

STATEMENT FROM THE PROJECT ADVISORY COMMITTEE OF BETTER FACTORIES CAMBODIA ON ITS 58th MEETING on 17 December 2025

On 17 December 2025, the Project Advisory Committee (PAC) of the ILO Better Factories Cambodia (BFC) programme held its 58th 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 three 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, footwear and travel goods (GFT) sector in Cambodia to promote compliance with, and effective enforcement of, existing national labour law and internationally recognised 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 at the end of the third year of implementing the five-year phase of its Memorandum of Understanding (MOU) 2023-2027 and its strategy with partners. We, the members of the PAC of the Better Factories Cambodia programme, would like to reaffirm our commitment on jointly supporting the implementation of BFC's five-year strategy. We are committed to increase collaboration and joint implementation of activities over the next two years to ensure sustaining the positive impact on working conditions in the Cambodian GFT sector.
2. Together with other relevant GFT sector stakeholders, PAC members are committed to collaborating at the industry level and addressing issues at the enterprise level through social dialogue. The meeting emphasized working collectively to overcome key barriers, understand the challenges faced by each constituency, and ensure the sustainability, accountability, and reputation of the industry. Strengthening tripartite collaboration and adopting climate-responsive practices, including improving working conditions to address challenges such as heat stress, were highlighted as key priorities.
3. PAC members discussed developments in the industry over the past six months, the impacts of tariff fluctuations, and the integration of returning migrants from Thailand into the sector. BFC activities focussed on key thematic issues such as industrial relations, gender, digital wages and road safety of commuting workers. In light of the programme's capacity constraints, we also noted the efficiency measures introduced since June 2025 to prioritise assessments of new factories. Looking ahead, we encourage BFC to further accelerate these measures and to continue exploring ways to

work and collect information that maintains the programme's impartiality and credibility.

4. During the meeting, we reaffirmed our commitment to advancing the sustainability of compliance in the GFT sector, notably through strengthened collaboration with the tripartite constituents. The Ministry of Labour and Vocational Training (MLVT), union representatives, and TAFTAC each presented their respective joint work with the programme. The 2025–2026 Action Plan between MLVT and BFC will guide continued capacity building at the institutional level. In parallel, the joint workplan between BFC and TAFTAC/CGTI for the coming years will focus on the transition of training courses. Activities with unions will prioritise strengthening engagement with unions at the federation level, through the Trade Union Contact Group, and building their capacity at the factory level.
5. PAC members noted the High-Level Recommendations for the Better Work programme at the global level, in particular the recommendation to accelerate a phased withdrawal for long-standing programmes such as BFC. They emphasized the need for continued tripartite discussions next year to agree on sustainability measures within the framework of the next MOU (2028–2032). In this context, they also recognized opportunities to expand BFC's impact beyond the GFT sector by leveraging its successes and lessons learned to support other export-oriented industries, thereby strengthening Cambodia's resilience and position as a reliable sourcing country.
6. The participants expressed their hope for an end to the ongoing border conflict, underscoring that lasting peace and stability are essential to enable workers and the sector to operate safely and without disruption, and to support sustainable development. They called on brands and buyers to maintain their support by upholding responsible purchasing practices, alongside continued efforts by factories to strengthen compliance, in order to safeguard Cambodia's competitiveness in global markets.

Phnom Penh, December 2025