

*Better Work Jordan and the Jordan Garments, Accessories and  
Textiles Exporters' Association's 13<sup>th</sup> Annual Multi-stakeholders'  
Forum*

*Towards a Prosperous Garments Sector*

*17 November 2021*

***The Annual Multi–Stakeholders’ Forum commenced*** with a short video on the most recent updates on the Jordanian garment industry. The video can be accessed from the link below:

<https://www.youtube.com/watch?v=MDhVMhaK6sA>

## Opening remarks:

**His Excellency Minister of Labour to the Hashemite Kingdom of Jordan, Nayef Zakaria Stetieh** began to emphasize on the exceptional circumstances that were created during the years 2020 and 2021, that affected both employers and workers, which led to high unemployment rates. His Excellency continued to showcase how the Jordanian government, and particularly the Ministry of Labor and its partners, tried to find opportunities for the challenges facing employers and workers.

To ensure the provision of a decent and safe working environment for workers inside establishments in various sectors, the Ministry of Labor established a Better Work Unit within the Central Labor Inspection Directorate, the Ministry also trained occupational safety and health labor inspectors, in partnership with the International Labor Organization - Better Work Programme. His Excellency continued highlighting the Ministry’s achievements of which some are; implementing the Golden List procedures, custom exemptions for products of the QIZ when exported to the American markets, and establishing five qualified industrial zones distributed in the Kingdom with a respective labor directorate appointed in each industrial city.

His Excellency concluded his speech by ensuring that, Jordan is taking all the necessary measures to attract new investors and support existing ones, as well as to support workers and create a decent working environment.

**His Excellency Ambassador of the United States to the Hashemite Kingdom of Jordan, Henry Wooster** pointed out the importance of the garments and textiles industry in Jordan, as it employs tens of thousands of workers, of which a quarter of these are Jordanians. In addition to how the garment sector growth improved workers’ welfare and safety through the implementation of international standards committed by both the U.S. buyers and Jordanian manufacturers, in cooperation with the Ministry of Labor, the International Labor Organization, Better Work Jordan, and the U.S. Department of Labor.

Light was shed by His Excellency, on the opportunities for Jordanian companies to increase their market shares, by having Jordan to fill the gap of overdependence that the U.S. is suffering from, due to the

pandemic. However, in order to grab this opportunity, Jordan needs to address sexual harassment, living conditions in dormitories, and wage and social security parity for migrant workers to meet high global labor and quality standards.

His Excellency ended his speech with ensuring that the United States remains committed to meeting the shared goal of enhanced Jordanian economic growth and stability.

**Chairman and Managing Director at Classic Fashion Apparel Industry and Board Member at the Jordan Garments, Accessories and Textiles Exporters' Association Mr. Sanal Kumar** noted that the huge resilience that the garment industry has shown today, and especially during the worldwide health crisis, has been a result of the collective efforts of the industry partners as well as the Government of Jordan. 2021 export figures are promising. In order to build on this growth, JGATE aims to fulfill its mandate in supporting the industry along with representatives from the Ministry of Labour, the Ministry of Industry, Trade and Supply, and the Investments Commissions. It is also important to develop short, medium and long terms plans in coordination with the Jordanian government in order to market the sector and attract more investors in order to create more jobs for Jordanians in the rural areas.

Factories are adopting to the new industrial revolution / industry 4.0 which drives efficiency to better support the workers in the garments industry. It is vital to address sexual harassment, create a better place for the workers to live, and to view the workers as part of the industry.

Better Work Jordan is playing a humungous role to consolidate the sector to the way it is today. A continued dialogue and interaction between Better Work Jordan, the Trade Union, the investors, and the Government, can create a much better place for workers in the sector, and can help create a major hub for the brands in the U.S. and elsewhere to grow in Jordan.

**Director of Better Work Global, Mr. Dan Rees** expressed his gratitude to the participants and particularly JGATE for co-hosting the 13th Annual Multi-stakeholders' Forum, stressing on how important this milestone is, of developing strong partnerships in order to sustain high levels of compliance to labour standards in Jordan. Mr. Rees continued to highlight the main achievements that were a result of 13 years of cooperation: improved health and safety working conditions, eliminating forced labour, maintaining sound industrial relations through collective bargaining agreements signed between employers' organizations and the Trade Union, and building a robust partnership with the Ministry of Labour.

