

FAIR WEAR FOUNDATION

ANNUAL REPORT 2018



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REPORT OF THE BOARD



PREFACE

2018 marked another year of growth for Fair Wear Foundation (FWF), with the addition of many new faces and roles to the team. Most notably, Alexander Kohnstamm became the organisation's new executive director. With a background in both international business and the development sector, Alexander brings great experience and enthusiasm in forging innovative partnerships and in helping the private sector measure and improve its impact on the lives of workers. With its growing team, FWF is expanding its role as a thought leader in collecting and spreading evidence on sustainable solutions in the garment industry.

This extra capacity has had a positive effect on external relations. Among other things, FWF was able to engage more with stakeholders and actively participated in several important events. And as part of the MSI Emergency Response Group, FWF conducted advocacy efforts aimed at a range of issues, from freedom of association in Cambodia to the importance of upholding the Bangladesh Accord. Work with member brands also benefited greatly from the expansion. Practical expertise in key CSR areas was strengthened and provided to members through various means, including the new Member Hub.

This past year was also productive for FWF's ongoing contribution to the Strategic Partnership for Garment Supply Chain Transformation. Joint activities included a lobby week and a trip to Indonesia to strengthen the partners' collaboration and align activities. The partners have also been working to influence the upcoming debate for the proposed ILO Convention on 'Ending violence and harassment against women and men in the world of work'.

FWF continues to develop and share its expertise on the Partnership's three thematic pillars: living wage, gender-based violence, and social dialogue. Beyond lobbying for the ILO Convention, FWF also focused on putting ideas from the 2017 Gender Forum into action in production countries. Meanwhile, emphasis on social dialogue is becoming increasingly important. FWF joined two major social dialogue projects last year, one in connection with the OECD and the other with Cornell University. On living wage, FWF launched a project with ASN Bank to encourage investors to work toward living wage with the garment companies in their portfolios. FWF introduced its Labour Minute Value Calculator, a living wage tool for Bangladesh that has since been modified for use in other countries.

FWF's activities with its member brands continue to be at the heart of the organisation's work. In 2018, six new companies joined, and 30 members achieved FWF leader status, so we can be proud of the progress members are making, both in terms of monitoring their supply chains, but also in engaging in pilot projects and testing new solutions. To support brand accountability and access to remedy for workers, the FWF Board has approved a new 'Transparency Policy', which will be rolled out in 2019.

The increasing global push for brand transparency reminds us that times are changing, and the moment for concrete action in the garment industry is now. With a positive year of growth behind us and ambitious goals for 2019, FWF is well positioned to help lead the industry toward a new, fairer way of making garments.

Mark Held

Chair of the Board Fair Wear Foundation



INTRODUCTION TO FAIR WEAR FOUNDATION

Fair Wear Foundation (FWF) was founded in 1999 as an independent, not-for-profit multi-stakeholder foundation in Amsterdam, the Netherlands. Recognising the need for an organisation to guide brands in the process of achieving sustainable and replicable improvements in the garment industry, NGOs joined with trade unions and business associations to create FWF.

The FWF approach is based on the idea that companies have a significant influence on factory conditions; therefore, improvements can only be achieved through cooperation between brands and their suppliers. Without considering the broader context and finding lasting solutions at both factory and brand levels, problems such as forced overtime and workplace conflict are likely to recur in supply chains.

In 2018, six new companies joined FWF and two members were terminated, bringing the total number of members to 79. FWF's member companies represent 132 brands, based in 10 European countries. Their products are sold in over 20,000 retail outlets in more than 80 countries around the world. Over half (54%) of member companies' production takes place in FWF's four priority countries (1,450 factories in China, India, Turkey and Bangladesh).

In 2018, FWF focussed on eleven production countries: Bangladesh, Bulgaria, China, India, Indonesia, Myanmar, North Macedonia, Romania, Tunisia, Turkey and Vietnam. For the first time, Bulgaria, North Macedonia, and Romania were managed by a single country manager as the 'Eastern Europe' region. FWF members source from 2,702 factories, which employ 744,153 workers.¹

The core work of FWF has a significant impact on the lives of many people. The Strategic Partnership for Garment Supply Chain Transformation has the potential to effect change beyond the supply chains of FWF members and have a transformative impact on the global garment industry.

BRAND NARRATIVE In 2018, FWF updated its brand narrative:

'At Fair Wear Foundation, we know there's a better way to make clothes. A fairer way.

We want to see a world where the garment industry supports workers in achieving their rights to safe, dignified and properly paid employment. This is why we focus on the most labour-intensive parts of the supply chain, to find answers to problems others think are unsolvable.

We partner with brands and support workers. We take practical steps and test new solutions to show that it's possible to make clothes in a fairer way. With other industry influencers, we push towards a new normal—creating change that goes far beyond our reach.

Together, we're making fashion fair for everyone.'

MISSION AND VISION

'We want to see a world where the garment industry supports workers in realising their rights to safe, dignified, properly paid employment.'

'FWF is a movement for change. We push the garment industry towards the new normal: a world where fashion is fair for the people who make our clothes.'

¹ These numbers represent the database as of 29 April 2019.



ORGANISATION AND BOARD

The highest decision-making body of FWF is the board, which is made up of the Chair and eight stakeholders from four categories, each with equal voting rights: the garment retailers' sector, the garment suppliers' sector, trade unions and NGOs. The multi-stakeholder approach brings together these key stakeholders to discuss policy issues and define FWF strategy. This also helps improve equality between the different stakeholders and promotes transparency. The Board sets general policy and is responsible for the work carried out by the Committee of Experts (CoE) and the staff. The CoE is composed of the same four categories as the Board. The representatives from these organisations are experts in the fields of garment production, trade, labour law, and social development. The CoE advises the Board on matters related to the problems and challenges of sustainable development. This forms the basis for FWF policies.

In February 2018, Alexander Kohnstamm joined FWF as the new executive director. In May, Anita Normark resigned as chair and board member. From then on, Mark Held acted as chair. Roel Rotshuizen also left the FWF Board at this time. Most FWF operations continue to be carried out at the head office in Amsterdam and through FWF-trained teams in production countries.

BOARD

Chairperson	Anita Normark (until May) Mark Held (acting Chair from May)	
Business associations— apparel companies and retailers	Patric Hanselman Femke den Hartog Mark Held	MODINT InRetail EOG
Trade unions	Catelene Passchier Roel Rotshuizen (until May)	FNV CNV Vakmensen
Non-governmental organisations (NGOs)	Miges Baumann Evert de Boer	Brot für Alle CCC

COMMITTEE OF EXPERTS

Employers' organisation for the garment retail sector	Dirk Vinken	FGHS
	Jeroen van Dijken (started in October)	VGT
Employers' organisation for the garment suppliers	Nienke Steen	MODINT
Trade unions	Jacob Plat Karen Bouwsma Eric Van den Heede	FNV Bondgenoten CNV Internationaal Belgian unions, CCC Belgium and Wereldsolidariteit
Non-governmental organisations (NGOs)	Christa de Bruin	CCC



NEW AND TERMINATED MEMBERSHIPS

New members

- Biscana
- DAWN GmbH
- ECG NV
- Katharine Hamnett Store Ltd
- NEUE MASCHE
- Suistudio

Terminated members

- Van Lier Shoes B.V.
- Clinic & Job Dress GMBH



FAIR WEAR APPROACH



SUPPLY CHAIN APPROACH

Traditional approaches to improving working conditions tend to focus mainly on factories. In contrast, FWF's approach is based on the idea that the management systems of clothing brands have a significant influence on factory conditions, even if they do not directly employ factory workers. Unless the broader context is also considered, and solutions are sought at both manufacturer and buyer levels, problems such as forced overtime and workplace conflicts are unlikely to find lasting solutions.

FWF uses a combination of in-depth factory audits, Brand Performance Checks and a worker complaints helpline to assess the performance of each brand across its supply chain. Only shared efforts by companies and factories will result in sustainable improvements.

FWF's continued work on the efforts of its member companies and the factories from which they source provides FWF and its partners with insight into garment supply chains and creates a critical body of evidence.

FWF believes that to transform the garment industry—so moving beyond FWF member brands and their suppliers to effect change for all garment workers—there needs to be verifiable data on what works and what does not. FWF is in a unique position to create such evidence and, through the Strategic Partnership, disseminate this. The knowledge FWF generates and accumulates can be proliferated across the industry, leading to positive changes throughout. Awareness and behavioural change must happen at different levels to sustainably improve working conditions in garment supply chains.

BRAND PERFORMANCE CHECKS

Conducted annually at all FWF member companies, the Brand Performance Check is the most important element of FWF's unique 'shared responsibility' approach to social compliance in the global garment sector. During a performance check, FWF investigates the level of integration of social compliance into the core business practices of each of its member companies. Issues such as purchasing practices, companies' efforts to monitor, remediate, as well as communicate and report problems related to working conditions at factories, are covered and scored according to a transparent scoring methodology.

In 2018, FWF conducted 70 Brand Performance Checks at its member companies. In 2018, 30 members were awarded *leader* status; 32 members were given *good status*, and eight members were given the status *needs improvement*. In 2018, one member company did not meet the membership requirements, so no Brand Performance Check took place and the member was *suspended*. The performance check reports are publicly available on the FWF website. Consumers, member companies and other stakeholders continue to show a growing interest in these reports and hold member companies accountable for their performance, good or bad. This year, FWF also shared Brand Performance Check results across its social media channels.

FACTORY AUDITS

Factory audits are conducted to monitor a brand's supply chain. The purpose of these audits is to determine how the FWF member company monitors its supply chain and how well factories comply with FWF's eight labour standards. For manufacturers, audits are part of a process leading to workplace improvements; for FWF members, factory audits serve as an indication of their performance in upholding their FWF commitments.



