



# **Table of Contents**

1. Introducing Better Work	3
1.1. Who we are	4
1.2. What we do	4
1.3. Our Governance Structure	5
1.4. Better Work's presence on the ground	6
1.5. Better Work's Impact	9
1.6. Better Work's Approach	9
1.7. The Better Work Factory Service Model	11
1.8. Strategy (2022-2027)	17
2. Engagement with Better Work	18
2.1. Engaging with Better Work	19
2.2 Business Benefits of Partnership	19
2.3 Better Work Partner Services	21
2.4. Becoming a Better Work Partner	22
3. Maximising Value from the Better Work Partnership	25
3.1. Developing an Implementation Plan	26
3.2. Monitoring the Partnership Agreement	36
3.3. Other ways brands can get involved with the programme: the Better \Academy and beyond	
APPENDIX 1	39
APPENDIX 2	41
APPENDIX 3	42
APPENDIX 4	43



# 1. Introducing Better Work

We believe all workers have the right to a fair, safe and respectful working environment, and that everyone – workers, employers, brands, retailers and consumers – benefits when this is the case.





### 1.1. Who we are

Better Work is a flagship programme of the United Nations' ILO, jointly managed by the International Finance Corporation, a member of the World Bank group. We bring diverse groups together - employers, factory owners, unions, global brands and governments - to improve working conditions and enhance business practices in the global garment industry.

Since 2007, the programme has worked with more than 150 well-known brands and retailers to meet challenges in managing their supply chains, to reduce risk to reputation and operations, and support a thriving, competitive garment industry with decent working conditions.

### 1.2. What we do

At a factory level, we focus on capacity-building, assessments and training, supporting and empowering factories to take ownership of the improvement process, and changing attitudes as well as behaviour. These activities improve suppliers' adherence to labour standards and laws, provide greater transparency on compliance and support stable, well-managed sourcing environments.

We also work at the national and international level, drawing on the convening power of the ILO, IFC, UN and World Bank Group to bring together governments, policymakers and development partners to influence policies and practices that promote better jobs, inclusive growth and sustainable improvements in the apparel supply chain.

Through our global, university-led research, and by sharing our on-the-ground experience, we are able to shape policies and practices well beyond the countries in which we work, working collaboratively with brand partners, manufacturers and governments to make improving working conditions a top priority.

Progress on working conditions does not come at the expense of business outcomes. On the contrary, a 2016 independent assessment of Better Work by Tufts University showed that participating factories saw significant increases in profitability of up to 25 per cent as a direct result of enhanced productivity and smoother operations that come with improved working conditions.<sup>1</sup>

For more information on Better Work please visit our website or watch the "A Day in the Life of Better Work" video: <u>bit.ly/dayinthelifeBW</u>.

<sup>&</sup>lt;sup>1</sup> Progress and Potential: How Better Work is Improving Garment Workers' Lives and Boosting Competitiveness: A summary of an independent assessment of the Better Work Programme/ International Labour Office: ILO, 2016. Available at *go.betterwork.org/impact*.



### 1.3. Our Governance Structure

Better Work's Governance Structure is made up of three key bodies.



The Management Group (MG) is a decision-making body, comprised of four senior ILO and IFC representatives and the Better Work Management Team. The MG provides strategic oversight and direction to the Better Work Programme.



The Global Advisory Committee (AC) guides the MG with regard to strategic direction, partnerships and key developments in the area of global supply chain management and labour standards. It includes international trade unions and employers' organisations, brands and retailers, donor governments and global value chain experts.



Each Better Work country programme is governed by a Project Advisory Committee (PAC). The PAC consists of national representatives from government, employers and unions who provide strategic advice to the programme's direction. Information received from the PACs are then fed back into the AC and MG meetings.

### **BRAND REPRESENTATIVES AND BETTER WORK**

The Better Work Governance structure allocates two global brand and retailer seats on the Advisory Committee – one from a company headquartered in the Americas, the other from Europe or Asia-Pacific.

The role of these representatives is to contribute the perspective of brands and retailers on the Advisory Committee. The representatives consult with brand partners in advance of AC meetings to solicit ideas for the agenda and to gain their perspective and position on items for discussion. Brand representatives are elected (only Partners are eligible to vote) and serve a term of three years.

For more information on Better Work Governance and to see the list of our current AC and MG members, please visit: <a href="mailto:betterwork.org/about-us/governance">betterwork.org/about-us/governance</a>.

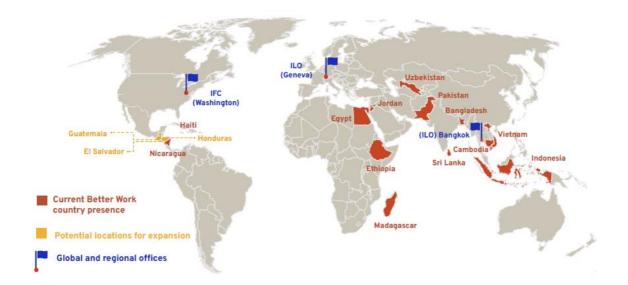


## 1.4. Better Work's presence on the ground

The Better Work headquarters are split between Geneva, Bangkok and Washington D.C. We have programmes in thirteen countries: Bangladesh, Cambodia, Egypt, Ethiopia, Haiti, Indonesia, Jordan, Madagascar, Nicaragua, Pakistan, Sri Lanka, Vietnam and Uzbekistan.

Collectively, our programmes reach more than 2,100 factories and 3.4 million workers.

Better Work has over 250 employees – the majority working directly with factories to develop new tools, train staff, monitor quality and assess impact. Beyond this, Better Work is supported by technical experts in the ILO and IFC in over 40 field offices around the world.



Better Work is focused on the garment industry with coverage of footwear in selected countries. For details of specific country services and for the latest figures on the number of factories enrolled and workers covered, visit the country programme websites.



**Table 1: Country Programme coverage** 

COUNTRY	PRODUCT, GEOGRAPHICAL AND FACTORY COVERAGE	PARTICIPATION REQUIREMENT BY GOVERNMENT
Bangladesh	Garments, footwear and supporting processing (printing, washing, textile, knit, woven, embroidery)	Voluntary
	Greater Dhaka and Greater Chittagong (Shavar, Tongi, Gazipur, Valuka, Narayangonj, Munshigonj, Sirajgonj, Narshindi and Magura) with the exception of Export Processing Zones	
	Factories must:	
	<ul><li>Have over 250 workers</li><li>Be nominated by a BW partner brand</li></ul>	
	Capacity currently fully booked to 2024	
Cambodia	Exporting garments and travel goods and bags, footwear, supporting processing	Exporting garment and travel goods
	No geographical limit	Mandatory     Assessment
	Factories with export license and in advisory services must:	<ul><li>Voluntary Advisory Services</li></ul>
	<ul> <li>Have a minimum of 300 workers</li> <li>Have been in operation for at least 2 months</li> <li>be nominated by BW partner brand(s)</li> </ul>	Footwear and supporting processes facilities (subject to availability)  • Voluntary (package: assessment and
		advisory services)
Egypt	Garments and textiles	Voluntary
	No geographical limit (but prioritize the factories within the industry parks where we already have operations)	
Ethiopia	Garments, textiles, leathers <sup>2</sup> , accessories <sup>3</sup> and supporting processing (washing, dying, embroidery, printing, knitting)	Voluntary

 $<sup>^{\</sup>rm 2}$  Leathers include leather footwear, leather garments (jackets, coats, etc.), and leather goods (bags, wallets, gloves, etc.).
<sup>3</sup> Accessories include parts used on garments such as zippers, interlinings, buttons, etc.



