

STATEMENT FROM THE PROJECT ADVISORY COMMITTEE OF BETTER FACTORIES CAMBODIA ON ITS 49th MEETING

1. On January 18th 2019, the Project Advisory Committee (PAC) of the ILO Better Factories Cambodia programme met in Phnom Penh to discuss BFC's strategic vision covering 2019-2022. The PAC comprises of representatives from the Royal Government of Cambodia (the Ministry of Labour and Vocational Training and the Ministry of Commerce), employers (Garment Manufacturers Association in Cambodia – GMAC) and workers (representatives from different confederations and federations).
2. As its longest running programme, Better Factories Cambodia is in many ways the driving force behind the Better Work programme and has inspired the establishment of the programme in nine other countries. Central elements of the programme's approach began in Cambodia: from cultivating social dialogue through worker-management committees, to offering factories tailored advisory services to help them solve their own labour law challenges or using public reporting to spur improvements in factory working conditions and workplace environment across the industry.
3. We confirm the impact that the programme has had in partnership with stakeholders on the Cambodian garment industry and its workers. This includes, amongst others:
 - a. The significant improvement of working conditions in the industry over the past decade and the associated positive impact on Cambodia's international reputation as a sourcing location;
 - b. BFC as a neutral, independent, well-managed, responsive long-term player working with industry and other stakeholders as a positive agent of change;
 - c. BFC's effective partnerships for cooperation with the Royal Government of Cambodia and Cambodian employers and trade unions;
 - d. The improvement in industrial relations with a more responsible and constructive engagement by trade unions at factory level on workplace issues and in tripartite consultation mechanisms.
4. We recognize that BFC's work remains unfinished to date and that BFC will continue to play an important role at least until 2030. We agree with BFC's priorities for the next four years from 2019 to 2022, including, amongst others i) Deepening its relationship with MoLVT to build its capacity, ii) Developing with partners a stronger model to monitor working conditions in the industry sub-contractors; iii) Deepening initiatives and partnerships on the elimination of child labour, gender issues and occupational safety and health iv) Deepening awareness-raising and training of factory management, trade unions and their workplace representatives on the Labour Law; and v) Expanding existing work with manufacturing group to increase and influence good practices within manufacturing groups.
5. Building on initial steps already taken in the previous strategy, we also want to be looking ahead to long-term options which sustain the outcomes, impact and development of capacity that have so far been supported by BFC. We realise that important progress has been made towards building a strong and fair sector with safe, healthy and productive workplaces. We also acknowledge that more needs to be done to ensure that progress is continuous and eventually leads to a garment sector that has transformed into one where decent work in competitive enterprises is the norm. This will need joint work that focusses on embedding a culture of good performance and sustained compliance in the sector.

6. We look forward to embarking as PAC with BFC and other industry partners on a change process in which we will identify how we, collectively transform the industry into one where good working conditions at all times is the norm in business planning and success. The garment sector is the engine of Cambodia's economy and the largest provider of formal jobs to a large group of mostly female workers. These workers not only use their incomes to sustain their own livings, but also that of many of their family members. Ensuring that their jobs are decent and that they work for sustainable enterprises in a competitive sector is essential for Cambodia's social and economic development.
7. It is therefore that we would like to repeat our call on the international community and international brands to recognize the leading role that the Royal Government of Cambodia has played in pioneering and then sustaining its partnership with the ILO which has led to improved levels of compliance across the industry. We are deepening engagement with industry partners and ILO/BFC to now transform the garment sector into a more competitive industry where workers rights are being respected, employers and worker representatives can solve problems through mature social dialogue, where institutions can intervene, advice and enforce where required and where brands support continuous improvement through stable orders and fair prices.
8. To make this a reality we need commitment of national and international partners and we strongly appeal to the international community to continue its support to Cambodia, particularly in terms of market access and trade preferences specifically the maintaining of EBA for Cambodia. This support is crucial for ensuring the continuous improvement of the working conditions and as a result important socio and economic development for Cambodian workers, their families and the country as a whole.
9. We look forward to continue playing our leading role in the global garment industry and re-affirm our full support for the Better Factories Cambodia programme and its factory services. We will continue and further strengthen our collaboration amongst partners in support of the next strategic phase of the programme and call upon all stakeholders to re-double their efforts to further improve working conditions in the Cambodian garment industry.

Phnom Penh, 18 January 2019