The requirements and recommendations of the audit team form the basis for a Corrective Action Plan (CAP), which should contain realistic, effective and measurable plans for improvement, with a clear timeframe.

FWF auditors conducted 218 audits in 2018. Of these, 78 were verification audits, paid by FWF, which are a component of FWF's assessment of member performance. The remaining 140 were monitoring audits commissioned by FWF member companies, which used FWF auditors as part of their monitoring system. Five monitoring audits were also conducted outside countries where FWF is active.

COMPLAINTS MECHANISM

FWF's complaints procedure is designed to protect workers and enable them to express grievances about their working conditions and the way the FWF Code of Labour Practices is implemented in the factories where they work. The complaints mechanism can also be used by suppliers to express grievances about the way FWF member companies conduct their business or by NGOs who may file a complaint about the labour situation in factories.

Complaints filed by workers or their representatives against their employer should be handled primarily within the company. In the framework of its labour standard 'freedom of association and collective bargaining', FWF requires that internal communication and consultation channels between employees and brand management include a procedure for handling complaints. Only when the internal procedure does not exist or does not function effectively, can workers or their representatives use the FWF procedure. Currently, FWF provides free worker helplines in the eleven production countries where it is active.

Every year, hundreds of calls are made to the FWF complaints helpline. These include requests for information and other contents that does not include actual grievances. Many of the grievance calls are resolved over the phone by the complaint handler, who provides advice and suggests ways of remediating the situation internally. In other cases, the caller was referred to a third-party who can assist in resolving the issue.

In 2018, of the 184 calls accepted by the helpline, 165 resulted in the filing of a formal complaint. The complaints originated in nine of the active countries. These 165 complaints calls include FWF-handled and internally-handled complaints, both admissible and not admissible cases.

When a factory worker, manager, local trade union member or NGO representative files a complaint, FWF informs the member(s) sourcing from the factory in question and investigates the complaint. Once a complaint is found to be grounded, the member plays an active role in remediating the complaint. A final report is published online once the entire procedure is closed and the verification process has been concluded.



TRAINING AND CAPACITY BUILDING

In recent years, FWF has increased its focus on programmes and projects that have a preventative aspect, while also having a sustainable and replicable impact on the industry.

The FWF Workplace Education Programme (WEP) is a training programme that addresses structural issues in global garment supply chains. FWF has developed three training modules to train workers and management, equipping them with the necessary tools to engage in constructive dialogue about problems and find adequate solutions.

In garment factories, poor communication and a lack of awareness about workplace standards lie at the core of many problems. Even simple issues may go unaddressed, leading to worker dissatisfaction and low worker retention rates. As a result, many factories are caught in an endless, costly cycle of recruitment, training and resignations. FWF's WEP training programmes aim to guide companies beyond auditing and corrective action, towards collaborative workplaces where issues are raised and resolved through open communication. The training programmes provide workers and managers with the tools they need to talk about problems and resolve disputes. FWF provides both general and country-specific training programmes, as well as modules focusing on issues like gender-based violence that address specific needs and vary from country to country.

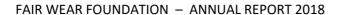
WEP BASIC

The WEP Basic module introduces FWF's Code of Labour Practices and complaints helpline. It is designed to help brands and factories take their first steps toward workplace awareness and grievance mechanisms and fulfil their basic responsibility to inform workers about their rights and access to complains mechanisms. Management, supervisors and workers are trained in separate, two-hour sessions. To meet the Brand Performance Check requirements, at least 10% of production workers must receive training. Depending on the size of the factory, this may mean that several worker training sessions will be needed. The module is available in Bulgaria, China, Indonesia, Macedonia, Myanmar, Romania, Tunisia, Turkey and Vietnam. FWF also began offering an amended version of this module in parts of India. In 2018, FWF carried out 57 training sessions in six countries. In total, 4,255 people were trained. The largest number of trainings took place in China and Vietnam.

WEP VIOLENCE AND HARASSMENT PREVENTION PROGRAMME

The WEP Violence and Harassment Prevention Programme, which FWF runs in both Bangladesh and India, entered its sixth year. The programme trains workers, supervisors and management on combating gender-based violence and harassment and assists them in creating and sustaining workplace harassment committees (WHC). Management, supervisors and workers are trained in separate sessions. An additional session is designed for members of elected WHC. After the initial WHC training, FWF attends the follow-up training sessions with factories for approximately 18 months to ensure that the WHCs are functional. In 2018, four new factories joined the programme in India and Bangladesh.

In addition, in Bangladesh, FWF trainers were involved in a pilot project in which local trainers are trained on FWF methodology to learn how to replicate the FWF WEP Violence and Harassment Prevention Programme beyond FWF member brand supply chains. They participated in eight trainings with one project and four with the SNV project.





WEP COMMUNICATION MODULE

The new WEP Communication module focuses on improving worker-management interaction by developing communication skills, with an emphasis on collaborative problem-solving. Workers learn how to voice their concerns in a constructive way, and how to represent the concerns of their colleagues when meeting with factory management to discuss general concerns. Factory management will be trained on how to deal with workers' concerns in a positive way. The training includes separate sessions for management and workers, but also includes sessions where management and workers together discuss work floor issues.

The initial idea was to pilot the WEP Communication module in China in 2017. FWF made an agreement with Brot für Alle about this and received financial support. However, due to the political situation in China, FWF had to postpone implementation there. FWF and BfA therefore agreed to extend the project until September 2019 and expand it to Vietnam, Myanmar and Indonesia in a cofunding structure with the Dutch Ministry of Foreign Affairs. The project will therefore cover China, Myanmar, Indonesia and Vietnam for the duration from 2017 to September 2019.

STRATEGIC PARTNERSHIP

FWF has been lead partner in the five-year Strategic Partnership for Garment Supply Chain Transformation (SP) since 2016. The Partnership brings together FWF, Dutch trade unions CNV Internationaal and Mondiaal FNV, and the Dutch Ministry of Foreign Affairs. The SP is part of the Dutch Ministry of Foreign Affairs' 'Dialogue and Dissent' framework for 2016 to 2020. The SP's joint programme aims to improve corporate and government policies regarding human rights compliance in garment supply chains in eight countries: Bangladesh, Cambodia, Ethiopia, India, Indonesia, Myanmar, Pakistan and Vietnam. The SP intends to demonstrate that improvements in living wages, gender equality and heightened social dialogue are possible in the cut, make, and trim segment of the supply chain.

The SP partners organised several joint activities in 2018. The objective of the 'Lobby Week' in February was to strengthen staff's capacity on *how* to plan, organise and implement lobby and advocacy efforts. Additionally, the week was meant to align efforts at the national and the international level. During this week, participants raised the need for more in-country support in understanding the Strategic Partnership and its results framework. Therefore, the partners held follow-up workshops to align the country plans with the SP results framework. Finally, the SP organised a joint trip to Indonesia to further strengthen the collaboration between FWF and the two trade unions.

As a result, the partners cooperated actively on the lobby goals. For example, local partners of the SP have been engaging in lobbying efforts to get gender-based violence included in their national labour law. As a result of awareness-raising by SP partners, the parliament in Myanmar is including references to women's needs in its new occupational health and safety legislation. In Bangladesh, the Gender Platform is a network of organisations (including seven partners of FWF and FNV) tasked with addressing local gender-related issues. The Gender Platform has been lobbying to get gender-based violence incorporated into national legislation. And also in the Netherlands, the SP partners have tried to influence various stakeholders to push for a strong ILO standard on this issue. The members of the International Labour Organization will vote on a standard to end violence and harassment in the workplace in June 2019.

To widely share the SP's impact, FWF developed 10 'Stories of Change' in 2018 that highlight the complexity of creating change. The successes described in the stories are varied in nature: one story speaks about negotiations that led to a 33% wage increase, others about the reinstatement of terminated workers, of women gaining confidence and agency, and of factory owners realising the importance of



social dialogue. All these stories will be shared throughout 2019. However, the story on strengthening the capacity of women workers in Ethiopia is already available here.

In 2018, the SP partners also continued their efforts in addressing the three thematic pillars of the SP: living wage, social dialogue, and gender-based violence.

LIVING WAGE

LIVING WAGE INCUBATOR

To support FWF members in their various living wage efforts—and to learn from them as they develop—FWF created its Living Wage Incubator. This is a safe space where select FWF member brands at different stages of the living wage process develop and execute projects to raise wages in garment facilities, supporting local systems for social dialogue along the way. Brands implement incubator projects in partnership with management and workers at the brands' selected production facilities. Through the Living Wage Incubator, brands can access additional support from FWF experts and the cumulative knowledge of the incubator participants. The FWF Living Wage Incubator has been underway since January 2017, and fifteen brands have been participating from the beginning. In 2018, one more FWF member joined. FWF also had two brands leave the Incubator because of a lack of time. The Incubator brands met in February, July and November to discuss their progress.

PARTNERSHIP WITH ASN BANK

In 2018, FWF started a partnership with ASN Bank focused on living wages. Through this partnership, FWF has the chance to help define the role investors can play in promoting a living wage. Together, ASN and FWF can develop a set of tools investors can use to better assess the performance of clothing brands and to promote progress towards living wages. Over the past years, different FWF members have implemented projects to increase wages at their suppliers. This partnership with ASN Bank enables FWF to share the lessons from its members with larger companies, contributing to change in the garment industry. In September 2018, FWF joined ASN Bank during the launch of the Platform for Living Wage Financials.

PUBLICATIONS

In November 2018, following the increase of the legal minimum wage in Bangladesh, FWF published its first Labour Minute Value Calculator. This tool allows suppliers and buyers to determine the cost of one minute of labour in a factory and to determine the additional cost related to the legal minimum wage increase and a potential living wage.