	No geographical limit	
	Factories must have:	
	<ul> <li>Minimum 100 workers</li> <li>Minimum 75% female workforce</li> <li>Minimum 60% of the top employers included</li> </ul>	
Haiti	Garments only	Mandatory for export license
	No geographical limit	
Indonesia	Garments, footwear, accessories (bags+gloves) and supporting processing (embroidery, label, printing, washing)  5 provinces in Java: Greater Jakarta Province, Banten Province, West Java Province, Central Java	Voluntary
	Province, Yogyakarta Province	
Jordan	Garments and non-garments (chemical, engineering and plastic)  No geographical limit	Mandatory for direct and indirect (sub-contractors to exporters) export to USA, Israel and EU markets
	No geographical inflic	israei and EU markets
Pakistan	Garments and textiles	Voluntary
	Sindh and Punjab	
	Factories must be nominated by BW partner brand(s)	
Nicaragua	Garments and footwear	Voluntary
	No geographical limit	
Uzbekistan	Garments and textiles	Voluntary
	No geographical limit	
Vietnam	Garment and footwear (including sub-contracting and textiles)	Voluntary
	11 provinces in the South (in and around Ho Chi Minh City)	
	18 provinces in the North (in and around Hanoi)	
	Factories must:	



- Have minimum 250 workers
- Have been in operation for at least 3 months
- be nominated by BW partner brand(s)

## 1.5. Better Work's Impact

An independent assessment of Better Work's impact was published in 2016 by Tufts University. Some key findings include the following:

- 25 per cent increase in firm profitability: After four years of participation in the Better Work programme, the revenue-cost ratio for factories in Vietnam increased by 25 per cent, holding other factors constant.
- 22 per cent increase in productivity: Better Work offers supervisory skills training (SST) to provide factory supervisors with the communication skills they need to succeed. An independent evaluation confirmed that after the training, workers needed less time to reach production targets, with savings of up to 11 minutes per hour, representing a 22 per cent increase in productivity. This effect was driven by female supervisors.
- Improved working conditions: Factories participating in the Better Work programme experienced an overall reduction in the gender pay gap, coercive labour practices, and abuse of probationary contracts, while workers reported fewer concerns about safety and health risks.
- Positive effects beyond the workplace: In several countries, the health of workers and their children has improved, along with children's access to education, as a result of the programme.

These are only a few examples of how Better Work contributes to positive change in your supply chains. Independent research has proven that Better Work supports both business and improved working conditions. For more information on Better Work's Impact See the summary report of our impact assessment, available on the Better Work website, under <a href="Progress and Potential">Progress and Potential</a>.

## 1.6. Better Work's Approach

Better work's aim is to improve working conditions in the garment industry through encouraging change at the global, national and factory levels.



### **GLOBAL INFLUENCE**

The Tufts study, along with our own and other independent research has proven that improved working conditions do not come at the expense of profitability and competitiveness. With this knowledge, we have worked to shape policies and practices well beyond the countries in which we work, influencing governments, brands and opinion leaders to elevate discussions around improving working conditions and change policies and practice.

Better Work provides input into global policy shaping events such as the ILO's Governing Body and International Labour Conference and World Bank Annual Meetings. In addition, we provide inputs to relevant multi-stakeholder initiatives covering the garment sector to ensure close alignment with International standards. Increasingly Better Work is referenced in key instruments and debates that transcend both the garment industry and the countries where we work.

### NATIONAL INFLUENCE

Better Work works with national constituents – government (including local labour inspectorates, Ministry of Labour etc.), unions and employers to ensure positive impacts and sustainability through:

- Building the capacity of government, employers and workers for long term adherence to core labour standards and national law;
- Influencing national labour law and policies to support improved working conditions and better business performance; and
- Strengthening industrial relations at factory and national levels.

In Jordan for example, the programme has worked with the ILO to improve industrial relations and conditions of work for migrant workers. The industry-wide collective bargaining agreement was agreed to in 2013 and renegotiated in 2015. The Programme contributed to this process by bringing the social partners and Ministry of Labour together to draft a unified contract for all migrant workers in the Jordanian apparel industry.

Brands and retailers are important partners in national level efforts on country programmes. Examples of where brands and retailers have contributed to policy discussions include:

- Minimum wage setting in Cambodia;
- Legal requirement for management worker dialogue in Vietnam;
- Improved maternity provision in Nicaragua.

Better Work also collects information on industry trends at the national level. Our Annual Reports present an independent analysis of non-compliance at the national level with analysis on themes relevant to the industry. Reports can be accessed at <a href="https://betterwork.org/reports-and-publications/">https://betterwork.org/reports-and-publications/</a>



## 1.7. The Better Work Factory Service Model

We make lasting changes in factories, and the global supply chain, through factory services that build ownership, accountability, partnership and dialogue. The factory service package includes advisory and learning services, annual assessments of factories, differentiated service for factories at different stages and public reporting on a subset of crucial issues compliance issues.

In all countries, apart from Cambodia, assessment and advisory services are purchased as a package and cannot be purchased separately.

**Table 2: The Factory Cycle** 



### A. ADVISORY AND LEARNING

"Factory managers are much more open to sharing their challenges with us during Advisory Services. Together, with the workers, we try to find shared solutions."

Better Work Factory Advisor, Cambodia

Advisory services brings together factory workers and management to identify, review and resolve issues and manage a sustainable continuous improvement process. An early step is the formation of the worker and management committees (often called bipartite committees). These have been proven to help create high levels of factory ownership and a culture of dialogue for sound industrial relations.

Factories receive six to eight advisory visits per year (depending on which cycle they are in).



### **Initial Advisory Services**

Once factory registration and payment are complete, a designated Better Work 'Enterprise Advisor' (EA) will make a first factory visit. The EA will establish whether a functioning worker/management committee with elected representatives exists at the factory-level. If there is no committee, the EA will support its establishment.

