBA acknowledges the mental health needs of workers but requires further support to be actionable. In 2020, Better Work Jordan conducted research to better understand the state of well-being among workers and to identify common issues. Training for workers and middle management was then piloted based on these findings. A fully-fledged two-year project with USDOL funding has recently begun to enhance both workers' resilience to stress and their access to psychosocial support.

Recruitment practices for migrant workers include fees and pregnancy tests. Workers who pay fees may feel financially compelled to continue working even if they want to leave. Pregnancy tests discriminate against women and can make workers feel objectified.

Stakeholders in the garment sector have agreed to a proactive approach to end these practices. Per guidelines agreed to by the Project Advisory Committee and which came into effect in January 2019, factories are marked as non-compliant if any workers are found to have undergone pregnancy tests during recruitment even if employers took steps to prohibit this practice. Similarly, on recruitment fees, factories are also marked as non-compliant if workers paid them. Better Work Jordan found examples in 2020 of factory management who reimbursed workers for the fees that they had paid, which is a good intermediary solution: workers get their money back, and the factory has a financial incentive to minimize fees.

Limited knowledge of national labour law and core labour standards in non-garment factories exporting to the EU under the RoO leads to numerous compliance violations. The working conditions in these factories resemble the situation when Better Work began in Jordan.

Over the last two years, Better Work Jordan has identified several root cause issues for high non-compliance in non-garment factories, including limited knowledge of labour laws, unwillingness on the part of management to make changes, and weak or non-existent management systems. Better Work Jordan is working with management to change their mindset, but this process took years in the garment sector and was helped along by pressure from buyers. In 2020, Better Work Jordan completed assessments for two of the four non-garment factories and conducted 24 advisory visits.

OPPORTUNITIES AND LESSONS LEARNED

Developing a garment sector strategy

Better Work Jordan contracted an industry specialist to assist national stakeholders in articulating their priorities to develop a ten-year strategy for the Jordanian garment sector. The initial report focused on achieving two main objectives: **1.** developing and strengthening Jordanian human capital and **2.** improving aspects of the business environment, including predictability, transparency and clarity on policy, regulations and incentives. While stakeholders are motivated, the process revealed some disagreements between them, especially concerning the quota for Jordanians in the industry.



Supporting factory-level social dialogue

The number of factories with bipartite committees that meet regularly to discuss concerns and workplace issues with workers has increased considerably since Better Work Jordan was set up in 2010. Better Work Jordan set up Performance Improvement Consultative Committees and used them as an essential part of social dialogue and the advisory process. Over the years, the union has increased its involvement in factory-level bipartite dialogue, including the election of worker representatives. Through the most recent CBA (2019), workers' and employers' representatives agreed to establish Union-Labour Committees, which meet with factory management on a regular basis. There is room to improve genuine social dialogue, as a Better Work Jordan survey shows that 33 per cent of managers believe that giving a voice to workers increases the risk of industrial disputes.

Lessons learned from virtual interactions

Over the last year, Better Work Jordan has delivered most of its core services virtually, which, in some areas, has resulted in the programme expanding its reach. Industrial seminars were more frequent and more highly-attended than in the past, as the barriers for participation were lower. Better Work Jordan's first virtual annual forum was very well-attended, including by high-profile stakeholders and representatives from brand headquarters, who would not have been likely to attend an in-person event. While the switch to virtual engagement increased attendance for large-scale events, the number of people in training sessions had to be scaled back. Additional programme resources were needed to cover the same number of training participants due to social distancing requirements. However, programme staff were pleasantly surprised to be able to effectively cover even sensitive training topics, such as sexual harassment prevention and mental health support in these virtual training sessions.

IMPROVING THE QUALITY OF MIGRANTS' DORMS

◆ There are between 200 and 300 dorms for 45,000 workers in Jordan's garment sector, an average of one for 150 workers. An expert assessment determined several issues with these buildings, and proposed recommendations for future ones.

◆ There are several potential steps that national partners can take to act on the results of this assessment. The Government of Jordan could publish a code for the construction of new dormitory buildings and employers could take steps to fix existing issues.



Responsible recovery and a shift to new issue areas

Better Work Jordan will continue to support stakeholders in adjusting to the realities of COVID-19, while ensuring recovery for the sector, to guarantee that decent working conditions are prioritized. Engagement with tripartite partners, capacity building, and joint projects are key to the long-term sustainability of the positive outcomes that the programme has achieved thus far. The team is also moving into several thematic areas that go above and beyond traditional views of non-compliance and is examining the sector more holistically. These areas include addressing gender-based violence, supporting worker mental well-being and ensuring responsible wage digitization.



GOVERNMENT

Better Work Jordan will work closely with the government, especially the Ministry of Labour, to operationalize the Better Work unit in the ministry. With financial support from the EU and USDOL, the team will keep collaborating with labour inspectors to ensure compliance with the labour law, both in the garment sector and in select non-garment sectors exporting to the EU. Joint visits will continue, with Better Work Jordan transitioning to a quality assurance role.



WORKERS

The main goal is to increase the union's capacity to advocate for the needs of workers, especially migrants and women who are currently underrepresented. The programme is working with the union to develop an organizational strategy and to help it in formulating long-term goals and the mechanisms to achieve these.



EMPLOYERS

J-GATE increased its visibility during the COVID-19 pandemic and advocated for the needs of the garment sector. The organization recognizes the importance of decent working conditions to the economic growth of the sector, as evidenced by the recent MoU signed with Better Work Jordan. Sticking to these values in practice happens at the factory level, where factories need to address areas of non-compliance.



BRANDS

Several buyers have been very active in the sector in the last year, particularly addressing issues related to the pandemic in certain factories. Better Work Jordan seeks to foster this active engagement and to facilitate deeper relationships between factories and buyers to bolster tripartite engagement without mediation. More work also needs to be done to ensure that brands are following responsible sourcing practices.

The union sensed the need to train trade union committees and workers on the ways in which they can utilize social media platforms and exchange information remotely, whether that information related to migrant workers or trade union committees.”

Khaled Al Omrani, Vice President of the General Trade Union of Workers in Textiles, Garment & Clothing



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