FWF also launched two other publications on living wage in November. 'Using Due Diligence in Labour Costing to Meet Wage Compliance' outlines the process brands and factories can take to meet their due diligence requirements. The other publication is a discussion paper ('Productivity: The Key to Funding Living Wages?') designed to explore the relationship between productivity, efficiency and living wages, and to locate productivity and efficiency gains within the larger universe of options for funding living wages.

ACTIVITIES IN PRODUCTION COUNTRIES





In October, the FWF team visited Bangladesh and Myanmar to conduct workshops with managers of factories supplying FWF member brands and trade unionists and labour support organisations to promote the costing methodology and costing sheets that FWF has developed. These tools make it possible for manufacturers and buyers to isolate the labour component of production costs.

In December, FWF organised supplier seminars on living wage in Vietnam and Turkey, where the initial versions of the country-specific Labour Minute Value Calculators were introduced. These will be distributed in 2019.

SOCIAL DIALOGUE

FWF believes that effective social dialogue is key to ensuring sustainable improvements in the garment industry. FWF follows the ILO definition of social dialogue, which includes 'all types of negotiation, consultation or simple exchange of information between, or among, representatives of governments, employers and workers, on issues of common interest relating to economic and social policy.' For impactful social dialogue to take place, the fundamental rights of freedom of association and collective bargaining must be respected. Ensuring these rights is one of the eight standards in FWF's Code of Labour Practices that brands commit to when joining FWF.

In 2018, FWF continued to focus on creating an 'enabling environment' for social dialogue, both at the national and international level. FWF recognises that the environment surrounding the social partners who engage in social dialogue (workers and employers) has a strong impact on their ability to have productive and impactful dialogue. Brands, governments, as well as management and workers themselves, are often missing the practical tools for supporting and engaging in social dialogue. Therefore, FWF focuses on identifying and providing solutions to barriers of social dialogue at various levels across the supply chain.

In 2018, FWF, along with SP partners CNV Internationaal and Mondiaal FNV, entered into a partnership with the New Conversations Project, a division of Cornell University. The three-year project focuses on identifying the main barriers to impactful social dialogue in garment supply chains and proposing innovative solutions for testing. The goal is to have new solutions for the root causes of ineffective social dialogue. The project will involve stakeholders across the supply chain, including union and labour leaders, global brands, suppliers and workers. In May, labour thinkers convened for the first time in Breda, resulting in a fruitful day of open discussion and proposed barriers and interventions to explore. This past year, multi-stakeholder fact-finding missions to Indonesia, Bangladesh and Cambodia also occurred, with the purpose of exploring current structures and barriers. Global brands, NGOs, and MSIs were engaged bilaterally and committed to participate in this project. The project will continue until 2020.

To ensure an enabling environment for social dialogue, governments must make sure that workers' and employers' human and legal rights are respected. Clear violations to these rights continued in Cambodia in 2018, and as such, FWF sent a letter to the Cambodian government alongside five other MSIs, calling for improvements to the current laws around unionisation and grievance procedures. The letter resulted in some media attention and a response from the government; however, there has been little change on the ground. In addition to the governments of production countries, the influence of foreign governments can also impact the environment for social dialogue. As such, FWF, CNV and FNV lobbied embassies in garment-producing countries to include freedom of association and social dialogue as focal issues in their multi-year plans. The partners wrote joint letters and held follow-up meetings with the embassies.

Engaging with and sharing knowledge on social dialogue with other stakeholders is a key strategy for FWF. In 2018, FWF also joined the Global Deal, a network to encourage governments, businesses,



unions and others to commit to enhancing social dialogue. This OECD-sponsored network of over 100 partners provides an opportunity to enhance knowledge and share ideas of how improved social dialogue can be realised. FWF will continue to participate in convenings and share lessons from its work with this network.

Perhaps most importantly, FWF is continuing to engage with and support its brands to take up their role in ensuring impactful social dialogue. FWF organised a session on social dialogue at the 2018 Member Day, co-led by CNV. This workshop included a checklist for brands on how to take steps to ensure social dialogue in their supply chains, and a discussion on key challenges and questions. This work will continue in 2019 with the development of extra guidance for FWF brands.

In addition to these new projects, FWF continued to run its Workplace Education Programme. The WEP Communication Module, which specifically focuses on worker-management dialogue, was piloted in three countries and is being revised based on the results. FWF's complaints helpline continues to function as a grievance mechanism and a starting point for workers to engage in social dialogue at the factory level.

GENDER-BASED VIOLENCE

In 2018, FWF focussed on realising the country-specific action plans developed at the 2017 Gender Forum, and on supporting FWF partners in their lobby and advocacy goals for the proposed ILO standard on violence and harassment against women and men in the world of work. FWF also published several reports, sharing these with stakeholders, businesses and labour professionals, and provided specific evidence for follow-up trainings and lobby and advocacy activities.

GENDER FORUM FOLLOW-UP

In 2017, FWF and the SP partners, in collaboration with the International Training Centre of the International Labour Organisation (ITCILO), hosted a Gender Forum for participants (non-governmental organisations, trade unions, private sector companies and government) from Southeast Asia to address gender-based violence in the garment industry. The participants exchanged ideas and worked to develop concrete plans to combat sexual harassment and violence in garment factories and to generally foster a decent work environment in the industry. At the end of the Gender Forum, the delegates teamed up to prepare country-specific action plans, pledging to undertake specific actions to tackle gender discrimination and abuse in their respective garment industries.

In 2018, FWF supported the local teams from Bangladesh, India, Indonesia, Myanmar and Vietnam in realising their plans. For example, the local teams in Bangladesh, India and Indonesia, together with local civil society organisations focussed on labour and gender issues, formed gender platforms to discuss working conditions for women workers.

Because of the Gender Forum, the Ministry of Labour and Employment (MOLE) in Bangladesh initiated a meeting with local partners and decided to set up a working committee to monitor the implementation of the Supreme Court directive, based on suggestions raised by local partners. During the meeting with MOLE, a decision was made to finalise the draft law on 'Prevention of Sexual Harassment in the Workplace'. The Bangladesh Gender Platform worked together to create the draft law. In 2018, they submitted it to the relevant ministries.



The Myanmar team engaged in broader consultations to include additional stakeholders such as the Ministry of Social Welfare, Rehabilitation and Resettlement, which oversees the bill on the 'Prevention of Violence against Women'. They joined consultation workshops organised by CARE Myanmar that involved trade unions, brands, international and local organisations. Together, the two organisations hosted a seminar for factories, local organisations, trade unions, brands and international organisations to raise awareness of gender-based violence in the workplace. In September, the Myanmar team, together with members of parliament, the Ministry of Labour, the Myanmar Garment Exporters Association and local trade unions, visited India to study how Indian legislation addresses gender-based violence.

In the autumn, one year after the Gender Forum, FWF published a report that revisits the issues discussed and the solutions outlined by the participants of the Forum. It also looks at what has changed since the Forum, charting the progress achieved and the obstacles encountered by country teams in the past year.

WEP: Violence and Harassment Prevention Programme

In 2018, the FWF WEP Violence and Harassment Prevention Programme entered its sixth year. The programme has trained approximately 5,120 workers, as well as 2,300 supervisors and 310 members of factory management. The programme, which is currently run in both Bangladesh and India, has also set up 76 workplace harassment committees. These committees hear grievances from workers who have experienced or witnessed violence or harassment and work with factory management to ensure that the cases are resolved appropriately.

As part of the SP, FWF published programme results in a report called 'Breaking the Silence', sharing this with stakeholders, businesses and labour professionals and providing specific evidence for follow-up trainings, as well as lobby and advocacy activities. The publications provided evidence on how to reduce GBV in factories; notably, it identified trainings that have led to a reduction and also increased workers' awareness of their rights.

In Bangladesh, FWF has developed a spin-off pilot project. FWF trainers teach the FWF WEP Violence and Harassment Prevention Programme methodology to local trainers in order to learn how to replicate the programme beyond FWF member brand supply chains. Currently, FWF is piloting this with SNV, a Dutch organisation active in Bangladesh, and with an FWF brand sourcing from Bangladesh that employs its own training staff. The FWF trainers participated in eight training sessions in the brand project and four with the SNV project.

SAFE AND EQUAL WORKSHOP

In the fall, FWF, together with the International Training Centre of the ILO (ITCILO), gave a workshop to local stakeholders in Indonesia, Myanmar and Vietnam on how to address gender-based violence in the workplace. The Safe and Equal Workshop was created to provide training for factory auditors, complaints handlers and workplace trainers. The intention is to increase awareness on gender and increase their capacity to integrate gender in projects that are not directly aimed at eliminating gender-based discrimination and gender-based violence. The two-day course was given by the ITCILO and local FWF staff. Participants identified ways to incorporate gender issues into their daily work and discussed how tacking gender-based violence in factories requires addressing society's patriarchal attitudes.

The Safe and Equal workshop is a follow-up to the 2017 Gender Forum.



ILO STANDARD

When the ILC convened in 2018, they began a discussion about a potential new ILO instrument on violence and harassment against women and men in the world of work in a committee composed of representatives from governments, employers and worker unions. In June 2019, the ILC will meet again to decide on the final content and what form the instrument will take: a legally binding convention, a non-legally binding recommendation, or a convention supplemented by a recommendation.

In 2016, the SP identified the potential instrument as a crucial step in addressing gender-based violence in the world of work. Therefore, the International Lobby Group (consisting of members of FWF, FNV and CNV) set a lobby goal of having a '(draft) ILO standard on violence at work' adopted by 2020. As per the structure of the SP, the role of the unions was to actively lobby for a standard. FWF's role, as discussed with the partners, was to share evidence from its work on the importance of addressing gender-based violence in the world of work and on methods to do so.

