

News and Updates

International Labor Organization | Better Work Haiti
Highlights and insights | From October 2023 to June 2024



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Dear partners

Throughout the first quarter of 2024, Haiti faced new forms of crisis affecting all lives and the country socio-economically. After substantial common efforts for business and operations recovery from COVID-19, the garment industry again demonstrated resilience to mitigate the challenges brought by the complex local context.

The national security crisis is affecting the garment sector significantly, and the preliminary data indicate a profound impact on the labor market, the livelihoods, and the well-being of workers with predictions of worsening conditions if gang unrest continues or intensifies. The industry has been under duress, as factories have closed due to instability, resulting in job loss and decreased exports. Yet, Haiti's garment industry continues to demonstrate resilience and adaptability amid these challenges and business uncertainties, and demonstrating ethical labor practices during business disruptions.

Better Work Haiti remains committed to enhancing the industry's sustainability and resilience. This includes collaborating with national stakeholders and partners, aiming to bolster their capacity, advancing industry achievements, and ensuring long-term sustainability.

Recognizing the unique mandates of each stakeholder, Better Work Haiti is dedicated to empowering these partners to effectively respond to evolving challenges and fulfill their responsibilities with diligence. The program advocates for sustained collaboration among national tripartite constituents to maintain the momentum of enhanced collaboration to meet emerging challenges, enhance joint efforts, and foster mutual trust.

Reaffirming its commitment, Better Work Haiti pledges continuous support to the national tripartite constituents and other partners to forge a path of sustainable development, ensuring that the gains made in the garment industry are not only preserved but also built upon for future prosperity.

The Better Work Haiti Team



30¹
Factories



~38,069²
Workers in
registered factories



7³
Operating
industrial zones



~335mi⁴
Exports in USD



7
Government
partners



11
Active unions
federations



26
Compliance
Reports



26
Brands and
retailers

Notes:

- 1 3 factories closed doors
- 2 4.4k jobs loss
- 3 1 industrial zone halted operations
- 4 Exports decreased by -38%



Industry updates

Challenges linked to the difficult local context impact business operations and raise stakeholders concerns.

► Local context challenges

The apparel sector in Haiti remains a key source of employment and the primary contributor to the country's exports. Although the Haitian government and other key constituents have been trying to attain macroeconomic stability, attract investment, and promote sustainable private sector-led economic growth, several challenges characterize Haiti's business climate, and there are many external challenges to overcome. Gang activity has created a climate of fear and instability that crippled day-to-day operations, strangling and severing the economic lifeline of the industry. The recurring political and security crisis is the detrimental external factor disrupting the business environment and preventing the country from realizing its potential to thrive.

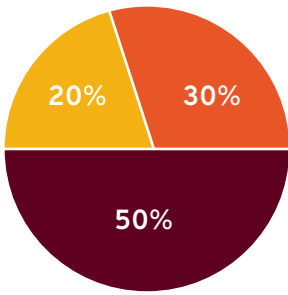
► Local context challenges

The Dominican Republic decided to close all land, air, and sea borders with Haiti on September 15, 2023. All economic activities bound to cross-border relations halted until December 15 2023, when merchants and citizens from both countries demanded stopping the border crisis for commercial activity, forcedly freed one of the most active border gates which resulted in trading.

► The recurring crisis harms the industry

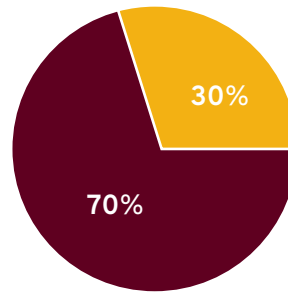
Shortly after operations and business recovery from the COVID-19 impact, the local insecurity crisis began affecting the garment sector significantly. As a consequence, data collected by BWH (2023) indicates that four factories closed doors (Everest, Mazava, Haiti Premiere, and Premium) and a loss of about 4,500 jobs. In some specific areas, workers managed to continue commute to work for the factories that have sustained small operations. Besides the plan for sustainability of the garment sector post-crisis, developed by the constituents, Better Work Haiti and the stakeholders of the PAC are joining together to discuss a short-term response to mitigate this crisis.