Following this first EA visit, factories are supported to undertake a self-diagnosis of issues to work on that feeds into a live online Improvement Plan (IP). The first version of this document is developed by the factory with issues identified during the assessment added to the Improvement Plan later in the process.

Brands and retailers play a key role in this process and should encourage factories to be transparent and involve the bipartite committee in the self-diagnostic process and to input into the Improvement Plan. Brands and retailers are asked to support the factory if it has made an effort during the self-diagnosis process, even if the result is not perfect (as it is a crucial part of building long-term capacity).

Online Improvement Plans for all factories can be accessed through the STAR Portal at <a href="http://portal.betterwork.org">http://portal.betterwork.org</a> (see Appendix 2). For more information on self-diagnosis and Improvement Plans please see the <a href="mailto:Guidance for Better">Guidance for Better</a> Work's Online Improvement Plan

Factories new to Better Work will receive two or three advisory visits in the first three months. Factories in subsequent cycles will receive one or more visits during the same period, depending on need.

### **Ongoing Advisory Service and Progress Reports**

Approximately 100 days after the start of the service the factory will be assessed (see Part B below for details). The advisory services after the assessment (three to four visits on average) focus on responding to issues identified in the self-diagnosis and the assessment as well as continuing to build factory capacity and ownership.

In the fifth month of the cycle, the factory will write "Progress Report One" which includes an improvement plan that gives an overview of progress made on issues identified during self-diagnosis and the assessment. The EA will offer guidance to the factory on completing the report but will not write the report. Better Work will, however, verify publicly-reported non-compliances which the factory states have been fully rectified (if applicable).

In the eleventh month of the cycle, Better Work will write "Progress Report Two" which reports progress in resolving non-compliances, setting up effective management systems and establishing sound social dialogue.

Brands and retailers are requested to use the Better Work Improvement Plan (including timelines) rather than issuing their own Corrective Action Plans



(CAP). This reduces duplication, ensures consistent messaging and promotes sustainable improvement (through involving workers and addressing root causes). Better Work will request brand's and retailer's support if a factory is not cooperating or making sufficient progress. Where required, brand partners can request a joint advisory visit with a Better Work EA (with roles and messages agreed in advance).

If brands and retailers have particular remediation priorities they should communicate these directly to the factory requesting that they are tabled for discussion by the committee and included/prioritised on the Improvement Plan.

### **Training**

Better Work Training Services support the advisory work by providing deeper content covering key issue areas. Training is practical and innovative, with a focus on factory-based results. Courses are garment industry specific, geared towards helping factories find sustainable solutions and to the needs of each group of learners. The training courses are generally one to five days in length.

Better Work factories have 15-25 participant days of training (depending on the country) per service cycle included in their fee. The factory (with input from Better Work and buyers) can determine which training courses they want to attend based on need and availability of topics. The participant days can be used flexibly to suit the factory's situation. The factory can choose to send the maximum number of participants to a one-day training or send fewer participants to a training that lasts for several days. If needed, factories can purchase additional training days.

Free industry seminars are another integral part of the learning process. As well as providing technical input from Better Work (or external experts) they are an opportunity for factories to share and gain best practice insights from their peers on issues common to the industry.

Industry seminars range from half to a full day with up to 60 participants per session. At the end of each seminar, participating factories complete an action plan that is then incorporated into the factory's Improvement Plan and followed up on in subsequent advisory factory visits by the EA. Seminars are held quarterly and open to all Better Work factories at no extra charge.



### **B. ANNUAL ASSESSMENT**

### The compliance assessment tool

Better Work carries out an independent, two-person, two-day unannounced assessment roughly 100 days after the beginning of the annual cycle. The assessment provides an overview of factory performance against International Labour Standards (freedom of association and collective bargaining, child labour, forced labour and discrimination) and national labour laws (Occupational Safety and Health, contracts, compensation and hours). They also report on the status of management systems (workplace health and safety and human resource management). Better Work documents all issues but does not rate either issues or factories.

Better Work's compliance assessment tools (CAT) are vetted by ILO labour standards specialists and negotiated by the national Project Advisory Committees, ensuring national buy-in. Country-level deviations in the tool reflect differences in national laws. The global CAT template can be found here: Global Compliance Assessment Tool

The assessment report is released to factories and brands and retailers (with authorization from the factory) approximately one month after the assessment. Issues identified during the assessment are added to the factory's Improvement Plan, to be addressed by the bipartite (worker/management) committee.

Brands and retailers with specific requirements that go beyond the Better Work CAT are requested to assess these areas separately rather than continue with a full labour assessment. In other words, they can conduct environmental assessments or use their own staff or others to check on specific provisions above law or standards covered by Better Work but are asked not to assess any duplicative areas.

Note: The initial advisory phase, prior to the assessment, is key to building trust and giving ownership to factories. It is not therefore possible to accommodate requests for rushed assessments that don't allow time for this process.

### **Shadowing Assessments and Advisory Visits**

Brands and retailers new to Better Work are welcome to shadow an assessment and advisory visit to better understand the process. However, due to the volume of requests, this is limited to a maximum per year of one assessment and one advisory visit per country (at a factory for which the brand has third party access authorization and has subscribed to the factory reports). Brands or retailers should contact the relevant country programme to arrange a shadow visit. Please note that shadow advisory visits differ from joint advisory visits (referred to above).



### C. DIFFERENTIATION

Better Work tailors its services to factories depending on their stage of development and performance. This enables us to effectively target our interventions at the level that is most appropriate to the factory. Based on information collected during advisory services and two consecutive assessments, Better Work will classify factories. Factories will be classified as high-performance factories if they demonstrate:

### 1. Compliance with publicly reported issues

 No non-compliances on publicly reported issues in two consecutive assessments

### 2. Effective systems to sustain changes

All elements of OSH and HR management systems are satisfied

### 3. Effective social dialogue

- Active and effectively functioning bipartite committee
- Sufficient decision-making authority for management representatives on the committee
- Freely chosen, representative worker members on the bipartite committee
- Open communication with trade unions present in the factory; union representatives have an opportunity to join the bipartite committee; and the bipartite committee is not used as an alternative to a trade union
- Effective grievance handling procedure and mechanism

### 4. Learning for sustainable improvement

 Needs-based learning plan developed in consultation with elected worker representatives including trade union representatives, if present, and implemented.

High Performing Factory will be offered the following benefits:

- Targeted advisory services;
- The option to reduce assessments from once a year to every other vear:
- Exclusive access to special projects and publications; and
- Enhanced visibility to buyers, including access to networking events.

Since differentiation happens through a structured evaluation process, it is not possible for factories to be fast-tracked to High Performing Factory. Factories classified as High Performing Factory will not be on any public list but will be clearly highlighted on the Better Work Portal and highlighted in communication materials.



Better Work will invite high-performing factories to participate in public campaigns at the national and/or global level. They will be presented as role models with the aim to leverage their good practices and to facilitate learning from them by other enterprises.