In 2018, FWF commissioned gender expert Jo Morris to write the report: 'ILO submission: violence and harassment against women and men in the global garment supply chain'. It gives examples from FWF's work, and provides suggestions aimed at the ILO. The goal of the report was to provide input to the ILO for a series of papers it will be publishing in the coming years. FWF shared the ILO submission with key stakeholders across FWF's network, including the ILO directly, ILO delegates, business associations, unions and NGOs.

FWF participated in several events to lobby on SP issues, specifically the ILO standard. This includes the Mofaz Gender Module launch stakeholder meeting; a presentation of FWF's submission on violence at work during a UN Women Conference; and a joint multi-stakeholder meeting with businesses where FWF presented on the ILO standard. Additionally, FWF developed a booklet and online toolkit to increase the knowledge of brands and local teams regarding the ILO standard-setting process and the need for a new international standard.

STAKEHOLDER ENGAGEMENT

In 2018, FWF maintained and improved relationships with stakeholders. Additional capacity enabled FWF to reach out to stakeholders more frequently over the course of the year.

To increase FWF's visibility and improve awareness of the FWF approach, FWF staff participated in several public events, such as the Copenhagen Fashion Summit and panel discussions at the Sustainable Apparel and Textiles Conference, the Big Tent Convening of CCC and ICAR on transparency in the apparel sector, the Trade for Sustainable Development (T4SD) Forum and the Global Fashion Conference. Addressing a more expert, industry-focussed audience, FWF presented its work at events like the ISPO Industry Roundtable, the OECD Roundtable on Due Diligence in the Garment and Footwear Sector, several meetings and workshops with the Social and Labour Convergence Project and the Sustainable Apparel Coalition, a panel discussion at a high-level conference at the EESC on voluntary initiatives on due diligence, and the UN Forum for Business and Human Rights. Furthermore, FWF actively contributed to several work groups and workshops of the Dutch Agreement on Sustainable Garments and Textiles and the German Partnership for Sustainable Textiles and a training session on CSR and supply chains at the International Training Centre of the ILO in Turin. On living wage, FWF provided valuable input to the panel discussion during the launch of the Platform Living Wage Financials. FWF also shared knowledge to an audience outside the



sector by joining roundtables on the Dutch banking agreement ('bankenconvenant'), a stakeholder workshop on labour rights in toy supply chains and by presenting the FWF approach to initiatives from other sectors such as Rainforest Alliance.

In 2017, FWF joined the 'MSI Emergency Response Group' with ETI, FLA, SAC, SAI and WRAP to boost its ability to respond in a coordinated manner when urgent labour rights violations arise in garment-producing countries. In 2018, the number of organisations collaborating in this initiative increased with the addition of AGT and PST. After a first successful collaboration toward the Cambodian government in 2017, members of the response group joined hands again by jointly putting pressure on the Bangladesh government on the revision of the minimum wage and the need for continuation of the Bangladesh Accord.

In addition, FWF experts contributed to thematic sessions on gender, such as the Asia consultation session on applying a gender lens to the UN Guiding Principles on Business and Human Rights, and the launch of a gender module, 'Gender in Sustainable Business and Development', by the Dutch Ministry of Foreign Affairs.

On living wage, FWF experts collaborated with ASN Bank and its 'Platform Living Wage Financials' to increase the knowledge and capacity of investors to address living wage issues with textile and garment companies in their portfolios. FWF also prepared and provided workshops for brands of the AGT and PST on FWF's costing methodology. Furthermore, FWF and its SP partners participated in meetings to provide input on an ILO project funded by the Dutch Ministry of Foreign Affairs on indicators and methodologies for wage fixing.

Regarding social dialogue, FWF experts initiated the New Conversations project with Cornell University, which will research new possibilities to have a dialogue in garment supply chains. In addition, FWF experts joined an event organised by the Dutch Ministry of Foreign Affairs to discuss an ILO paper on cross-border social dialogue.

To improve alignment with key stakeholders and facilitate exchanges and shared lessons among FWF members and stakeholders, FWF organised national member and stakeholder meetings in the Netherlands, Germany, Sweden and Switzerland, as well as the International Stakeholder Meeting and Annual Conference in Amsterdam.

PROJECTS

PARTNERSHIP WITH ASN BANK

In 2018, FWF started a partnership with ASN Bank focused on living wages. Through this partnership, FWF has the chance to help define the role investors can play in promoting a living wage. Together, ASN and FWF can develop a set of tools investors can use to better assess the performance of clothing brands and to promote progress towards living wages. Over the past years, different FWF members have implemented projects to increase wages at their suppliers. This partnership with ASN Bank enables FWF to share the lessons from its members with larger companies, contributing to change in the garment industry. In September 2018, FWF joined ASN Bank during the launch of the Platform for Living Wage Financials.

BROT FÜR ALLE PROJECT

FAIR WEAR

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In 2017, FWF entered into an agreement with Brot für Alle (BfA) and received financial support to develop a training module on worker-management dialogue in China as part of its Workplace Education Programme. Due to the political situation, FWF had to postpone implementation in China. FWF and BfA therefore agreed to extend the project until September 2019 and expand it to Vietnam, Myanmar and Indonesia in a co-funding structure with the Dutch Ministry of Foreign Affairs.

The new WEP Communication module focuses on improving worker-management interaction by developing communication skills, with an emphasis on collaborative problem-solving. Workers will learn how to voice their concerns in a constructive way; factory management will be trained how to deal with workers' concerns in a positive way. The training includes separate sessions for management and workers, as well as sessions in which management and workers together discuss work floor issues.

In 2018, FWF began to pilot the WEP Communication training at three suppliers of FWF members in Indonesia and Myanmar. FWF's key objective here for 2018 was to test the methodology in different factories and collect insights and learnings.

Based on these insights, FWF has contracted an expert on worker-management communication and interactive facilitation to integrate these learnings into the module. That process started in 2018 and will be finalised with the training teams in 2019. A regional learning session, as well as additional pilot projects based on the revised methodology, will be implemented between June and September 2019. FWF will also engage with other organisations that are implementing similar types of training to exchange learnings.

CHILD LABOUR PROJECT IN TURKEY

In November 2014, FWF conducted a verification audit at a supplier shared by three member brands. The auditors found five Syrian children from three families working at a subcontractor of the main supplier. In cooperation with the main supplier and FWF, the member brands launched a project to ensure that the children were removed from the workplace in a sustainable manner. One child moved to Germany before the start of the project, so the project continued for the remaining four.

Launching the project was complex, as it proved challenging to find the children's home addresses, identify adequate schools, and keep the families committed to the remediation process. In early 2015, the four children were enrolled in school, and the families were given income compensation. Additionally, FWF worked with an Arabic-speaking service provider, who is also a certified schoolteacher, to monitor and support the families, and to periodically talk to the school. The second family emigrated to Germany at the end of 2015.

Since then, the project has supported the two children that remain in Turkey. One of them turned 15 in January 2018. It was decided that the child should stay at school until the end of the school year, so the income compensation and support for school costs ran until June 2018. The remaining child will turn 15 in 2019, at which point the project will conclude. FWF is in contact with the family on a regular basis. In the article 'How the Syrian conflict is impacting the Turkish garment sector', FWF shares learnings from this project and places these in a broader context.





The programme in Turkey is not part of the Strategic Partnership but is separately funded by the '1% Fund' from the Dutch Ministry of Foreign Affairs. FWF is solely responsible for implementing this programme.

Given the context of the state of emergency and the political turmoil, the fact that garment brands restricted company travel, and the precarious position of the local Turkey teams with which FWF works, FWF put its activities in Turkey on pause in February 2018. After investigating the risks and possibilities for FWF regarding Turkey's complex legal and political situation, FWF was able to resume some activities by early June. A legal team advised FWF to establish a liaison office in Turkey to be able to execute its stakeholder activities and operate the complaints helpline. FWF applied for a liaison office and has been waiting for the reply from Turkish authorities ever since.

This unintended pause in activities impacted FWF's plans for the year. From June until December, many audits and trainings were scheduled and/or rescheduled and executed. FWF has been proactively looking for ways to continue its work on Syrian refugees. The organisation approached Dr Emre Komraz, a researcher based in England at the International Migration Institute at the University of Oxford, to conduct research. In October 2018, he finalised the research and FWF published the report: 'Now is the time for a strategy to employ Syrian refugees in Turkey'. FWF also sought cooperation with United Work, an NGO that helps Syrian Refugees integrate into the Turkish workforce. In December, FWF organised a supplier seminar, during which United Work presented themselves to the suppliers of the FWF brands. In addition, FWF completed the Turkey country study for 2017/2018.

Although FWF could not organise a stakeholder event, the organisation has had substantial bilateral contact with many stakeholders. For example, Fair Labour Association supported FWF in remediating a complex complaint on freedom of association. Remediation is still ongoing, but the influx of new complaints has dropped due to the problems faced with operating the complaints hotline. Member brands remediated other complaints and the FWF team verified these. In 2018, WEP training specifically developed for Syrian refugees was given to these workers. The feedback was that attendees enjoyed the content of the session and requested further training on labour rights. The FWF team also bilaterally supported suppliers and members when they had questions related to Syrian refugee workers.

The cooperation with the Dutch consulate in Istanbul and the Ministry of Foreign Affairs intensified after the decision to organise a follow-up meeting of the roundtable session on decent working conditions for Syrian refugees in the Turkish textile industry, which FWF co-hosted in 2017. A taskforce within the AGT Social Working Group was established, and FWF was asked to chair it and to serve as a lead organiser. This offered a chance to share the knowledge, expertise, and tools FWF has gathered in Turkey to a broad and relevant audience.

