

STATEMENT FROM THE PROJECT ADVISORY COMMITTEE OF BETTER FACTORIES CAMBODIA ON ITS 47TH MEETING

1. On May 18th 2018, the Project Advisory Committee (PAC) of the ILO Better Factories Cambodia Programme met in Phnom Penh to provide input into the draft conclusions and recommendations of the BFC's independent mid-term evaluation, as well as to discuss options on how to further strengthen the programme's transparent reporting initiative. The PAC comprises representatives from the Government of the Kingdom of Cambodia (the Ministry of Labour and Vocational Training and the Ministry of Commerce), employers (Garment Manufacturers Association in Cambodia – GMAC) and workers (trade union representatives from different confederations and federations).
2. We, members of the PAC, welcome the draft results and recommendations of the independent mid-term evaluation of BFC programme. We recognize the impact of this important programme that was set up by the Government of the Kingdom of Cambodia in 2001, in close partnership with the ILO and whose mandate is guided by the Government Circular of 2005 on the Implementation of the ILO's *Better Factories Cambodia Project* in the Cambodian Textile and Apparel Sector. As stated in this circular, we recognize that, through the implementation of the project, of which membership is a requirement to all textile and garment exporting factories, Cambodia seeks to ensure that the labour law and regulations are effectively implemented; provide for high quality and productive workplaces; and seeks to foster transparency in the administration of the labour law; to promote compliance with and effective enforcement of existing labour laws and regulations and to promote general labour rights embodied in the labour law of the Kingdom of Cambodia.
3. We concur with findings of the evaluation related to the impact the programme has had on the Cambodian garment sector and workers, including:
 - a. contributing to sustained **overall growth** of the garment industry
 - b. **improving the lives** of at least half a million Cambodian workers of factories in the BFC programme and many more of their family members;
 - c. ensuring that workers receive **correct wages** and social protection benefits
 - d. virtually eliminating **child labour** in the sector
 - e. making Cambodia's garment factories **safer** overall
 - f. creating a "**level playing field**" for labour across garment sector
 - g. influencing **business practices** through (1) using factory data to highlight areas for improvement and (2) being a core part of risk management strategies of international brands/buyers
4. We agree with the draft recommendations of the mid-term evaluation and while waiting for the final evaluation report, will support the implementation of the programme's current and future strategies in promoting labour rights in Cambodia.

5. We are also pleased to note that Cambodia has played a leading role in introducing transparent reporting in 2014 and that other Better Work programmes followed this example in 2017. We will further explore how to align critical issues between the Better Factories Cambodia programme and other Better Work programmes to ensure that Cambodia remains a leader on this important initiative.
6. We are encouraged by the positive impact of transparent reporting, particularly on occupational health and safety issues and recognize that additional attention is required on some specific critical issues, as well as low compliance factories. We welcome further collaboration with the BFC programme to ensure that all critical issues improve and that the number of low compliance factories reduce. In this respect further collaboration should include a combination of Better Factories Cambodia's assessment and reporting role with the responsibilities of the tripartite constituents, including:
 - a. The enforcement role of the Royal Government of Cambodia;
 - b. The responsibility of GMAC in informing and training their members on labour laws and holding them accountable when violations take place;
 - c. The role of the unions in informing members about their rights and responsibilities and supporting them in finding peaceful solutions with management to workplace issues.
7. The PAC calls upon the buyers and international community to continue to support the industry and BFC for further economic, industrial and social development of Cambodia and its workers. In recognition of the positive development and contribution made by the industry and BFC, we appeal to the international community to continue its support on Cambodia, particularly in terms of better market access. This support is crucial for ensuring the continuous improvement of the working conditions of our workers.
8. The PAC also encourages brands to play a more transparent role in ensuring workplace compliance and in reporting publicly on their supplier list and sourcing patterns in countries.
9. We re-affirm our full support for the Better Factories Cambodia programme and its factory services and call upon all stakeholders to re-double their efforts to further improve working conditions in the Cambodian garment industry.

Phnom Penh, 18 May 2018