For more information on differentiation, including what Brands and retailers may want to communicate with their factories about differentiation, please see Guidelines for High-performance factories.

### **Persistent non-compliance (PNC)**

Our experience has shown that some factories are unwilling or unable to commit to a programme of improvement. In response, Better Work has developed a framework to address persistent non-compliance (PNC). With the national labour inspectorate playing a key role, the PNC framework provides for additional enhanced engagement to remediate issues and stimulate improvement. To date the PNC framework has been implemented in Vietnam and elements of this approach may be replicated in other countries in the future.

### D. PUBLIC REPORTING

Public reporting is the posting of compliance information on selected issues, along with the factory's name (not the global brand or retailer's name), on the Better Work <u>Transparency Portal</u>. Public reporting helps provide a balanced view of the industry and ensures the reputation of individual factories and the industry as a whole are not damaged by a minority of poorly performing factories. It also enables brands and retailers to reward factories with good compliance levels and allows governments to use their resources more effectively to target those with poor performance.

A factory's compliance findings remain on the website until a new assessment report is published the following year. The website is updated to reflect the factory's most recent assessment data and factories can upload documents and photos on the website at any time to demonstrate progress or actions taken.

### **DID YOU KNOW?**

Transparency raises compliance levels across the sector. Experience by Better Factories Cambodia (BFC) has shown a positive impact with the percentage of factories in compliance on publicly reported issues going from 29 per cent to 45 per cent, once they were subject to public reporting.



## 1.8. Strategy (2022-2027)

Better Work's strategy for 2022 to 2027 is the evolution of the work that Better Work has been doing at the factory, country and global levels for the past 20 years.

It builds on Better Work's proven models of impact and strong partnerships across the supply chain, with an increased focus on tackling the fundamental challenges that have stymied sustainable change and that were clearly exposed by the COVID-19 pandemic. With this new strategy, Better Work will turn the current crisis into an opportunity to forge a more sustainable, resilient, inclusive, transparent and just garment industry. We remain committed to working with our partners to replicate our well-proven methods, and we are also doubling down on our support to national institutions in garment countries.

Better Work was able to swiftly respond to the pandemic and provide essential support to constituents and industry stakeholders. But the new industry context now requires the programme to further adapt and adjust to new and changing realities.

Click <u>here</u> for more information on our strategy.



# 2. Engagement with Better Work





## 2.1. Engaging with Better Work

Better Work offers brands and retailers a unique opportunity to realise our shared goals and transform the apparel industry through ensuring decent working conditions and a thriving sector. The primary model of engagement is to become a Better Work partner.

Better Work partners sign a public-private partnership agreement with the ILO and IFC, which articulates the benefits and responsibilities associated with this role. Partnership provides benefits including visibility in public communication, engagement in Better Work's governance and an ability to define strategic direction including the selection of new country programmes and approaches. For a list of current partners, please refer to the "Our Partners" section of the website.

Brands and retailers who do not become partners may engage as participants. For a per factory fee, participants may subscribe to a cycle of factory reports, including one assessment (audit), two progress reports and a "live" improvement plan. They will also receive information via the Better Work Newsletter and selected open sessions at business forums and webinars. As of 2019, Better Work works with 110 plus participants.

For details on the price structure for partners and participants and their factories as well as details on how reports can be accessed, see Appendix 1 and Appendix 2 respectively.

The rest of this section will focus on the benefits and services provided to Better Work partners.

## 2.2 Business Benefits of Partnership

We believe that deepening partnerships with all actors, including brands and retailers, is the only way to reach systematic change in global supply chains. Brands and retailers contribute much to the success of the Better Work programme by helping to drive improvements among their suppliers (both in and beyond Better Work) and by using their leverage to improve the sector more widely.

In turn, Better Work offers brands and retailers access to unparalleled industry insights and expertise to help build sustainability into supply chains. Better Work brands and retailers benefit from cost savings, enhanced reputation and risk management, and a safe venue for collaborating with other brands and retailers to create stable sourcing environments. Benefits include:

### **INCREASED FACTORY LEVEL EFFICIENCIES AND COST SAVINGS**

 Better Work's presence in the field and regular reporting can help reduce the need for locally established compliance teams or allow



- those teams to focus on more added value work, so reducing complexity and cost.
- Our single high-quality assessment can be used by all brands sourcing from a given factory, reducing duplication.
- Brand and suppliers can access IFC programmes that advise on resource efficiency and access to finance (including the Global Trade Supplier Finance Programme).

# ENHANCED REPUTATION AND RISK MANAGEMENT THROUGH FACTORY SERVICES

At the factory level we implement our unique Service Model, which includes:

- A 'self-diagnosis' phase where the factory is supported to identify key challenges and areas for improvement as well as to establish a worker-management committee.
- Unannounced assessments by ILO Officials to check compliance with national law and international labour standards, with an assessment report released after approximately 30 days.
- Advisory visits to build capacity for effective management systems, worker-management dialogue and to support the implementation of an Improvement Plan.
- A range of highly effective and practical training programmes, using innovative and participatory approaches on key topics including supervisory-skills training, human resources management, and occupational safety and health.
- Public reporting against a list of key issues to encourage factory ownership, fast-track improvements and support better targeting of government resources.
- Differentiated services for factories at different stages and requiring in-depth assistance on particular issues.

# COLLABORATION WITH OTHER BUYERS, NATIONAL AND GLOBAL CONSTITUENTS AND ILO/IFC EXPERTS

- As a global brand or retailer, we invite you to have a seat around the table with workers, employers and governments, to share information and experience which can help build best practices at a national level and drive legal and policy changes that support decent working conditions and a thriving business environment.
- You will have access to cutting-edge, independent research on global supply chains – a unique, and growing, body of evidence drawn from 15,000 interviews to date.
- You will have access to best practice in managing your own supply chain as well as advice on managing your purchasing practices to support good working conditions and stable supply chains.
- Every year, Better Work hosts global, regional and country-level business forums, often with privileged access to political and business leaders. These provide networking opportunities and a chance to



learn more about – and influence – the programme's strategy and vision.

### 2.3 Better Work Partner Services

Partners of Better Work will have access to the following services:

### **CORE SERVICES**

- Factory access to assessment, advisory and training services (1.6);
- Prioritized subscription of factories;
- Access to factory reports (including a live Improvement Plan), using a dedicated online portal; and
- The opportunity to collaborate with Better Work on factory remediation and specialized training.

### COMMUNICATION

- Acknowledgment of your brand in "Our Partners Brands and Retailers" section of the Better Work global and relevant country websites:
- Access to the Global Brand Dashboard (due for release in 2020), an online resource showing the latest compliance information at a glance, with benchmarking capabilities to help make informed sourcing decisions;
- Regular updates and quarterly calls with country programmes to learn the latest on the industry and your factories
- Regular newsletters and updates on both global and country issues
- Alerts in case of crises or Zero Tolerance issues; and
- Webinars to discuss the latest in trends and industry developments.