COMMUNICATION

Positioning and Brand Narrative

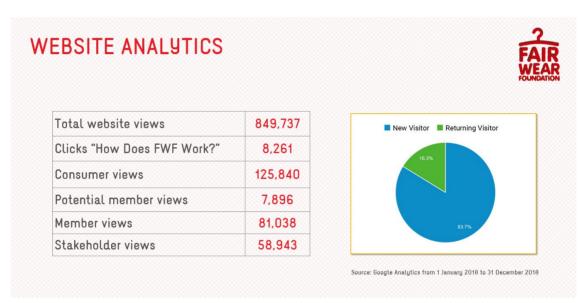
In 2018, the External Relations and Communication Team worked with marketing agency Futerra to redefine its positioning and revamp its brand narrative. With the help of Futerra, the organisation came up with clear and compelling messaging to use in communication and marketing efforts toward FWF's various target audiences. The deliverables included a positioning statement, a brand narrative, and key messages.



WEBSITE

Traffic to www.fairwear.org grew from 162,000 visitors to almost 185,586 visitors in 2018, with a total of almost 850,000 page views. Most visitors came from the following countries (in order): the Netherlands, Germany, Belgium, the United States, and the United Kingdom.

Two significant spikes in website traffic occurred in 2019, linked to the Fashion Revolution Facebook Live Marathon and to press and traffic surrounding the Annual Conference (see below for further details). Work on the website took the form of rebuilding a new secure area for FWF member brands: the Member Hub. Plans for extensive website development are slated for 2019.



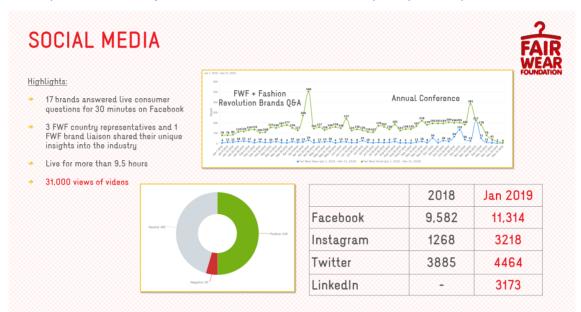
SOCIAL MEDIA

Social media communication continues to become increasingly important for FWF, especially for building more interactive and instantaneous relationships with different stakeholders. FWF's social media network focuses on consumers, partner organisations, garment brands, media, and industry influencers. In 2018, the FWF Facebook page grew from 9,300 followers to 11,300. Facebook spikes were related to a joint campaign with Fashion Revolution in April. Fashion Revolution is a global movement that calls for greater transparency, sustainability and ethics in the fashion industry. Brands used this opportunity to open up to their customers about their commitment, progress, successes and challenges in improving labour conditions through the 'FWF Facebook Live Marathon'. This 9.5-hour livestream showcased the sustainability efforts of 16 different member brands. Over 75,000 users viewed the posts, while 20,000 people visited the Facebook page. A second Facebook spike occurred in November with the Annual Conference coverage of participating industry leaders, ministry speakers and the brand panel discussions. Cartoon depictions were made to detail the day's events.

FWF increased its engagement with Instagram, which continues to be the fastest-growing social media channel with the best interaction rate. The goal was to produce more visually-stimulating content and to showcase Brand Performance Check results. At the end of 2018, FWF had over 3,200 followers, an increase of 2,200 viewers since the start of the year. Instagram stories and videos received the highest views during the Annual Conference.



FWF's Twitter following increased by 100, while the new LinkedIn channel established in April 2018 collected 3,100 followers by the end of the year. Visitors were mainly from the business development field. FWF job vacancies were shared more frequently on this platform.



MEMBER COMMUNICATION

The Facebook Live Marathon was one of the big initiatives for member communication in 2018. The second major project was the complete rebuild of the FWF member portal. The new 'Member Hub' was officially launched during the Member Day on 19 November. FWF built this Member Hub with its website developer, Digital Natives. Part of the purpose of the Member Hub is to provide a greater sense of community for member brands, a place where they can securely discuss relevant issues and collaborate on projects. The Member Hub includes a forum, events calendar, and an extensive list of resources.

MEDIA

On Fashion Revolution Day (24 April 2018), FWF received some interesting media coverage from industry media, mainly interviews about FWF's view on the developments since Rana Plaza collapsed. 2018 marked the five-year anniversary of this disaster. FWF also wrote an op-ed about this topic that was published on The Fashion Law. In this piece, FWF called on all garment brands to get on board and start working toward safer workplaces. On that same day, other industry media and fashion blogs covered the Facebook Marathon that FWF organised with its member brands (see above).

In October 2018, Dutch filmmaker Chanel Trapman put her documentary <u>'The Positive Chain of Change'</u>, which is about the players in the field of sustainable fashion, online. The filmmaker visited the FWF office during the Facebook Marathon, which is extensively covered in her film.

Other media that covered FWF wrote about new FWF members <u>Katharine Hamnett</u>, <u>E5 mode</u> and <u>SuiStudio</u>. German newspaper <u>TAZ</u> wrote an interesting nuanced piece on FWF brand Takko. The journalist took the time to try to answer the question as to whether a discount brand can effectively work on improving labour conditions in garment factories. FWF also landed several interviews by (mainly German) outdoor magazines about how FWF outdoor brands are performing. A general interview with FWF on sustainable fashion was published on the popular Dutch news website <u>NU.nl</u>, and was widely read.



During Berlin Fashion Week in July, FWF presented a new report on its Brand Performance Check system. About 30 German journalists attended the press event at the Ethical Fashion Show to listen to FWF and member brands Iriedaily and Kings of Indigo speak for 45 minutes about how the Brand Performance Checks work and the results to date. Enorm Magazin published an interview about this and German industry media also wrote about the presentations.

During FWF's Annual Conference in November, FWF organised a side event with ten Dutch and German journalists. Some interesting new contacts and articles came out of that, like <u>this</u> one in Dutch magazine Vrij Nederland. German newspaper <u>TAZ</u> wrote an article about the child labour report that FWF presented during the conference.

VIDEOS

In 2018, FWF expanded its <u>Best Practice video series</u>, with a video on <u>Schijven's living wage</u> initiative at its supplier in Turkey. There is both a short and long version of this video. This project won the Best Practice Award in 2017. FWF also produced a video on Jack Wolfskin's work on compensating workers at Jaba Garmindo factory in Indonesia, but this was not officially launched in 2018.

In addition, FWF created a promotional video for the 2018 Annual Conference, 'The Times, They are a Changin' – a call to action to encourage urgent change in the industry.

ANNUAL CONFERENCE & MEMBER DAY

FWF believes that everyone in the garment industry has an important role to play in promoting sustainability, and that by combining our efforts, we can push for bigger, more unified change. On 19 and 20 November 2018, FWF brought all players together for the International Stakeholder Day, Member Day and Annual Conference. The events took place at De Hallen and Fashion for Good in Amsterdam.

MEMBER DAY

The Member Day was a new addition in 2018, based on member feedback, which asked for more time to focus on practical matters during the Annual Conference. In response, FWF created a full Member Day, which took place the day before the Annual Conference. In total, 121 people attended the Member Day, including FWF staff.

This day gave members a chance to meet other member brands, FWF staff and local country representatives to exchange ideas, discuss common challenges, and learn how to get the most out of their FWF membership. This day was all about building connections and gaining practical knowledge in one-on-one and small-group sessions.

The day included a speed-dating networking session, which paired brands together to discuss matters of mutual interest. Breakout sessions included a panel discussion on transparency, a session on strengthening social dialogue, a session about communicating on living wage, and a thematic talk on Eastern Europe. Throughout the day, members also had the opportunity to talk to country representatives from all the production countries in which FWF is active. There was a kiosk on the new transparency policy and a booth for onboarding members to the new Member Hub, which was launched on this day.

The Member Day and the Annual Conference featured a photobooth. Members were invited to bring a garment from their collections, which were used as costumes for the <u>photobooth</u>, along with signs with quotes on why participants are pushing for sustainability in the garment industry.



ANNUAL CONFERENCE

The FWF Annual Conference brought together 216 people from around the globe: representatives of member brands, garment industry stakeholders, media and industry influencers, and members of FWF's staff, Committee of Experts and Board of Directors. The theme of the year's conference was 'The Times, They are a Changin''. The conference served as a call to action: it's time for a true revolution in the garment industry, and change should start today. The entire conference was livestreamed and an artist drew live sketches of the programme content. For the first time, FWF made use of BuzzMaster, an interactive moderation tool that allowed attendees to interactively participate in the programme by asking questions and giving live feedback.

Speakers and CEO Panel

Her Excellency Sigrid Kaag, Minister of Foreign Trade and Development Cooperation of the Netherlands, opened the conference. This year's conference coincided with the United Nations' Universal Children's Day. A child from The Missing Chapter Foundation presented his views on the issues of a more sustainable garment industry.

Keynote speaker Safia Minney, founder of People Tree, gave a presentation on her work in sustainable fashion and organic cotton and the obstacles toward achieving a fair garment industry.

The programme also featured a CEO panel moderated by FWF Director Alexander Kohnstamm. CEOs from within and outside the garment sector jointly reflected on what is holding us back from creating real Fair Wear and shared their visions on a sustainable garment industry. The following people participated in the panel: Christian Schneidermeier of Ortovox, Fazlee Shamim Ehsan of Bangladesh Knitwear Manufacturers and Exporters Association, Tony Tonnaer of Kings of Indigo, Eric Roosen of Star Sock, Alfred Beerli of Workfashion, and Anniek Mauser, sustainability director of Unilever Benelux.

Work Sessions

The conference also included work sessions to spark innovative ideas, discuss practical solutions and establish next steps on the journey toward fair fashion. Everyone chose a discussion topic of his or her choice from a selection of ten 'tracks of change' and, in small groups, came up with an agenda of change. This feedback will be incorporated in the 2019 Threads project.

Inspiration Award

The Annual Conference wrapped up with FWF's annual award show, where FWF presented the 2018 FWF Inspiration Award. The entries were from Ortovox (on breaking the norm of the six-day work week in Asia—reducing work time), Vaude (on the development and implementation of a consistent vendor monitoring system throughout VAUDE's entire supply chain), and Haglofs and OSC (on multiple brands—including non-FWF brands—jointly addressing a complaint in China). Haglofs and OSC won the award.