Mr. Rees called out two potential areas for improvement in the period ahead. Firstly, ensuring that excessive overtime hours are eliminated especially in high-demand season, in order to avoid unfortunate circumstances, which could be addressed by employers and workers in the next revision of

the CBA. Secondly, the enabling environment for Freedom of Association in Jordan falls short of the internationally recognized standards set out in ILO Convention 87, Mr. Rees advised the Government to consult social partners and establish a roadmap to the ratification and implementation of the internationally agreed standard.

Mr. Rees ended his speech with recognizing that the partners' collective ambition will not be realized by what BWJ alone can achieve. Instead, it lies in the collective responsibilities of government, employers and workers organizations governing the labour market supply and supported by firms in the supply chain who also play their role.

## Panel discussion: The National Garment Sector Strategy

	Speaker	Organization
1.	Yasmin Khreisat	Manager of the Directorate of Industrial Development at the Ministry of Industry, Trade and Supply to the Hashemite Kingdom of Jordan
2.	Benjamin Thomson	Economic Counselor at U.S. Embassy to the Hashemite Kingdom of Jordan
3.	Ihab Qadri	Representative of the leather industries and knitting sector in the Jordan Chamber of Industry
4.	Ali Imran	Vice Chairman at JGATE and Owner of Hi-Tech Apparel Industry

### Manager of the Directorate of Industrial Development at the Ministry of Industry, Trade and Supply to the Hashemite Kingdom of Jordan, Yasmin Khreisat

The garments industry is considered to be one of the most vital industries in Jordan as it employs more than 70,000 workers of which 25% are Jordanians, making it a priority for the Jordanian Government. The government's current priorities are; networking with local industries, enhancing industrial relations, as well as enhancing the linkages between small-to-medium sized factories with the larger factories, in order to increase purchasing orders in the garments and textiles sector.

The exports of the sector of this year, exceeded JOD 1.4 billion, most of these exports have been to the U.S., more priorities include increasing funds for the development of the industry which focuses on supporting the industries, particularly the garments industry, as it is a growing sector that employs a significant number of the Jordanian workforce.

The Ministry of Industry, Trade, and Supply has created a secretariate for the garments sector, which shows the importance that the Jordanian Government gives to the garments and textiles sector.

### **Economic Consular at the U.S. Embassy to the Hashemite Kingdom of Jordan, Benjamin Thomson**

It is essential to the success of the strategy to develop collaborative relations with active participation of multiple stakeholders. The overarching goal of the National Garment Sector Strategy is to expand Jordan's garment sector and to increase employment opportunities for Jordanians within the sector, these goals are aligned with the Free Trade Agreement, as it is focused on stimulating economic growth, by increasing exports and jobs on both sides.

One of the key challenges is how to increase the number of Jordanians employed in the industry and how do we close this gap and what role does the FTA play? The draft strategy suggests that most Jordanians do not want to work in the garments sector. Solutions to this challenge include specific national training schemes and increasing the minimum wage. However, both proposals run with challenges of their own. Minimum hiring quotas imposed on the sector should also be taken into account, as they would distort the market and decrease its efficiency potentially compromising the competitiveness of global manufacturers.

One solution is to increase the number of Jordanians working in the sector without compromising on the benefits of any of the parties, would be to not focus on increasing the percentage of Jordanians employed instead shift focus on how we can expand the growth of the entire sector. It would increase profits for the manufacturers and bring in foreign currency for the government as well as automatically increasing the number of positions that the Jordanians want to fill.

Developers are highly encouraged to focus on market expansion by identifying ways on how to find new markets, buyers, and investors, both foreign and domestic. The sector would also benefit from the increase use of satellite facilities in remote areas as well as helping the sector's SMEs in growing into larger manufacturers, this approach to the growth of the sector is much more likely to result in the increase of jobs for Jordanians.

### **Representative of the Leather Industry and Knitting Sector in the Jordan Chamber of Industry, Ihab Qadri**

The sector's most significant indications and accomplishments up-to-date are; The Garments and Textiles sector accounts for 27% of total national exports, this implies that the sector is a significant source of foreign currency, it is also considered to be one of the highest value-added sectors; whereby the added value generated by sector production activities has doubled, reaching more than JOD 600 million and contributes about 2% of the GDP, it is also shown to be a promising hub for employment opportunities for Jordanians as it is a labor-intensive sector, and finally the garments industry is of the quickest growing industries capable of expanding their investments; whereby 30 satellite factories opened in the less fortunate areas during the last decade, which provided about 8,000 job opportunities for Jordanians.

