



BetterWork

Nicaragua

AT A GLANCE



International
Labour
Organization



International
Finance
Corporation
WORLD BANK GROUP

In numbers



1.5 billion

Value of apparel exports in USD (28% of national exports)



168

Current minimum wage per month in USD



31

Factories enrolled with Better Work (58% of the industry)



37,616

Workers in Better Work-registered factories (60% of the industry)



53

Percentage of female workers

Better Work Nicaragua has proven that a garment industry with decent working conditions supports national growth, benefits business and empowers workers, their families and communities.

The programme hopes to develop a new strategic phase focused on increasing the number of participating factories, strengthening the role of national partners, and integrating a gender-based approach into all operations. By helping to safeguard stable employment for tens of thousands of workers, Better Work Nicaragua would also foster economic security in politically uncertain times.

The Managua-based team is positioned to be the operational hub for a potential regional Better Work initiative in discussion with other countries in the Northern Triangle region of Central America. By expanding in the region, the program can help ensure quality jobs for some 500,000 – predominantly female – garment workers and showcase Central America as a stable sourcing destination of choice.

“Independent research has shown that the program has increased wages, reduced sexual harassment concerns and improved educational opportunities for workers’ children – while also improving factory productivity. Now we’re ready to scale what we know works, not only in Nicaragua but across the region.”

BLANCA PERALTA PAGUAGA, BETTER WORK NICARAGUA PROGRAMME MANAGER

Impact to date

Since 2010, Better Work Nicaragua—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 engaged workers, employers, the government and multinational businesses to improve the garment industry. Through assessments, training and advisory work at the factory level, as well as research and advocacy at the national and regional level, the programme has:



ENHANCED WORKING CONDITIONS.

Independent researchers found that after three years with Better Work Nicaragua, workers are less concerned with late payments, low wages and excess overtime.



EMPOWERED STAKEHOLDERS.

The programme has trained all of the country’s labor inspectors, 650 union members, 350 management representatives and more than 8,000 workers in topics such as supervisory skills, occupational safety and sexual harassment prevention.



SUPPORTED CONSTRUCTIVE DIALOGUE.

At the factory level, research shows that workers no longer believe joining a union will get them fired, while at the national level the programme has enabled the collaboration of all partners to develop a garment industry strategy for the country.



INCREASED GENDER EQUALITY.

Better Work has reduced the gender pay gap and the disparity in the number of hours worked between women and men, in addition to workers’ concerns about sexual harassment at work.



BOOSTED BUSINESS.

Training female supervisors was shown to result in a 22% increase in productivity. Cost savings of USD 5,000 per factory were also attributed to the program thanks to the reduced duplication of audits.



IMPROVED LIVES.

Increased job quality led to workers’ children staying in school longer. Over time, fewer workers report their children are kept out of school due to financial constraints.

Facts and figures drawn primarily from independent research by Tufts University: go.betterwork.org/impact.

Where next?

During its next strategic phase, Better Work Nicaragua hopes to build on its impact with four key objectives.

1. IMPROVE WORKING CONDITIONS AND BUSINESS PRACTICES ACROSS THE GARMENT SECTOR.

- ◆ Continue to prioritize the delivery of factory assessment, advisory and training services, with

greater focus on building stronger ownership for factory improvements among managers and workers.

- ◆ Expand the reach of the programme through targeted outreach initiatives, both in the apparel sector and potentially to other light manufacturing.
- ◆ Strengthen worker-management committees, including by increasing women’s participation and focusing on skills-building through Training of Trainer initiatives.

2. FOSTER A POLICY ENVIRONMENT IN WHICH A FAIR, PRODUCTIVE GARMENT INDUSTRY CAN THRIVE.

- ◆ Advance the National Strategy for the Garment Industry by coordinating all relevant actors to implement recommendations to strengthen the garment sector and foster the growth of quality jobs.
- ◆ Provide guidance to the government, workers and employers on the implementation of the National Tripartite Agreement on minimum wages.
- ◆ Strengthen the capacity of the Ministry of Labour to promote labour law compliance, helping incorporate proven Better Work methodologies into occupational health and safety and labour inspectors' approaches.

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

- ◆ Ensure the garment industry in Nicaragua is a safe environment for all men and women and can be a model of good practice for other industries.
- ◆ Embed gender equality in all operations, from in-factory services to policy work.
- ◆ Train all staff on gender equality and sexual harassment prevention, conduct seminars to raise awareness of women's rights in the private sector, and work with new and existing partners to improve women's empowerment and voice. This will include

continued collaboration with Unicef (a partner since 2015) on training and on the availability and use of factory breastfeeding centers.

4. SPEARHEAD THE DEVELOPMENT OF A REGIONAL BETTER WORK INITIATIVE ACROSS CENTRAL AMERICA.

- ◆ Provide an operational hub for the proposed regional Better Work initiative in the Northern Triangle, offering the services of a fully-trained team, extensive experience in both direct factory-level interventions and tripartite stakeholder engagement.
- ◆ Lead strategic discussions on developing the competitiveness of the apparel industry in the region - an industry employing close to 500,000 people and representing a critical portion of formal (predominantly female) employment across all countries.
- ◆ Coordinate regional networking events and forums for global brands, spotlighting Central America as a sourcing destination of choice - especially for the North American market.
- ◆ Plan and deliver trainings on sustainable improvements for local and regional stakeholders including unions, employers and their associations, labor inspectorates and other government entities, brands and retailers, and global manufacturing conglomerates.

Key Partners



GOVERNMENT

- ◆ Ministry of Labour (MITRAB)
- ◆ National Free Trade Zone Commission (CNZF)



EMPLOYER ORGANIZATIONS

- ◆ Nicaraguan Apparel and Textiles Manufacturers Association (ANITEC)



WORKERS ORGANIZATIONS

- ◆ Central Sandinista de Trabajadores (CST)
- ◆ Central Sandinista de Trabajadores, José Benito Escobar (CST-JBE)
- ◆ Confederación de unificación sindical (CUS)
- ◆ Confederación de Unidad de trabajadores (CUT)



BUSINESS COMMUNITY

- ◆ 15 brand and retail partners

CURRENT DONORS: US DEPARTMENT OF LABOR NICARAGUA MINISTRY OF LABOUR (MITRAB)