PUBLICATIONS

FWF publications in 2018 included guidance documents, country studies, videos and website portal articles. Among the most important were:

- Climbing the ladder: supervisory skill-building programme
- The face of child labour

FAIR WEAR FOUNDATION

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- Productivity: the key to funding living wages?
- Using due diligence in labour cost to meet wage compliance
- Now is the time for a strategy to employ Syrian refugees in turkey
- Gender Forum: one year later
- Breaking the silence: the FWF Violence and Harassment Prevention Programme
- Violence and harassment against women and men in the global garment supply chain
- Turkey country study 2017/2018
- Indonesia country study 2018
- FWF brochure for prospective members



COUNTRY OVERVIEW



COUNTRY SUMMARY

Below is an overview of the most important findings of the 2018 audits, complaints and Brand Performance Checks. Companies may have different financial years or delays can occur before supplier registers are updated. The numbers below may therefore not reflect the final tally for 2018.

BANGLADESH

Number of FWF members sourcing: 21

Number of factories supplying FWF members: 231

Number of verification audits: 11
Number of FWF monitoring audits: 16

Number of WEP trainings: 36

Number of calls to the complaints helpline: approx. 200

Number of complaints: 75 (including 62 solved through the FWF internal mechanism (AHC))

Following the minimum wage increase, which went up by 51% on 1 December 2018, thousands of garment workers in Bangladesh violently clashed with police. The new minimum wage is much lower than what garment workers in Bangladesh demanded (trade unions advocated for BDT 16,000). Also, the protests focus on what many consider to be discriminatory elements of the new wage law. In response to this, and after eight days of labour unrest, on 13 January 2019, the government announced a revised pay structure for the garment sector, with a slight increase in both basic and gross wages in six of the seven grades. In response to the unrest, (reportedly) 11,000 workers lost their jobs. Criminal charges were also brought against many workers who took to the streets during the protests.

In anticipation of the minimum wage declaration, FWF and AGT (Dutch Covenant) sent a joint lobby letter to the prime minister in which they urged the government to show leadership and ensure a fair and negotiated minimum wage increase for the garment industry and to take the collective demand of workers and unions into account. The letter also expressed FWF and AGT's growing concern with recent developments that seem to undermine progress towards improving worker rights and called upon the government to let workers and their representatives freely campaign for higher minimum wages and let their collective demands be heard.

With the increase in labour cost comes a responsibility for brands to revisit their price levels. In anticipation of this, Fair Wear Foundation undertook research with suppliers in Bangladesh to assist in the development of a labour costing tool that could assist suppliers and buyers in determining a factory's cost of one minute of labour, and, with that, identify the actual increase that would need to be applied to the manufacturing price to cover the rise in labour cost from the rise in minimum wage (or a living wage for that matter). Collection of evidence occurred in several factories to understand how products are being costed and the dynamics of price negotiations. In October, FWF organised training for FWF suppliers and BKMEA staff (50 participants) and for trade unions (44 participants representing 18 union federations) from Bangladesh.

The Bangladesh Accord on Fire and Building Safety, which was due to expire in May 2018, has been extended until May 2021. However, before the Transition Accord was due to start in June 2018, the Bangladesh High Court put a restraining order on the Accord's inspection programme. This meant that the Accord would have to leave the country after 30 May 2018. The Accord office has filed an appeal to lift the restraining order. The Supreme Court decision on this appeal has been postponed several times since 30 November and is now due on 19 May 2019.



Fair Wear Foundation, together with other MSIs and business associations, wrote a joint letter to Prime Minister Sheikh Hasina of Bangladesh. In the letter, the organisations urged the government of Bangladesh to show leadership to find solutions to the current challenges, to continue the Accord's contributions to the development of the garment sector in Bangladesh, and to assist in the eventual role of the RCC in taking over the leadership of this work.

On 12 September 2018, FWF and FNV partner organisations joined together in Bangladesh to submit a draft law on the Prevention of Sexual Harassment at Workplace to the Minister of Law, Justice and Parliamentary Affairs and the Minister of Labour and Employment. This draft law was created in response to a ground-breaking 2009 Supreme Court decision requiring the prevention of sexual harassment in the workplace. The draft was developed through the efforts of the Gender Platform, which involves seven partner organisations of FNV and FWF and in consultation with a broad range of stakeholders. In 2019, the gender platform partners will lobby with members of parliament, relevant ministers and employers' associations to have the law approved.

Based on the Supreme Court's decision, FWF's Workplace Education Programme has been providing training to factories to effectively address and prevent gender-based violence, which includes the establishment and strengthening of internal workplace harassment committees. Regular follow-up meetings with the Anti-Harassment Committees (AHC) show that many of these have become functional and have become an important internal channel to address worker grievances. FWF is recognised in Bangladesh as the leading actor in setting up functional AHC. As a result, FWF is frequently asked to disseminate its knowledge vis-à-vis government, business and civil society during several seminars and conferences in Bangladesh. It has also engaged in partnerships with other actors (e.g. SNV) and companies to replicate FWF's successful model.

In 2018, 21 FWF member companies collectively sourced from 231 production locations in Bangladesh. Total FOB volume sourced from Bangladesh has increased by 12% to reach €520 million. In 2018, FWF conducted 27 audits, 11 of which were verification audits. Audits revealed low worker rights awareness, low wages, restrictions to freedom of association, workers being paid below their pay grade, frequent excessive overtime, illegal terminations and, most commonly, fire safety concerns. CAPs were implemented systematically with support from the brands, leading to real improvement in working conditions. The helpline was used extensively, with calls coming in on a weekly basis; approximately 200 calls were made to the complaints helpline, which resulted in some 75 complaints. About 80% of these were resolved through the factories' internal grievance mechanisms (anti-harassment committees), with the support of FWF.



EASTERN EUROPE (BULGARIA, NORTH MACEDONIA, AND ROMANIA)

<u>_</u>	Total	MK	BG	RO
	31			
Number of FWF members sourcing:	(overlap			
	deducted)	18	19	22
Number of factories supplying FWF members:	147	44	38	65
Number of verification audits:	4	1	2	1
Number of FWF monitoring audits:	17	6	6	5
Number of WEP trainings:	9	6	3	0
Number of calls to the complaints helpline:	8	7	0	1
Number of complaints:	2	2	0	0

FWF has been active in Eastern European countries since 2004, which includes Bulgaria, North Macedonia, and Romania. To increase FWF's presence in the region, FWF activities in Eastern Europe became regionally clustered in 2018, under the basis of common country-specific risks and contextual similarities. In 2018, the number of FWF members sourcing from this region increased to 31 brands, while the number of factories went up to 147.

FWF activities aimed at improving the labour conditions in the region continued throughout 2018. Core verification activities focused on factory audits, complaints handling and expanding the WEP.

Factory audits in all three countries showed that issues related to living wages, overtime, occupational health and safety, and worker representation remain the most prominent violations of workers' rights. FWF audits have identified that, in general, the level of worker engagement is low, both in trade unions and worker committees. Sourcing practices also require additional attention. FWF encourages brands to work on effective sourcing practices and to motivate workers to set up worker committees, which can help improve labour conditions, productivity and worker satisfaction.

Verification efforts in 2018 focussed on stimulating social dialogue at the factory level, with the FWF Supplier Seminar taking place in Romania in April. The aim was to promote social dialogue as a key facilitator for sustainable businesses. The seminar brought together stakeholders related to the Romanian garment industry and international supply chains. Participants exchanged concrete ideas, tools, and mechanisms for collaborative action.

2018 saw an increase in calls to FWF's complaints handling system in Macedonia. The complaints that were handled related to overtime hours without proper compensation, wages below the legal minimum wage, and discrimination. Remediation focused on improving brand purchasing practices to avoid overtime. FWF is supporting its member companies closely in remediating the case of a complex complaint.

The new Romanian audit team was established in November and an additional document inspector joined the Macedonian audit team. A regional exchange workshop with FWF auditors from Romania, Macedonia, and Bulgaria took place in mid-December, with the objective to improve auditing practices and deliver consistency in audit quality.



INDIA

Number of FWF members sourcing: 38

Number of factories supplying FWF members: 223

Number of verification audits: 5

Number of FWF monitoring audits: 14

Number of WEP trainings: 3

Number of calls to the complaints' helpline: 48

Number of complaints: 20

India's textile and garment industry remain one of the mainstays of the country's economy. With 45 million workers, it is the third-largest employer in India. Ready-made garments constitute the largest sub-sector, accounting for 43% of total textile exports in the first nine months of 2016-17.² Significant clusters for factories supplying FWF members include Tamil Nadu (mainly Tirupur), Delhi and the National Capital Region (NCR) area. There has been a 40% rise in interstate migrant workers in the industry. Labour conditions remain hostile due to high production pressure. In addition, a lack of legal employment relationships and informal employment are common, especially for seasonal and migrant workers. Unionisation in the garment sector remains low, at less than 5%, which is largely due to management practices that discourage workers from joining unions.

Functioning grievance channels are also lacking, while sexual harassment remains a major challenge and generally goes unreported. FWF continues to provide training through its WEP Violence and Harassment Prevention Programme, in cooperation with local partners SAVE, CIVIDEP and MARG. Training focuses on prevention of gender-based violence and the establishment of Internal Complaint Committees (ICC), which have been required by Indian legislation since 2013. Management, supervisors and workers receive separate training. Elected ICC members are trained and receive regular support by FWF's local partners. In 2018, three factories participated in this programme. The India team also adapted the WEP Basic module to be more country specific.