### LEARNING AND POTENTIAL TO INNOVATE

- Access to latest research on global supply chains;
- Privileged access to technical experts and management at the ILO and IFC:
- Annual country and regional business forums including, strategic planning discussions;
- The ability to co-design and join scalable pilot programmes on key issues in the sector; and
- Opportunity to enrol your staff in the <u>Better Work Academy</u> to develop soft and technical skills to transition from auditor to advisor and facilitator.

### **GOVERNANCE**

- A formal, legal relationship with the ILO and IFC;
- Eligibility to become a an elected "buyers" representative on Better Work advisory committee; and
- Regular calls with brand representatives.



## 2.4. Becoming a Better Work Partner

Joining us as a Better Work Partner requires buy-in and commitment from your top management and a due diligence review from the ILO and IFC.

### PARTNERSHIP COMMITMENTS AND SECURING INTERNAL BUY-IN

As described in section 2.2, Better Work offers a "one-stop-shop" that helps brands and retailers meet a number of distinct challenges in managing their supply chains. In return Better Work asks partners to support its strategic aims by adhering to commitments articulated in a legally binding document (called the "Partnership Agreement"). The main objective of the Agreement is to promote accountability and clarity of roles between Better Work and brand and retailer partners and to ensure the successful implementation of the programme and shared goals for the industry.

Brands and retailers should discuss with their management the value for the company of partnership with the ILO and IFC (through Better Work) and how the partnership can help improve business and working conditions alike. ILO and IFC officials can join these discussions to explain what each institution is doing and explain the benefits that can be gained beyond those articulated in the Partnership Agreement (including trade financing, changes in legal frameworks etc.). Partnership with Better Work can help companies align with the United Nations Sustainable Development Goals at the same time as supporting corporate goals for better business. A company interested in partnership should request a copy of the partnership agreement from buyers@betterwork.org and review the key commitments which are outlined below.

### **Operational commitments:**

- i. Stop auditing suppliers enrolled in the Programme where those audits duplicate the assessments of the Better Work programme. This allows for a reallocation of resources to building the in-factory structures, systems and skills needed to remediate issues and prevent non-compliances from arising in the future.
- ii. Increase the number of participating factories in Better Work country programmes. Once a critical mass of factories are in the programme, Better Work has seen a 'tipping point' emerge when the benefits of decent working conditions are clear and a culture of compliance is supported by governments and enterprises alike;
- iii. Support the Better Work Programme improvement process and timeline in factories and crucially give factories sufficient time for sustainable improvements (not requiring quick fixes). Do not drop or downgrade factories based on compliance results (provided the factory is making sufficient progress). Good working conditions and better business is a marathon not a sprint. Everyone needs to support the change process and give it time.



### **Engagement commitments**

- iv. Participate in the Better Work Business Forums at global and country levels, providing strategic direction into the programme. Brands and retailers will be encouraged to participate in engagements with national constituents including governments, employers and worker representatives to build national capacity and ownership and a shared vision of the industry.
- v. Encourage other buyers, suppliers, licensees, agents (where applicable), and other relevant business partners to engage with the Better Work programme.
- vi. Engage in the governance decisions of the programme (via a buyer representative on the Advisory Committee) and through business caucus calls and meetings.
- vii. Review and address business practices that may be influencing noncompliance at supplier facilities.

### **Administrative commitments**

- viii. Establish clear internal roles and responsibilities and lines of communication with Better Work staff.
- ix. Provide information that allows Better Work to effectively plan, resource and scope services to the benefit of all partners.
- x. Adhere to agreed communication protocols.
- xi. Ensure buyer fees are not charged back to factories (since factories already pay separately for the services they receive).



### THE APPLICATION PROCESS

Once you have reviewed the Partnership Agreement, have secured internal buy-in and have a plan of how to implement the commitments, partners are invited to begin the application procedure. The following are needed to submit the application:

- Registration Form completed (the form can be found on the Better Work's website, under "Brands and Retailers";
- ii. Copy of the company logo in high resolution format;
- iii. Your current factory list for apparel in Better Work countries (for scoping purposes).

With these documents prospective partners should contact us at business@betterwork.org and initiate the application procedure. The application will then be sent to both ILO and IFC for separate due diligence procedures. While each organization's due diligence process is unique, overall the process aims to examine relevant issues including: the company's current social risk management systems, current and past labour practices and overall reputational risk for the organizations. This process normally takes around three months. If you have concerns over any issues that may emerge during the review, it is best to raise these at the start of the application process with the buyer's team.

Once partnership approval is granted by the ILO and the IFC, Better Work will send the final agreement by email. You are requested to print and sign three original copies, and send them to the IFC contact as advised by Better Work team.



# 3. Maximising Value from the Better Work Partnership

Partners are involved with the programme at a substantive level and take part in its governance, defining its strategic direction and more. This section describes the initial considerations and steps for partners and provides tips on how to maximize the benefits of partnership.





## 3.1. Developing an Implementation Plan

Once a partner has secured internal alignment on the expectations of the partnership the next step is to prepare a plan for how it will implement the partnership commitments. A key first step will be to communicate the partnership to all departments in the company to make sure they are aware of the commitments the company is making. Also ensure the partnership is communicated to factory and other supply chain partners. For an example of a communication to suppliers, see Appendix 3.

The process of integrating a new programme and approach into an existing system is not always easy, particularly for companies with large and/or well established teams and programmes. It can take effort and commitment to move a company into full and successful partnership with Better Work, however, many partners (including large ones) have achieved this generating useful lessons for others about to embark on that journey.

The following section provides an overview of key considerations and tips on how to implement each commitment:

 Stop auditing suppliers enrolled in the Programme where those audits duplicate the assessments of the Better Work programme;

- How is your current audit/remediation programme managed?
- Does the company have in-country compliance teams, and if so, how will they work with the programme and how will their role change?
- Does the company use third parties for compliance and if so, is it willing to change this where it will result in duplication?
- What does the company need to do to accept a Better Work assessment in place of current audits?



### TIPS ON BUILDING CONFIDENCE TO STOP DUPLICATIVE A

The first step to stop duplicative auditing of Better Work factories is to build internal acceptance to replace existing audits with the Better Work Assessments. Steps that can help build the confidence to do this include:

- Reviewing the Better Work Global Compliance Assessment Tool and identifying areas of overlap and divergence.
- Shadowing a Better Work assessment in one of your factories so you can see first-hand and report back internally on how the Better Work Assessment compares to your existing audit.
- Subscribe to a Better Work factory as a participant (before even becoming a partner) to have visibility of an assessment report. Better Work can also provide a sample anonymised report to give you a taste of what the reports look like.
- Brands and retailers who have found a small number of areas they normally audit, which Better Work's assessments do not (since they are not in either national law or international standards), have either dropped these points all together or integrated them into other processes (environmental audits, quality checks, factory selfassessments). Better Work follows and promotes adherence to existing laws and standards, however, it is not considered duplicative if you are collecting information above and beyond the Better Work Assessment.

