

**STATEMENT FROM THE PROJECT ADVISORY COMMITTEE OF BETTER FACTORIES CAMBODIA
ON ITS 57th MEETING on 26 June 2025**

On 26 June 2025, the Project Advisory Committee (PAC) of the ILO Better Factories Cambodia (BFC) programme held its 57th meeting. The BFC PAC consists of representatives from the Royal Government of Cambodia (the Ministry of Labour and Vocational Training and the Ministry of Commerce), sectoral employers' associations (represented by two associations in Cambodia) and workers (representatives from different trade union confederations and federations).

The Better Factories Cambodia programme links trade with labour standards in the garment, and travel goods and bag sector in Cambodia to promote compliance with, and effective enforcement of, existing national labour law and internationally recognized core labour standards. The programme's approach ranges from fostering social dialogue through worker-management committees, to providing factories with tailored advisory services that support them in addressing labour law challenges, and leveraging public reporting to drive improvements in working conditions and workplace environments across the industry.

1. Better Factories Cambodia is currently mid-way through the third year of implementing the five-year phase of its Memorandum of Understanding (MOU) and its strategy with the partners. We, the members of the new PAC of Better Factories Cambodia programme, would like to reaffirm our commitment in jointly supporting the implementation of BFC's five-year strategy. We are committed to increased collaboration and joint implementation of activities over next two and a half years to ensure sustaining the positive impact made on working conditions in the Cambodian garment, footwear and travel goods and bag (GFT) sector.
2. Together with other relevant GFT sector stakeholders, we are committed to collaborate at the industry level and to solve issues at the enterprise level through social dialogue. In particular, we agree on the importance of working in collaboration to address key barriers to understand the challenges of each constituency and to ensure the sustainability and accountability of the industry.
3. In the meeting, we expressed our commitment to continue working on the sustainability of compliance in the GFT sector, notably through the implementation of the new Joint Action Plan between the Ministry of Labour and Vocational Training and BFC for 2025-2026. The plan includes efforts to promote capacity development of labour inspectors, to address occupational safety and health challenges, including heat stress, and to raise awareness of labour standards for subcontracting in the sector.
4. PAC members discussed developments in the industry, an overview of compliance data from 2024 and activities on key thematic issues such as industrial relations, gender, digital wages and road safety of commuting workers. We also emphasized the success of the Cambodia Global Textile Summit 2025 and the value of bringing together key

industry stakeholders on a regular basis to foster dialogue and collaboration. Looking ahead to more factories joining the programme and considering capacity constraints, we encourage BFC to prioritize its factory assessment activities by adopting a more targeted, risk-based approach to maximise impact and coverage.

5. Despite ongoing uncertainty around tariffs, PAC members reaffirmed their commitment to improving working conditions, health and safety, and productivity in Cambodia's GFT sector, and to positioning the country as a responsible and ethical sourcing destination. PAC members call for all industry stakeholders, including brands and buyers, to join in this endeavour.

Phnom Penh, June 2025