During the year, FWF published two guidance documents for brands on improving social dialogue in factories, along with an FAQ document on the government's fixed-term employment policy. Apart from this, FWF commissioned research on the implementation of the Sexual Harassment at Workplace Act (PPR) in the garment Industry. The final study will be out in 2019. To promote cross-country learning, a delegation from Myanmar visited India to learn about sexual harassment law and its implementation. This helped bolster our relationship with the Ministry of Women and Child Development.

2018 was a year of complaints, with 48 calls to the helpline. Of these, 42% came from members' suppliers, all of which were admissible. Most complaints pertained to living wage and a binding employment contract. Since many complaints required mediation between the factory management and worker, the country representative was sent for training on mediation strategies. Later in the year, six team members, including complaint handlers and the complaint coordinator, took part in complaints training in Vietnam. Thirteen complaints were either resolved or closed in 2018.

FWF India has been a founding member of the Women in Supply Chain platform, which consists of civil society and international organisations working on supply chains. The country team engaged with stakeholders and shared FWF's work through various national and international platforms about the role of business for a sustainable industry.

² Ministry of Textiles, Annual Report 2017-2018: http://texmin.nic.in/sites/default/files/ar_14_15_english.pdf, accessed on 22 December 2018



INDONESIA

Number of FWF members sourcing: 11

Number of factories supplying FWF members: 21

Number of verification audits: 4
Number of FWF monitoring audits: 2

Number of WEP trainings: 2

Number of calls to the complaints helpline: 0

Number of complaints: 6

In 2018, one of the biggest challenges for the Indonesian garment sector was the shift of factories from the Jakarta and Karawang regions to West and Central Java, where legal minimum wages are significantly lower. Workers in those regions lost their jobs, and trade union coverage is declining, which results in less protection for workers. In one complaint case, a factory in Karawang lost a big client, which led to a large loss of jobs, moved production to Central Java and had difficulties to pay the legal minimum wage and social security to the remaining workers. The factory did pay the legal minimum wage and social security to the workers in the end, which was verified through an FWF audit.

While the number of different trade union confederations is high, the declining coverage of trade unions leads to tension between unions. This fragmentation hampers social dialogue, making it challenging for unions to adopt a shared position toward employers and the government. This is also became apparent in the National Committee of the Freedom of Association Protocol³, where dialogue, research and projects on the implementation of the FoA Protocol, living wages and job security were not moving forward as swiftly as expected. This was also because Oxfam GB, the initiator and facilitator of the FoA Protocol, decided to cease facilitation. CCC, FNV and CNV provided the necessary support to continue the facilitation of the National Committee for six months, but the National Committee has not yet decided how to move forward. FWF joined the National Committee in 2018 as an observer to the Protocol and continued to bring parties together, build trust and actively contribute to solutions. A meeting was held to publicise support for the FoA Protocol during the joint visit of the directors of FNV, CNV and FWF to Indonesia.

FWF further facilitated and strengthened the Gender Network Platform, a network of organisations that actively support and promote women's rights, with a strong focus on the garment industry. In cooperation with the ITCILO, FWF provided training on the prevention, identification and remediation of gender-based violence to these organisations and FWF local staff. The network successfully lobbied ministries and ILO delegates on the ILO Convention on ending violence and harassment against women and men in the world of work. Furthermore, the participating organisations lobbied the relevant ministries on the bill on the 'Elimination of Sexual Violence', which is now before Parliament. The bill also had a setback, as religious organisations are increasingly expressing their concerns about the law, saying it would promote free sex and deviant sexual behaviour. The network actively reached out to political parties in 2018, hoping to get the law adopted before the April 2019 elections.

In 2018, FWF published 'The plight of homeworkers in Bali', a report outlining the situation of Balinese homeworkers who do not receive an income comparable to the legal minimum wage, social security, maternity rights or other benefits. In December, FWF organised a roundtable session, bringing key stakeholders together to discuss possible solutions. The roundtable was praised for its constructive, interactive and solution-oriented approach, which led to the identification of initial actions for the different stakeholders. FWF actively cooperated with TURC and other NGOs to promote legal protection for

³ The FoA Protocol is an Indonesian garment sector initiative designed to facilitate factory-level freedom of association and social dialogue, which involves national trade unions and several international garment and footwear brands. In 2017, FWF members Kjus, Haglofs and Suit Supply signed the FoA Protocol.



homeworkers. Also, FWF supported the efforts of three factories and an FWF member to improve the working conditions for homeworkers.

The most common issues found in the 2018 audits were related to safe and healthy working conditions, payment of a living wage, freedom of association and a legally-binding employment relationship. In some cases, the legal minimum wage or social security was not paid. Often, FWF finds that factories are not yet paying living wages; contracts are not provided, and that regular, productive dialogue between management and worker representatives is not taking place. The six complaints that were received in 2018 dealt with the non-payment of the legal minimum wage, firing and harassment. One complaint was closed and three were resolved. Two complaints from previous years were also resolved. FWF piloted the WEP Communication module in two factories in 2018. Revisions will be made to the module in 2019 based on the input from the Myanmar and Indonesia training team. A revision of the Indonesia Country Study was also published and disseminated among stakeholders.

MYANMAR

Number of FWF members sourcing: 15

Number of factories supplying FWF members: 26

Number of verification audits: 4
Number of FWF monitoring audits: 5

Number of WEP trainings: 2

Number of calls to the complaints helpline: not recorded

Number of complaints: 28

A monitoring mission of experts from the European Commission visited Myanmar from 28 to 31 October 2018. This followed deeply-worrying developments highlighted in various United Nations' reports, in particular regarding human rights violations in Rakhine, Kachin and Shan States, and concerns about labour rights. In order to continue to benefit from duty-free, quota-free access to the EU market through the Everything but Arms (EBA) scheme, Myanmar must uphold and respect the principles enshrined in these conventions. Myanmar appealed to the European Union to not withdraw the Generalised Scheme of Preferences (GSP) rights granted to garment and fishery industries in Myanmar as tens and thousands of workers may lose their jobs. This was supported by letters from national trade unions federations and FNV.

There remains a high degree of hostility towards union activity and a widespread lack of trust between factories and either NGOs or unions. Several cases of union leaders being fired from factories due to trade union activities also occurred. There are indications that the government is making the process to register basic factory unions more difficult. Finally, the recently adopted Peaceful Assembly and Procession Law Amendment bill undermines the right to strike, as well as the right to freedom of expression as laid down in the constitution. The bill provides authorities with an instrument to declare protests and strikes illegal on ambiguous grounds, even when these are peaceful according to international standards. There are already reports of workers being dismissed after having participated in a strike.

In April, the FWF Board approved the updated Enhanced Monitoring Programme for Myanmar. This describes the political and legislative context, FWF's recent activities, and the specific risks related to labour violations at garment factories in Myanmar. Based on this, it outlines specific requirements for FWF member brands sourcing in Myanmar, as related to: (i) transparency; (ii) due diligence; (iii) auditing suppliers; (iv) promoting processes to ensure freedom of association and enhancing social dialogue at suppliers; (v) payment of at least the legal minimum wage and working toward the payment of a living wage; and (vi) child labour. These country-specific requirements build on FWF's 2013 position paper for Myanmar and are in addition to FWF's general member requirements.

Effective 14 May, the legal minimum wages in Myanmar went up by 33%. With this, comes a responsibility for brands to revisit their price levels. Fair Wear Foundation undertook research with suppliers in Myanmar to assist in the development of a labour costing tool that could help suppliers and buyers determine a factory's cost of one minute of labour, and, with that, identify the actual increase that would need to be applied to the manufacturing price to cover the increase in labour cost from the rise in minimum wage.

The labour minute costing methodology and tool were first introduced during an FWF stakeholder meeting in May. Bilateral meetings were also held with individual stakeholders, such as the MGMA and CTUM. A separate training session was arranged for stakeholders (unions, labour NGOs, Solidarity Centre, FES), together with Apheta (FNV partner). Finally, FWF arranged one-day training sessions for member suppliers and union representatives in October, in collaboration with FNV and Apheda.

In September, FWF organised a multi-stakeholder study visit to India. Participants included members of parliament, representatives of the Myanmar Garments Exporters Association, trade union federations CTUM and MICS, labour NGO LRDP, and partner organisations working in the field of gender, including the



ILO, CARE and Gender Equality Network. Among them, FWF reached an agreement with the stakeholders that awareness-raising and capacity building would be the first step towards addressing the sexual harassment in workplaces.

Following the India trip, CARE, GEN, APHEDA and FWF together formed a gender-based violence advocacy group, which will work on addressing gender-based violence issues at the workplace and lobbying for an ILO instrument on violence and harassment in the world of work. The group is advocating for the development of labour laws to address gender-based violence at workplaces, particularly the Occupational Health and Safety Law. A meeting with the Bill Committee of the Upper House was held in 2018, while a meeting with the Bill Committee of the Lower House was scheduled for early 2019. Myanmar's new OSH law was subsequently passed on 15 March 2019. A total of five amendments (out of 10 proposed by the group) were incorporated into the law, including that 'OHS considerations for women workers must be taken into account when forming the OHS committee' in a factory.

Acknowledging the need for awareness-raising, FWF, together with CARE and Apheda, organised two workshops on gender-based violence in Yangon and Mandalay with trade unions and labour organisations. The participants provided country-level cases, and input for the ILC convention as well as for local labour-related laws such as the Occupational Health and Safety Law. Participants also developed an action plan to address sexual harassment issues at the workplace.

On 4-5 December, in collaboration with the ITCILO and Myanmar Garment Manufacturers' Association (MGMA), FWF delivered the 'Safe and Equal' workshop for the members of MGMA. The workshop was specifically designed to equip factory management staff with the concepts and skills to understand the gender dimensions of workplaces, thereby improving working conditions, encouraging worker motivation and productivity, and preventing discrimination and harassment in the garment industry. On 6 December, FWF organised a 'Safe and Equal' workshop for union representatives. CARE Myanmar and Gender Equality Network (GEN) contributed to the workshop.