### Increase the number of participating local suppliers in the Better Work Country Programmes;

- How many factories do you plan to register in the programme each year?
- What will you do to encourage participation? Will you make factory enrolment voluntary or mandatory?
- Are your factories largely directly sourced or do you have a large indirect supply chain managed through licensing agreements? If so, do you plan to bring in the full supply chain, how and over what time frame?



# TIPS ON HOW TO INCREASE THE NUMBER OF PARTICIPATING SUPPLIERS

Brands and retailers have taken a variety of approaches to increase the participation of suppliers which include:

- Make participation in Better Work mandatory for eligible factories.
- Strongly encourage participation in Better Work and communicate to factories the benefits of doing so. Appendix 3 contains a sample letter to encourage factories to enrol. Better Work can support this by running seminars for groups of prospective factories in a particular country to explain the benefits of the programme.
- Submit your full factory list to Better Work (we can sign a standard ILO non-disclosure agreement if necessary) so we can let you know which of your factories are already in Better Work and which are not yet registered but eligible to join. You should halt audit duplication in all those that are in Better Work right away and make a plan to bring in all eligible factories progressively
- Most companies start by bringing in their direct supply chain where they have the greater leverage and influence, with indirect suppliers coming later. Better Work is building engagement channels and training courses to support agents and licensees in managing compliance and getting value from Better Work programmes.

Support the Better Work Programme improvement process and timeline in factories (including giving sufficient time for sustainable improvements);

- Is the business willing to support the Better Work continuous improvement approach, including remediation timeframes which enable the involvement of workers and addressing of root causes?
- What are the company's current risk management processes and rating system and how will you need to adjust them to align them with the Better Work service model?



# TIPS ON HOW TO SUPPORT THE BETTER WORK IMPROVEMENT PROCESS

- A. Phase out parallel corrective action plans
  - Ensure that all individual brand Corrective Action Plans (CAPs) are replaced by the single Better Work Improvement Plan (IP);
  - Where partners have a priority/issue they would like tackled, the brand should ask the factory management to table the issue for discussion at the joint worker/management committee meeting and ensure it is integrated into the Better Work IP. That way it becomes a visible part of a single integrated process and will be followed up and reported on. This also encourages the factory to take greater ownership of improvements.
  - Partners should use their quarterly calls with Better Work staff to highlight any concerns/issues and to receive updates. You may want to consider having your intermediaries on the call as well if they are the ones that have direct contact with the factory.
  - Brands should encourage factories to be transparent in the self-diagnosis process and put on the Better Work IP any issues they feel they should improve on.
- B. Not terminating or significantly reducing orders based solely on non-compliance provided that suppliers are transparent on problems and show sufficient and timely progress
  - Improvements in Better Work factories may take longer than brands or retailers are used to, since the improvement process is managed by the bipartite committee (to ensure worker involvement) and improvements must be sustainable and proven to have been tackled by addressing the systemic causes of non-compliance.



To allow for this, most partners have reviewed and adjusted their standard remediation timeframes to ensure that they support the Better Work improvement process. Note that Better Work factories are subject to a higher level of oversight than normal (with bi-monthly visits) and have built-in alerts (via the quarterly calls) to let the brand know if a factory is failing to make sufficient progress on an issue.

- Partners may equally alert Better Work during quarterly calls if they have concerns over a factories failure to address an outstanding issue.
- C. Ensuring that internal processes recognize the in-depth nature of Better Work programme assessments and the continuous improvement approach to remediation.
  - Provided a factory is making progress, partners have taken different approaches to ensure a factory participating in Better Work is not dropped or downgraded (based on compliance alone):
  - Partners have placed all Better Work factories into a new rating category (e.g. blue category) outside of their traditional system, or given them additional 'points' on the basis that they are committed to a continuous improvement process and being closely monitored by Better Work every couple of months. If there are concerns regarding the factory, the brand can contact the factory EA to alert them to their concerns – or Better Work will alert the partner on their quarterly calls;
  - Partners have expanded their ratings systems to measure performance beyond compliance to the conditions/requirements for achieving and maintaining compliance e.g. strong systems, worker/management structures and commitment to learning.
  - It is important to review how company rating needs can be met in a way that allows factories to make long-term improvements.

### iii. Participate in the Better Work Business Forums;

Key questions to consider:

 Does my company have a travel budget that will allow attendance at the Better Work Business Forums and who will attend, and where?



### TIPS ON BETTER WORK BUSINESS FORUMS

- Better Work business forums are a great way to stay involved in the programme, receive updates, network with other brands and contribute to the programme's strategic direction.
   Companies are encouraged to join relevant country programme business forums and/or global/regional forums.
- Visit our website, under "Brands and Retailers" to see the dates and latest information for our business forums
- iv. Encourage other buyers, suppliers, licensees, agents (where applicable), and other relevant business partners to engage with the Better Work Programme;

### Key questions:

Does your company work through any licensees and/or intermediaries? If yes, how do they feel about the Better Work Programme and how will you ensure they support the programme approach?



# TIPS ON ENCOURAGING OTHERS TO ENGAGE WITH THE BETTER WORK PROGRAMME

- Better Work's strength lies in collective action and building its partnership base is a key objective of the programme. You can support this by telling other buyers, suppliers, licensees and agents about the programme and by offering to be a "Better Work Advocate" for any new inquiries.
- Many Better Work partners are exploring how to influence suppliers in their indirect supply chain, including licensees.
   Better Work is developing a training programme, targeting licensees. Please contact the buyer's team for information on how we can work with your licensees.
- Global manufactures play a key role in the garment industry. Better Work is formalizing an engagement strategy for global manufactures. Better Work regularly hosts an event for global manufacturers in Seoul, Korea, as well as inviting manufacturers to join our business Forum in Hong Kong. You can encourage your manufactures to join.
- If you are a brand or retailer that works primarily through intermediaries and/or agents it will be important that they are aligned with and reinforcing your communication to the factories. For this purpose, you may want to ask them to join your quarterly calls with the Better Work Country Programmes.

# v. Engaging in the governance decisions of the programme (via a buyer representative on the Advisory Committee);

Better Work's governance structures provide strategic direction on partnerships, research, trends, expansion and key developments in global supply chain management and labour standards. Brand representatives on the Advisory Committee form an integral part of the Programme's Governance Structure, working alongside the other constituent groups. There are two buyer representatives - one for North America, the other representing brands and retailers from Europe or Asia/Pacific.