However, to achieve the intended outcomes of this strategy, support is needed from all key decision makers, where a shared understanding of the privacy of the structures of small and medium sized enterprises is common. More so, large enterprises should aim to maintain their existing investments and increase the volume of exports, employment and attract new investments. The Chamber commits to implement and monitor all of the strategy's goals and requirements and submit periodic reports on the strategy's implementation status and any impediments to implementation.

### **Owner of Hi-Tech Apparel Industry and Vice Chairman at the Jordan Garments, Accessories, and Textiles' Exporters' Association, Ali Imran**

The question of creating more employment is not an easy one to resolve. Satellite units are considered a success story in this regard, where Jordanian employment, especially female employment, has increased. Currently the focus is to find ways to create more middle-management jobs through enhancing the national garments curriculum in universities.

Increasing wages is not a choice, the sector has a high global competition with countries such as Vietnam, India, and China. Those countries are ranked as high-standard competitors. Working within the framework of the National Sector Strategy will help us in attend to the upcoming.

Factories are putting efforts in increasing the Jordanian employment rate, however taking into consideration the question of how are factories going to receive more Jordanian workers and how are they going to enhance the process of attaining them? There are great opportunities in creating middle-management positions for Jordanians, and this is the factor that the factories should focus on.

## Panel discussion: Enhancing Workers' Voices in Jordan's Garments Sector

	Speaker	Organization
1.	Fathallah Omrani	President, the General Trade Union of Workers in Textile Garment & Clothing Industries
2.	Haitham Al-Najdawi	Head of Directorate of Inspection, Ministry of Labour to Jordan
3.	Hamada AbuNijmeh	Founder of Workers' House
4.	Amit Mahtaney	Managing Partner at Tusker Apparel and Board Member at JGATE

### President of the General Trade Union of Workers in Textile, Garment & Clothing Industry, Fathallah Al-Omrani

Regarding enhancing the agreements signed between the Trade Union and the industry, there should be a joint committee with the stakeholders; workers and employers. The Trade Union is committed to contributing to the sector's sustainability. Mr. Fathallah continued to give the audience a brief overview of the roadmap developed by the Trade Union, in consultation with BWJ; some of its main pillars include no discrimination between migrant and local workers, they all have equal rights and wages, improving dormitory conditions by enhancing the structural integrity with engineering consultants, addressing sexual harassment issues, and addressing health awareness issues. Mr. Fathallah reassured the audience that the Trade Union works on the continuity of the sector, its sustainability and most importantly fostering the workers' rights.

### Head of Inspection Directorate at the Ministry of Labour, Haitham Al-Najdawi

Workers' complaints / communication with employers has improved through communications channels on their respective phones / laptops or through social media platforms, the workers can connect with the Ministry of Labour and file their complaints (this is regarding Jordanian workers) where the Ministry of Labour can ensure a fair solution for the worker.

There is no discrimination between migrant and Jordanian workers, and they both enjoy equal rights and wages, where migrant workers have access to an online platform, which is now available in 9 different languages, where the worker can file a complaint wherever they are in an anonymous way, and the inspector will inspect upon their complaint.

The Ministry's role is to broaden the scope of communications with the workers and encourage the worker to reach out to the Ministry of Labour regardless of their nationalities. The filed complaints are constantly decreasing and there are extensive inspections being carried out, in order to ensure a reduction in the turnover by providing a healthy and safe working environment.

### **Founder of Workers' House, Hamada Abu Nijmeh**

Individualizing decisions taken by government departments without a tripartite decision or a national dialogue causes miscommunication. The Jordanian labor law has a tripartite committee for labor affairs that is not activated, in which no issues of this kind are raised, hence the government should take up on the matter of further activating sectoral committees specialized for each respective sector, and to have all stakeholders participate in, in order to discuss their grievances, concerns, and challenges. In addition to that other governmental entities should take part in the decisions of the industry besides the Ministry of Labour.

### **Managing Partner at Tusker Apparel Company and Board Member in the Jordan Garments, Accessories, and Textiles Exporters' Association, Amit Mahtaney**

It is of vital importance to give workers a voice; the garments industry is a very labor-intensive industry, the workers are the fundamental building block that efforts are built upon. It is extremely important to create a cultural shift in the mindset of the stakeholders by breaking down the idea of management and workers because at the end of the day they are both employees at the factory.

Mr. Amit noted the importance of freedom of association of the workers and how it is up to each individual company to create voices for the workers. It is important to create forums for the voices of the workers through on-going worker surveys that give an overview on the workers' satisfaction and creating a channel of communication.