A survey roll out by BWH highlights feedback from managers of 15 garment enterprises' experiences and perspectives during that period. Ten factories responded to the survey. The data collected shared with stakeholders help to grasp the additional challenges faces by enterprises for informed and well-defined decision-making. Key outlines are presented as follows.



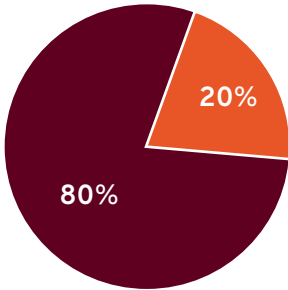
Factories responses by location

- West - Port-au-Prince
- North-East - Caracol
- Ouanaminthe - CODEVI



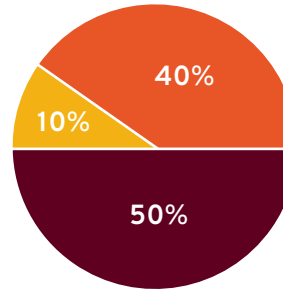
Factories that experienced shipment/freight disruptions (hold or cancelled)

- Yes
- No



Factories that incurred additional costs as a result of the border closures

- Yes
- No



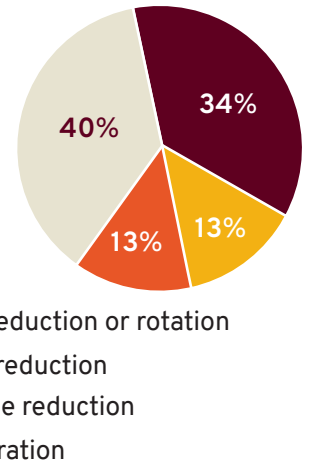
Factories that have a Business resiliency or recovery plan

- Yes
- No
- Unknown

Factories that incurred additional costs as a result of the border closures



Mitigating operational measures taken by factories



- Workforce reduction or rotation
- Production reduction
- Working time reduction
- Normal operation

▶ Local context challenges

The factories continue to demonstrate strong resilience toward labor improvement and worker well-being. A [comprehensive longitudinal analysis](#) conducted in 2023 provides valuable insights into Better Work Haiti’s compliance data and impact over time. Compiled data over 13 years shows Better Work-affiliated factories in Haiti have taken a worker-centric approach to workplace improvements, decreasing non-compliance issues in many areas including minimum wage and piece rate payment conditions. The program’s [26th compliance report](#) indicated 100% compliance related to payment methods, minimum wage payments, lower overtime payments and deductions from workers’ wages. The Better Work’s gender equality approach also helped to tackle contractual discrimination and help bridge the gender wage gap.





Program service updates

Demonstration of resilience and perseverance to delivering services to drive progress.

Advisory: Better Work Haiti (BWH) delivered regular advisory services to participating factories, but only 80% of annual visits were completed due to factory closures, socio-political unrest, and lack of orders. Better Work Haiti aimed to increase the number of factories with functioning bipartite committees, providing training to 30 out of 33 factories and conducting advanced training to some committees that had been in operation for over a year.

Assessment: In 2023, BWH completed 31 out of 33 assessment reports with two factories not assessed due to closures. The program conducted in-person, virtual, and hybrid assessments with labor inspectors of Ministry of Social Affairs and Labor (MAST). Non-compliances in Social Security and Benefits and Chemical and Hazardous Substances remain stubbornly high. Nevertheless, advisory data show 11 new factories registration with social security institutions and 27 out of 31 provided training to workers.

Training: The BWH program offers workplace improvement training to workers, managers, and stakeholders, covering 22 essential topics like chemical management systems, emergency preparedness, and sexual harassment prevention. The program aims to strengthen stakeholders' knowledge in core workplace-relationship matters, such as management, effective communication, and problem-solving. The data snapshot shows continued efforts in educating stakeholders towards safe and efficient workplaces.