### Key questions to consider:

- Is your company headquartered in North America, Europe or Asia? If North America, you will be represented by the US buyers' representative. If Europe or Asia, you will be represented by the Europe and Asia buyers' representative.
- Who will be the voting official for the buyer's elections?
- Would a representative from your company want to run for buyer's representative?

### TIPS ENGAGING IN GOVERNANCE DECISIONS

- Get in touch with your buyer representative to ensure you are on their mailing list.
- Join the quarterly calls they hold to "caucus" brand and retailer views in advance of governance meetings.
- Read the Business Updates sent by Better Work to ensure you stay up to date on governance news.
- Vote in the elections for the buyer representative. Elections for the two representative posts are held every two to three years.
- Stand for election as a buyer representative. Active partners have nominated themselves to stand as the brand representative.
- vi. Establishing clear internal roles and responsibilities and lines of communication with Better Work staff;

- Who will your company's focal point be for Better Work global and country programmes?
- Are all relevant representatives from your company aligned with key messages/decisions affecting the Better Work programme?



# TIPS ON ESTABLISHING CLEAR INTERNAL ROLES AND RESPONSIBILITIES

- You should have one main Better Work focal point but should ensure other staff understand the partnership and can engage to derive the maximum value from it.
- Ensure a second person knows the programme well in case of absence or a change in personnel.
- Partners have identified key contacts for Better Work at the country, regional and global level that fit with their own structures and ways of operating. This ensures timely updates and follow up (in both directions). If your company's Better Work focal point has changed please alert us.
- All new focal points for Better Work should get in contact with the Buyer's Team for a briefing on the programme.
- If you have staff with specialized functions such as government affairs, communications, research, industrial relations, training etc, please let Better Work know and ensure you know who their counterparts are in Better Work to take full advantage of the partnership.
- You may want a member of the Better Work team to introduce the programme to your team to build understanding and support and possible areas for collaboration.

# vii. Providing information that allows Better Work to effectively plan, resource and scope services to the benefit of all partners;

- What are the company's main sourcing countries and where is the overlap with Better Work Country Programmes?
- How many of your factories are in or out of scope with our programme?



# TIPS ON PROVIDING INFORMATION THAT ALLOWS BETTER WORK TO EFFECTIVELY PLAN

- Partners should provide Better Work with their active factory list (with names and addresses) and communicate with country programmes their plans for factory enrolment (annually).
- This will help Better Work plan appropriate resources and ensure that the partner is able to take advantage of the priority service provision they are entitled to as a partner.

# TIPS ON UNDERSTANDING AND ADDRESSING YOUR OWN BUSINESS PRACTICES:

- Engage Better Work in a discussion about its impact assessment findings regarding the impact sourcing practices has on the supply chain to identify any lessons for your business.
- Engage your company in a discussion regarding supply chain management and sourcing practices to identify negative practices and solutions, be it through consolidation of suppliers, more predictable ordering, ensuring timely payments for goods etc
- Partner with Better Work on purchasing practices projects

### viii. Review and address business practices that may be influencing noncompliance at supplier facilities;

- Is your company doing anything to identify which of your own business, practices are influencing working conditions (positively or negatively)?
- Are you involved in any projects (internal or external) to address these?
- Would you be willing to engage with Better Work on a pilot to examine business practices that can improve working conditions?
- ix. Not charging back any Better Work service fees to factories (since factories already pay separately for the services they receive).



### Key questions to consider:

 Does the company charge back fees to factories? If yes, what will be done to progressively cease this practice?
 Is the company willing to pay the Better Work partnership fees?

### TIPS ON FEE CHARGING

- Factories in Better Work have already paid for the factory service package they receive, which is why Better Work does not allow brands and retailers to charge-back the cost of the buyer fees.
- Since partner fees are not a factory fee per se, but a contribution to the improvement of the industry as a whole, many partners cover their brand's Better Work membership costs from both their compliance budget and other broader corporate budget lines. As Better Work works at the global, national and industry level, it contributes not only to compliance but also to a more stable sourcing and business environment.

## 3.2. Monitoring the Partnership Agreement

In addition to regular check-ins, every couple of years Better Work undertakes a full two-way review with every one of our partners in order to:

- Identify further opportunities for collaboration in strategic priority areas such as: national level policy/influencing, purchasing practices, women's empowerment etc.,
- Know where partners are in fulfilling the partnership commitments;
- Understand which commitments are causing challenges and what barriers exist so Better Work can support solutions;
- Agree on a progressive plan to meet the commitments over the coming years;
- Receive feedback on how Better Work is doing in fulfilling its commitments; what partners see as the value proposition of Better Work and what they want more of from Better Work;

The Partnership Review process includes:

 A survey of Better Work programmes/global team analysing each partner against their commitments;



- A survey with each partner to a) analyse itself against the partnership commitments and b) feedback on Better Work and our commitments;
   c) highlight strategic priorities that present an opportunity for collaboration
- Evaluation of inputs to determine how far each partner is in meeting the commitments;
- Meeting with the partner for two-way feedback and to agree on an implementation plan for meeting the commitments (within 3 years).

Note: Better Work can connect you with existing partners if more detail is needed on how brands have made the shift to successful Better Work integration and partnership.

# 3.3. Other ways brands can get involved with the programme: the Better Work Academy and beyond

Aimed at brands and other actors committed to driving change and transforming behaviour in the apparel industry, the Better Work Academy provides training and advisory services to Better Work partner brands and retailer staff, building their capacity to implement our tried-and-tested methodologies across supply chains.

The Better Work Academy is dedicated to enabling social compliance and sourcing teams to learn about - and replicate – our advisory approaches to improving working conditions, increasing productivity and fostering better worker-management relations in factories. The focus is on encouraging more effective communication in factories, allowing for creative, long-term solutions to the root causes of non-compliance. Our approach also fosters shared accountability between the private and public sectors.

The Academy is a roughly two-year program that can be tailored to participants' specific needs. Training is delivered through 12 to 16 in-person days delivered through separate four-day modules. eLearning, virtual coaching, and in-factory shadowing are delivered in between the in-person sessions. By October 2019, 10 Better Work partners had enrolled in the Better Work Academy.

In addition to the Academy, Better Work has worked with key buyer partners on special projects with the aim of (i) supporting Better Work to use its resources and materials more effectively and efficiently scale its operations; (ii) addressing persistent and serious issues in buyer supply chains; and (iii) building the capacity of buyer compliance teams. These projects provide partners and Better Work a chance to innovate to improve the industry through scalable pilots. Special Projects undertaken to date include in areas such as:

- Transportation Group in Cambodia (commuter safety)
- Unemployment Insurance in Indonesia



- Better living and working conditions for deaf workers in Haiti
- Mobile Phone Technology in Cambodia
- Food and Nutrition in Vietnam

For more information on other Better Work resources, please see Appendix 4.