FWF has seen a slow but steady increase in the number of factories in Myanmar from which FWF members source. At present, 15 FWF members are (actively) sourcing from 26 factories in Myanmar. In 2018, FWF audited nine factories. Audits show a low awareness of worker rights, low wages, restrictions related to freedom of association, child labour, frequent excessive overtime, illegal terminations, and widespread fire safety concerns. The complaints helpline, active since 2016, was used extensively, with calls coming in on a weekly basis. FWF received 28 complaints, including several from workers of the same factory. This shows trust in the FWF complaints mechanism, but also a lack of effective social dialogue among workers.

To address this, FWF piloted the WEP Communication module in Myanmar, specifically designed to help factory managers and workers engage in safe and constructive dialogue to improve production processes and working conditions.

TUNISIA

Number of FWF members sourcing: 20

Number of factories supplying FWF members: 54

Number of verification audits: 9
Number of FWF monitoring audits: 5

Number of WEP trainings: 7

Number of calls to the complaints helpline: 4

Number of complaints: 4

The textile and garment industry is one of the most important sectors in Tunisia. The country benefits from its proximity to Europe and is thus Europe's fifth-largest supplier.

The currency (Tunisian dinar) depreciation in 2017, in combination with high inflation, led to a legal minimum wage increase in 2018 from 357 TND to 378 TND for 48 hours per week in non-agricultural sectors. The hourly wage was raised to 2,051 TND and the monthly to 428 TND for low-skilled workers and workers with one year of experience being paid hourly and monthly, respectively. Nevertheless, this minimum wage increase is still far from the living wage of 750 TND estimated by Tunisian stakeholders.

The government works to uphold high labour standards through labour laws, collective bargaining agreements, and by ratifying the main ILO conventions. In practice, however, some labour standards are more of an issue in Tunisia than in other countries. In 2018, FWF continued its regular activities, conducting audits and trainings, handling complaints and engaging with local stakeholders. The local FWF team conducted 14 audits. The most common findings are still related to payment of a living wage, freedom of association, safe and healthy working conditions, and a legally-binding employment relationship. Increasing living costs, improper overtime compensation (time for time), and very short-term contracts of only a few months are all issues. Companies must adjust to current market demands and become more flexible. Within FWF, this trend was visible through an 18% decrease in the number of factories producing for FWF members from 66 (2017) to 54 (2018).

In 2018, 20 FWF members were sourcing from 54 Tunisian factories. FWF conducted WEP training sessions at seven suppliers with workers and management actively participating in the WEP Basic module.

The number of complaints received in 2018 remains the same as the year prior. Four complaints, filed by workers from FWF members' Tunisian suppliers, were considered admissible. Two complaints related to the inappropriate behaviour of the supervisor/mechanic and were quickly resolved. More serious complaints dealt with late wage payment and unfair dismissal. The latter is still under investigation. The complaints covered the following FWF labour standards: legally-binding employment relationship and employment is freely chosen.

FWF continued to engage with Tunisian trade unions, employers' organisations, governmental organisations, NGOs and international stakeholders. FWF and the Dutch Embassy agreed on the value in bringing important stakeholders together in the Tunisian garment industry, focusing on a sustainable garment industry and responsible sourcing by international brands. FWF offered to support FTDES and explore possibilities to find international donors that could sponsor their research on living wage in more regions. Furthermore, research for an updated country study was conducted, and the results will be published in 2019. The FWF team wrote a letter 'Equal Pay for Equal Jobs' to the Assembly of the Representatives of the People in Tunisia. The objective was to promote the equal treatment of men and women in employment.

TURKEY

Number of FWF members sourcing: 44

Number of factories supplying FWF members: 229

Number of verification audits: 10
Number of FWF monitoring audits: 12

Number of WEP trainings: 8

Number of calls to the complaints helpline: 5

Number of complaints:2

The state of emergency that was installed in Turkey set a backdrop for human rights violations in the country in 2018. This situation included the closure of several non-profit organisations, while other organisations felt limited in their ability to conduct their regular activities in Turkey. Given this context, along with the fact that garment brands restricted company travel and the precarious position of the local Turkey teams with which FWF, FWF put its activities in Turkey on pause in February 2018. After investigating the risks and possibilities for FWF regarding Turkey's complex legal and political situation, FWF was able to resume some activities by early June. FWF applied for a liaison office and has been waiting for the reply from Turkish authorities ever since.

This unintended pause in activities impacted FWF's plans for the year. From June until December, many audits and training sessions were scheduled and/or rescheduled and executed. FWF has been proactively looking for ways to continue its work on Syrian refugees. The organisation approached Dr Emre Komraz, a researcher based in England at the International Migration Institute at the University of Oxford, to conduct research. In October 2018, he finalised the research and FWF published the report: 'Now is the time for a strategy to employ Syrian refugees in Turkey'. FWF also sought cooperation with United Work, an NGO that helps Syrian Refugees integrate into the Turkish workforce. In December, FWF organised a supplier seminar, during which United Work presented themselves to the suppliers of the FWF brands. In addition, FWF completed the Turkey country study for 2017/2018.

Although FWF could not organise a stakeholder event, the organisation has had substantial bilateral contact with many stakeholders. For example, Fair Labour Association supported FWF in remediating a complex complaint on freedom of association. Remediation is still ongoing, but the influx of new complaints has dropped due to the problems faced with operating the complaints hotline. Member brands remediated other complaints and the FWF team verified these. In 2018, WEP training specifically developed for Syrian refugees was given to these workers. The feedback was that attendees enjoyed the content of the session and requested further training on labour rights. The FWF team also bilaterally supported suppliers and members when they had questions related to Syrian refugee workers.

The cooperation with the Dutch consulate in Istanbul and the Ministry of Foreign Affairs intensified after the decision to organise a follow-up meeting of the roundtable session on decent working conditions for Syrian refugees in the Turkish textile industry, which FWF co-hosted in 2017. A taskforce within the AGT Social Working Group was established, and FWF was asked to chair it and to serve as a lead organiser. This offered a chance to share the knowledge, expertise, and tools FWF has gathered in Turkey to a broad and relevant audience.

For more information on what did continue in Turkey, please refer to the Projects section.

VIETNAM

Number of FWF members sourcing: 28

Number of factories supplying FWF members: 165

Number of verification audits: 8
Number of FWF monitoring audits: 14

Number of WEP trainings: 16

Number of calls to the complaints helpline: 63

Number of complaints: 13

FWF's core verification activities in Vietnam continued throughout 2018, focussing on factory audits, complaints handling and extending the WEP Basic module. FWF expanded its team with an additional worker interviewer to strengthen the audit team in North Vietnam, as well as a trainer who was recruited to offer in-house factory training as part of the WEP. The FWF team in Vietnam participated in several training and advocacy events to strengthen capacity for the three SP themes.

In December, FWF organised a supplier seminar for factory managers and agents, focussing on labour costing and price negotiations. The seminar was organised in collaboration with the National Wage Council, which presented its work on minimum wage setting. The methodology of the Anker living wage benchmark was presented by its Vietnam lead researcher. FWF continued to consult its stakeholders from the Ministry of Labour (MOLISA), the national trade union VGCL, employers' association VCCI and several local labour NGOs. One of the main topics of stakeholder consultations was the most recent developments in the run-up to revisions of the Vietnam Labour Code, which is expected to be adopted by the National Assembly in 2019. Another development important to the Vietnamese textile industry is the trade deal between Vietnam and the EU, due to be ratified in 2019.

Within the framework of the Strategic Partnership, FWF supported CNV in rolling out the Multi-Company CBA project, which aims to have a group of suppliers join a collective bargaining and negotiation process with the employers' association and trade union. Seven garment factories in Van Lam District engaged in the project and installed a social dialogue taskforce. They have regular meetings, during which they receive training and advice from the trainers on how to implement step-by-step effective social dialogue, using CNV's 11-step methodology. FWF organised a webinar to explain the pilot project to member brands so they can involve their suppliers when rolling out the project in the region of Ho Chi Minh.

2018 saw the start of the participatory research project on violence and harassment in the Vietnamese garment industry. Nearly 800 female factory workers were interviewed, and seven focus group discussions were held in three regions. These community-focussed events took place outside the factory, and therefore also served female empowerment and capacity-building purposes. The process involved a strong collaboration with CARE International Vietnam and the Centre for Development and Integration (CDI). Twenty participants attended the participatory research training on GBV in cooperation with CARE Vietnam. A participatory consultation workshop discussed the research design with important stakeholders such as MOLISA, VCCI, the women's union and local labour NGOs.

The audit team was particularly concerned with the fact that factory unions are largely dependent on management and incapable of independently representing workers in negotiations with employers. Social dialogue at the workplace is encouraged by law but has not been effectively practised due to a lack of capacity, trust and awareness. Findings from FWF audits show that excessive overtime in Vietnamese garment factories continues to be one of the most prominent violations of workers' rights. Other common issues found in FWF audits include incomplete labour contracts, resignation policies that are not correctly implemented, and low worker awareness of their rights and responsibilities. Vietnamese garment factories are generally improving their internal compliance systems and health and safety standards, although a visit

by an occupational health and safety expert that FWF also worked with in Bangladesh concluded that there are high concerns in terms of fire safety.

The complaints handled dealt with excessive overtime hours without payment of the overtime premium, a lack of labour contract or an inability to resign with adequate severance pay, as well as social security. These link to the FWF labour standards: legally-binding employment relationship and reasonable hours of work. Remediation focussed on setting more realistic production targets in cooperation with workers, accurately registering working hours, and corrective action to reduce excessive overtime. Other remediation efforts by FWF members concentrated on ensuring adequate leave or severance pay to workers who had resigned.