BWH core services delivery overview

Data from October 2023 to March 2024					
Type	Advisory	Assessment	Training		Industry seminar
In person	129	11 jointly with labor inspectors	5 sessions 187 participants W: 77 M: 110		2
Virtual	86	2	10 sessions 318 participants W: 308 M: 371		6

Despite the challenges faced by the country and industry in 2023, the Better Work Haiti Program demonstrated strong adaptability to overcoming changing challenges to deliver services for continued progress. The program's data shows that significant efforts for service delivery driving improvements in areas crucial to employees' health, welfare, and wage structure.

Training services summary

14 key topics covered

26 factories participated

29 stakeholders' representatives

15 unique sessions with 6 in person, 9 virtual

2 in-factory trainings
12 industry seminars
1 stakeholders workshop

866 total participants
385 women, 481 men

Training activities conducted Oct. 2023 – March 2024

Topics covered	# of Factories	Women	Men	Total
Problem solving	2	9	23	32
Human Trafficking and Forced Labor	1	18	50	68
PNCs & Management System	2	12	17	29
Awareness on Convention 190 & Recommendation 206	8	8	32	40
Grievance Policy on Violence and Harassment	11	19	52	71
Intercultural Communication	7	7	18	25
Leadership Skills	17	15	36	51
Effective Communication	1	30	14	44
Intro. to Workers Rights & Responsibilities	18	106	76	182
Intro. to Gender-Based Violence	1	8	6	14
Sexual Harassment Awareness and Prevention for middle management	9	34	40	74
Sexual Harassment Awareness and Prevention for supervisors	7	26	30	56
Sexual Harassment Awareness and Prevention for workers	8	75	34	109
Supervisory Skills (SST)	8	18	53	71



Special stakeholders' discussion highlights serious industry concerns

In response to the challenging circumstances faced locally, the Project Advisory Committee orchestrated a distinctive gathering involving stakeholders in the garment industry on 12 April 2024.

The primary objective of this

meeting was to share business updates and work together on strategies and solutions to tackle the ongoing crisis. Two representatives from the employers' association voiced substantial concerns during the meeting regarding the adverse

effects of this recurring situation on both the industry and the country's reputation in the view of international buyers and partners. Even though factories in the Northeast could continue business operations, they are also affected because the primary Government services and the economic life are concentrated in the West of the country. To cope with the situation, some factories try to adapt with rotation and production reductions within the legal means that still affect workers incomes and put their jobs at risk, as the cost of living increases. The stakeholders shared the urgency for the government to take prompt and concrete actions to restore the safe environment conducive to the resumption of the business life.



A sectoral improvement plan reaffirms tripartite engagement

The members of the Technical Assistance Improvement and Compliance Needs Assessment and Remediation ([TACNAR](#)) program’s Project Advisory Committee (PAC) developed a sectoral improvement plan outlining the key recommendations for the garment sector to mitigate the impact of the frequent local crises on the sector. This document combines ideas and solutions to address priorities, concerns, and key perspectives for the sustainability and growth of the industry. The Labor Ombudsperson joined by representatives of the employers and workers reaffirmed the tripartite commitment with this document to the Prime Minister, Dr. Ariel Henry along with the Minister of Social Affairs and Labor, and the Director General of ONA.

Key points to address outlined in the document include:

- ▶ Strengthen the social

protection floor to contribute to worker resilience

- ▶ Take necessary steps to restore investor confidence
- ▶ Ensure the updating of the staff of the special labor court and the peace courts in the labor jurisdiction
- ▶ Support a set of training programs to reinforce stakeholders’ knowledge
- ▶ Focus on proximity in offering on-site services to stakeholders

The document was validated by the Prime Minister’s Office. *“The recommendations of the PAC would make it possible to work on a plan to progress collectively by sharing the responsibility of each entity”*, affirms the Prime Minister. According to him, social dialogue, as a cornerstone of development, is essential and this meeting is an accelerator of decisions.

Compliance trends unfold a complex OSH culture in garment factories

A compliance trends analysis of factories with at least nine years of consecutive enrollment in Better Work from 2009-2022 revealed persistent non-compliance in areas such as occupational safety and health (OSH). The OSH cluster had the highest non-compliance rates in the industry. An online survey was conducted in April 2023 to understand the status of OSH committees and identify the root cause of these issues. However, the results were inconsistent, limiting the program’s ability to develop new guidelines. The survey has been reviewed to address deeper concerns and will be conducted again. The program collaborated with an OSH specialist from Better Work Nicaragua to conduct an industry seminar for individuals responsible for OSH management systems within CODEVI factories, focusing on addressing persistent non-compliance issues identified during assessments.