Mr. Amit continued to stress on Better Work's role in the garments sector, and with the privilege of having access to all companies in the sector in Jordan, it is very important for Better Work to have visibility on the insides of all the factories and ensure best-practices and engage with HR on handling worker grievances and increasing worker engagement. Finally, Mr. Amit concluded that, the garments sector is very competitive however it is a community and the more efforts are put into working together to improve this community, the better it is for the sector as a whole. The roles of associations and trade

unions, should be welcome more and have more involvement, since it streamlines the communication with the entire workforce.

## Closing remarks

### Representative of American Eagle Outfitters, Michelle Tarry

AEO recognizes the challenges that have been received during the past year and a half; Jordan remains an important sourcing country, speaking on behalf of all the brands:

- 1- Regarding digitizing wages AEO is looking forward to the outcomes of the partnership with Better than Cash and support financial literacy
- 2- Mental health remains to be a key challenge and AEO hopes to see a continuation of focus of work to build on what has been done by the General Trade Union of Workers
- 3- Better Work's partnership with JGATE on "Enhancing the Structural Integrity of Dormitory Buildings in Jordan's Garment Sector" is a promising indicator that will lead to the improvements in the living conditions for migrant workers and ensuring their safety.

Ms. Michelle concluded her closing remarks with encouraging "zero recruitment fees" to give the chance of including all other costs during the hiring process.

**Programme Manager at Better Work Jordan, Tareq Abu Qaoud** offered insights on progress in the Jordanian garment industry through collaborative initiatives between national partners and the Better Work Jordan Programme, in addition to the path forward within the BWJ Phase IV Strategy context. The presentation can be found [here](#) for further reference.

## Annex I: Participant List

Organization	Name
Ministry of Labour	Haitham Al Najdawi
Ministry of Industry, Trade and Supply	Hassan Al-Nsour
	Yasmin Khreisat
U.S. Embassy	Benjamin Thomson
	Lina Bazyan
	Matthew Andris
JGATE	Sawsan Al Habahbeh
	Hussein Al Qudah
	Sarah Sarrif
The General Trade Union of Workers in Textile Garment & Clothing Industries	Fatahallah Omrani
Jordan Chamber of Industry	Khlood Al Zoubi
	Osama Rayyan
	Ihab Qadri
International Labour Organization	Tareq Abu Qaoud
	Conor Boyle
	Nada Qaddoura
	Muna Ali
	Abed AlJawad Al Natsheh
	Rand Al Aaraj
	Alaa Al Nasser
	Hazem Al Nammari
	Zeinab Yang
	Hatem Ramadan
	Mouna Noufal
	Sumeetha Eluri
	Suha Labadi
	Yuki Kobayashi
	Claire sleigh
PVH Corp	Yusra El Esir
Gap Inc	Sharmila Nithyanand
	Druvakumar R
Nike Inc.	Caner Soytaş
	Alessia Vavassori
VF	Gokhan Evcil
Hanes Brands	Ahmad Abdallah
American Eagle	Michelle Tarry
Li & Fung	Eylem Yilmaz

<b>GIII Apparel Group</b>	JP Mayor
	Taghreed Ibrahim
	Alex Hu
<b>GFJTU</b>	Bushra Al Salman
<b>UNHCR</b>	Rania Bakeer
<b>IOM</b>	Iryna Rozka
<b>Workers' House</b>	Hamada Abu Nijmeh
<b>Ralph Lauren</b>	Monir Moniruzzaman
<b>Engicon</b>	Majed Shamieh
<b>Pine Tree</b>	Muath Al Saaydeh
<b>Century Miracle</b>	Belal Harb
<b>Peace Gate Factory</b>	Firas Ababneh
<b>Classic Fashion Apparel Industry</b>	Sanal Kumar
	Selva Kumar
<b>Rich Pine Int'l Group Ltd</b>	Allison Yu
	Chris Meng
	Zeinab Al Shawabkeh
<b>Needle Craft Clothing Industry</b>	Mohammad Salim Abdullah Khan
	Imran Ullah Khan
<b>Hi-Tech Textiles</b>	Ali Imran
	Anas Badwan
	Jamilah Lafee
<b>Al Areen factory</b>	Ali AL-Tanni
<b>Tusker Apparel Ltd. Co.</b>	Amit Mahtaney
	Amith Jayaplan
<b>United Creations &amp; Indo Jordan</b>	Mohammad Abu Hakmeh
<b>Delta Galil ind.</b>	Leslie Shull
<b>Rainbow Textiles</b>	Naifah Azazmeh
<b>International Elegance Garment Manufacturing Company</b>	Licto Johnson