### **PRICING**

### **Working Together in 2024**

Better Work has a global model that provides a mechanism for the private sector to contribute to the overall costs of the program. The model was developed through a consultative process with buyer partners, factory representatives and other key stakeholders at the global and national levels. The private sector contribution represents a portion of the costs of delivering the programme, with the remainder subsidized by international government donors.

### **Buyer Partners**

Buyer Partners make a **single "all-inclusive" annual partnership contribution** comprised of **two components**.

**Component 1:** Buyer Partners' contribution is based on their total consolidated apparel revenue.

2024		
Apparel Revenue	Charge (USD)	
A: < 1bn	13,200	
B: 1 - 4bn	23,100	
C: 4 - 10bn	45,540	
D: 10 -15bn	69,960	
E: > 15bn	131,010	

**Component 2:** Buyers Partners' contribution is also based on the number of apparel factories in Better Work countries. This information serves as a proxy for the level of effort required to engage with the factories in the buyer's supply chain throughout those Better Work countries and the importance of that market to the company (the "market footprint" component).



2024		
No. of Factories	Charge (USD)	
1: (1 - 25)	8,360	
2: (26 - 50)	13,860	
3: (51 - 100)	24,310	
4: (101 - 200)	41,580	
5: (201 - 250)	76,230	
6: (>250)	90,090	

## **Buyer Participants**

## Contribution for Participants (USD) per factory report cycle

Subscription	Price (USD)
Above 60 factories	1,210
41-60 factories	1,320
21-40 factories	1,430
10-20 factories	1,540
Fewer than 10 factories	1,650



### BETTER WORK SYSTEMS: STAR PORTAL AND ACCESSING REPORTS

Once your company is registered with Better Work, you can access Better Work information (assessment reports, progress reports and Improvement Plans) by signing in to the Better Work Portal for Brands and retailers. New users can sign up at the <u>portal</u> if their company is already registered with Better Work. The primary user in your company, known as a "super-user" will receive a notification to approve all new users.

The list of reports that are available for your organization is on the dashboard and under 'Report > My reports'. You can search for the supplier name in the quick find field on the home page or in the Supplier tab. Brands and retailers can share reports with their direct supply chain partner without additional charge on the conditions that you are in the same direct supply chain and the report cycle has been unlocked by your organization. For authenticity purposes we request that you only access reports through the Portal.

### STAR PORTAL FOR PARTICIPANTS

As a participant, to access reports on the portal you need two things. First you need the third party access authorization (TPA) from the suppliers. You can go to 'My Organization > 3rd Party access and add the suppliers to your list. They will receive the notification and decide whether to approve it. Second you must purchase subscription credits by requesting an invoice at 'Product > Subscription Credits'. Once the payment process is complete the credits will appear in your account. Each credit costs between 1100 and 1500 USD (depending on how many reports you purchase). When both TPA and subscription credits are available, you can unlock report cycles of your factories to download reports, view advisory log and online improvement plan

### STAR PORTAL FOR PARTNERS

As a partner you are entitled to unlimited access to Better Work reports, within your factory footprint (as defined by your invoice). In other words, if you were charged for 50 factories in Better Work countries you can access reports for up to 50 factories, provided you receive the third party access authorization (TPA) from the suppliers. You can go to 'My Organization > 3rd Party access and add the suppliers to your list. They will receive the notification and decide whether to approve it. When TPA is approved, you will be able to unlock report cycles of your factories to download reports, view advisory log and online improvement plan.

For more information on how to access reports please see our buyer portal help document



# SAMPLE LETTER FOR COMMUNICATING BETTER WORK TO YOUR SUPPLY BASE

Dear [Recipient Name]

As many of you know, [Business Name] continues to work hard to achieve better working conditions in its global supply chain. As part of this effort [Business Name] is committed to the Better Work programme as a Partner. We are pleased to announce an important new policy that affects a large number of [Business Name] suppliers and their factories.

From [Date, Business Name] all eligible factories in Bangladesh, Indonesia, Vietnam, Cambodia, Haiti, Jordan, and Nicaragua are required to enrol for the Better Work programme.

If you wish to remain an approved supplier to [Business Name] and /or plan to introduce a new factory (and you are within the geographic scope of the programme), then as part of the approval process you will be required to register with the Better Factories/Work programme.

[Business Name] plans to use the Assessment/Advisory Reports of the BFC/Better Work programme, and to move away from a separate auditing system wherever possible. However non-BFC/Better Work audits may still be used: when a factory is out of the geographic scope of the BFC/Better Work programme; or when [Business Name] needs to assess a factory for something not covered by Better Work (e.g. environment, CTPAT etc.). The programme is not new; many of you are already participating with positive results and we wish to build on this success. Our aim, therefore, is to consolidate and standardise our approach with all our factories in these countries. Of course [Business Name] is not the only international brand requiring this action. We believe that this significant step will result in sustainable benefits for factories and their workers alike. This step will reduce the stress of audit fatigue by the reduction of third party audits. It will also facilitate access to the training resources of Better Work and its experience in work-place improvements and productivity gains.

[Business Name] expects suppliers and factories to bear the costs of participation. We are confident that the benefits over time justify this investment. Most importantly, we believe that acting together as a common industry, under the umbrella of the ILO/IFC is an ideal conduit for the development and provision of the decent work that we all strive for.



### **KEY RESOURCES**

<u>A Day in the Life of Better Work</u> – A video, which shows what Better Work does at the factory, national and global levels.

**Better Work's Global Compliance Assessment Tool (CAT)** is used by Better Work Enterprise Advisors to assess compliance with core international labour standards and national labour law.

<u>Better Work Pricing for Partners and Participants</u> - This document provides an overview of the price structure of the plans offered to Buyer Partners and Participants.

**Communication Protocol on Industrial Disputes** – The protocol outlines Better Work's policy on how to communicate in case of an industrial dispute in a factory engaged with Better Work. Available on demand from buyers@betterwork.org

<u>Service Model Guide</u> – A brief on Better Work's service model at the factory level, including on assessments, advisory and learning services.

<u>Progress and Potential: Report Highlights</u> - This short document highlights main findings from the Tufts University Impact Assessment of the Better Work programme. It includes information on Better Work's impact on working conditions, firm performance, on the programme's trainings, assessments and advisory services and the impact beyond the workplace.

Zero Tolerance Protocol - Better Work Enterprise Advisors may uncover serious rights violations when undertaking factory visits for either assessment or advisory purposes. This note defines which issues will be considered zero tolerance and identifies the procedures that Better Work staff will take when such issues are suspected and/or detected with regard to a participating factory.

All of the above are available in the resources section of https://betterwork.org/, unless stated otherwise.