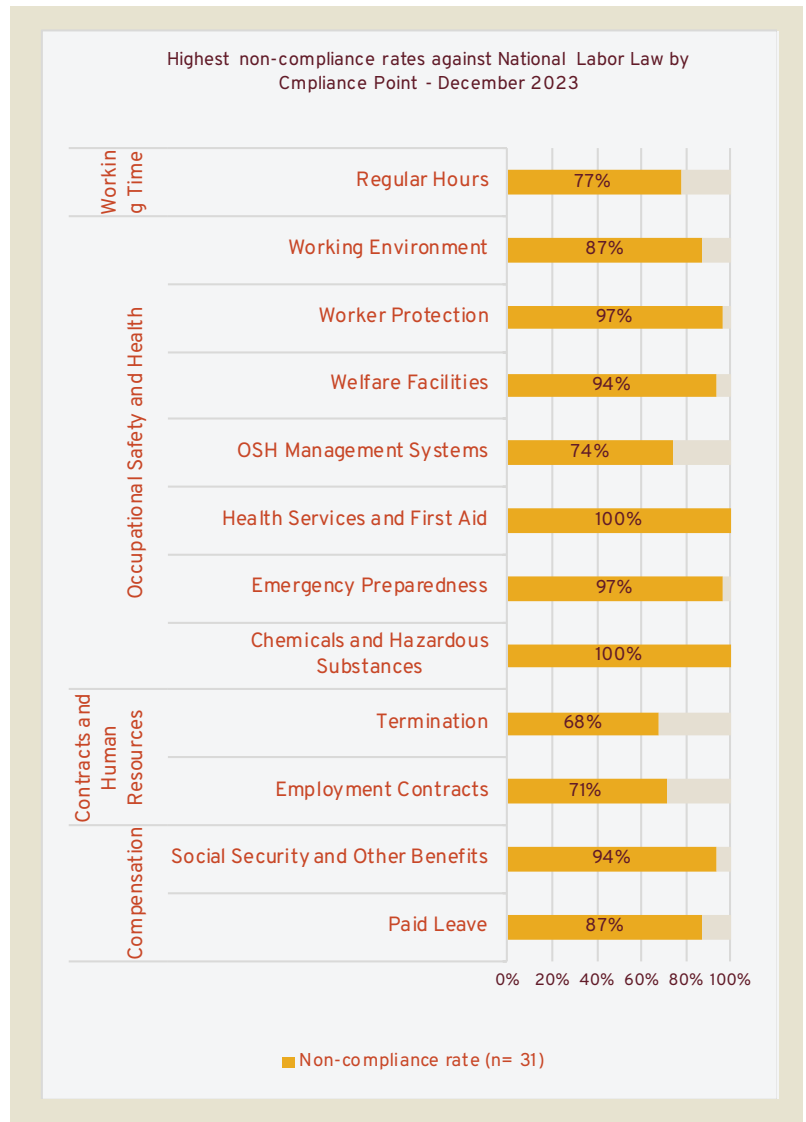


Compliance trends indicate the necessity of reinforcing ownership to maintain improvements.

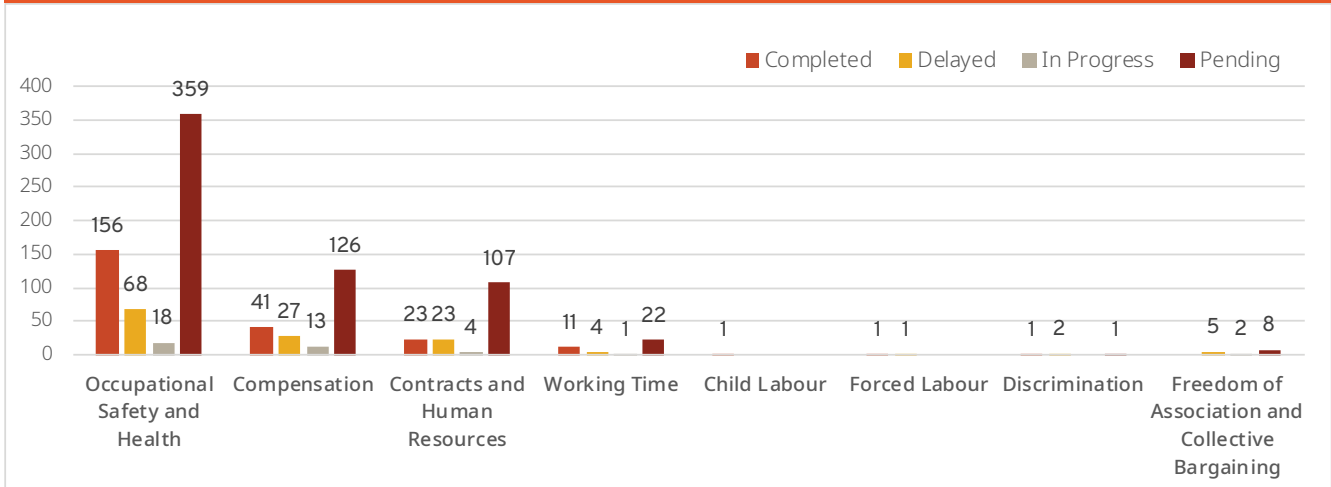
The latest compliance data show that factories struggle to ensure consistent compliance with labor regulations. Some of the past improvements with Interational Labor Standards (ILS) regressed a bit with ten factories failing to comply with at least one of the questions related to Core Labor Standards, including discrimination, freedom of association, and forced labor. These findings were investigated, and recommendations were provided. Some factories took corrective action.

The Occupational Safety and Health (OSH) cluster had the highest non-compliance rates, few improvements were noticed in OSH Management (-3%) Systems, Welfare Facilities (-4%), and Worker Accommodation (0%) but other areas like Emergency preparedness and Chemicals and Hazardous Substances were the most problematic. Factories failed to label chemical products properly (84%), ensure the availability of chemical safety data sheets (83%), and make sufficient efforts to manage inventory (87%).

BWH will continue to leverage advisory and the bipartite-committee to develop tailored factory roadmaps to tackle individual issues as well as tools, guidelines and workshops to drive and sustain progress in commonly recurring and problematic non-compliances.



Overview of active Factories' Improvement Plans by status in December 2023



Empowering Compliance: labor law training for factory managers

Better Work Haiti and the Ministry of Social Affairs and Labor have conducted a special Haitian labor law training for foreign managers in 10 factories at CODEVI - focusing on the garment sector. The two-day training covers key topics such as contracts, working hours, and payments, as well as recent decrees and their implications for garment businesses. The training aims to provide insights into legal requirements and advice on effective application. Better Work Haiti's data reveals that misunderstandings about legal requirements - lack of knowledge by factory staff, and bad practices are among the leading causes of non-compliance issues. A practical



guide developed by the program in collaboration with MAST is a useful tool for employers, workers, international buyers, and other stakeholders to better understand the rights and responsibilities set out in Haitian labor law. The training is particularly popular among participants and non-

participants in the garment and non-garment industries. The Haitian legislation has undergone several alterations in recent years; however, the national context delays the adequate revision of the labor code, compulsory for updating the guide.

New gender-based policy model promotes workplace equality and safety



In November 2023, Better Work Haiti organized a workshop to introduce a new Gender-Based Violence and Harassment (GBVH) policy model. The aim was to help HR staff and compliance personnel understand the GBVH Grievance Policy. The workshop included a thorough review of the policy model and interactive discussions on implementation strategies. The primary goal was to equip participants to draft their Grievance Policy on Gender-Based Violence and Harassment in the workplace. The workshop saw active participation from 71 individuals, including 19 women.

Intercultural Communication to bridging diversity gaps



Better Work Haiti conducted a webinar on Intercultural Communication for administrative and managerial staff, focusing on leadership skills and intercultural communication abilities for effective management in diverse workplaces. Topics covered included leadership principles, communication strategies, conflict resolution techniques, team-building, and cross-cultural communication proficiency. The webinar also highlighted the importance of constructive dialogue between managers and workers for fostering an effective communication culture and good industrial relations practices.

Enhancing Capacity and Advocacy: A special collaboration to tackle human trafficking, forced labor, and workplace violence

Better Work Haiti, in partnership with ILO Norms and the Ministry of Social Affairs and Labor, organized a comprehensive two-day training program. The training aimed to enhance the capabilities of labor inspectors, conciliators, and magistrates of the Special Labor tribunal in identifying and addressing human trafficking and forced labor. The sessions specifically focused on recognizing the detrimental impact of human



trafficking on decent work, as well as fostering a deep understanding of Haiti's national labor legislation and the ILO conventions it has ratified.

This initiative drew the participation of 68 attendees, including 18 women, representing a diverse range of stakeholders such as the Ministry of Social Affairs and Labor, judicial officers,

private sector representatives, unions, and government entities. Furthermore, this collaboration extended to include another workshop centered on C190 and R206. The primary goal of this workshop was to raise awareness among stakeholders about the convention and its recommendations, equipping them with the knowledge and

tools necessary to advocate for its ratification. The workshop facilitated discussions on the advancements, obstacles, lessons learned, and best practices in preventing and addressing workplace violence and harassment, with a specific emphasis on gender-based violence and harassment.

BWH joins the #NoExcuse campaign to awareness-raising of women's rights in Haiti's Garment Industry



The 2023 [UN Women's 16 Days of Activism](#) #NoExcuse Campaign stressed the significance of strong legal frameworks and the enforcement of laws to combat violence against women. Given that 63% of Haiti's garment sector workforce is comprised of women, it's vital to raise awareness and rally stakeholders to prevent gender-based violence and

foster a workplace that upholds women's rights. Better Work shared essential information with stakeholders and conducted a webinar on ILO Convention 190/R206, equipping them with the necessary [knowledge and resources](#) to advocate for the inclusion of C190 and R206 in the revision of Haiti's labor laws.

Forecasts 2024: Key lessons learned during this period



Context and implementing environment

To cope with the complex local context, Better Work Haiti aims to revive Haiti's garment industry by transforming challenges into business opportunities. It empowers stakeholders to seize emerging opportunities, address risks, and develop pragmatic solutions. The program emphasizes ongoing dialogues between stakeholders on the program's outlook, industry priorities, and development needs.



Project Strategy and Design: Leveraging key partners engagement to address persistent challenges

Despite progress in improving compliance in the garment industry, Better Work continues to observe relatively high non-compliance spikes on persistent issues. In this context, the support and commitment of local authorities and global brands can be instrumental in driving greater ownership and active engagement from a supplier perspective to tackle issues to enhance compliance levels in the country's garment sector.



Cultivating Trust and Commitment: The Path to Sustainable Reform in Haiti's Garment Sector

The tripartite partners' sustained ownership is crucial for lasting change in Haiti's garment industry, which has been plagued by weak labor compliance. Cultivating trust and mindset shift requires substantial time and efforts. To ensure meaningful and sustainable impact, ambitious interventions in Haiti's complex context require long-term processes and implementation agenda.

Forecasts 2024: Priorities to foster sustainable impact

Gender Equality & Inclusion

We aim to uphold the representation of women workers in factories' committees, trade unions, union federations, employer organizations, and in collective bargaining processes.

Social Protection

We plan to reinforce collaboration with social security bodies (ONA – OFATMA) in information sharing and joint activities to improve services. We will also provide guidance, tools and technique to supplier to improve compliance with Social Security and Other Benefits.

Data and Evidence

We will explore new or revamped methods to publicize data bringing better visibility to results, improve compliance understanding and influence better decision-making.



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ABOUT BETTER WORK

Better Work – a collaboration between the United Nation’s International Labor Organization (ILO) and the International Finance Corporation (IFC), a member of the World Bank Group - brings together all levels of the garment industry to improve working conditions and boost the competitiveness of apparel businesses.

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