



Frequently Asked Questions for Buyers

I General Questions on Better Work

I.1 What is Better Work?

Better Work is an independent programme of the International Labor Organization (ILO), the labour specialists of the United Nations, and the International Finance Corporation (IFC), the private sector development specialists of the World Bank. Better Work is dedicated to private sector development and improvement of working conditions. Better Work is a global programme operating in eight countries that are supported by a global team constantly developing new tools, training staff, monitoring quality and assessing impact. For details of the Services provided in country programmes go to Section I.4.

Better Work aims to:

- improve worker's lives
- promote decent work
- help strengthen the industry's competitiveness
- contribute to unlocking business opportunities to help job creation
- influence policies to support improved working conditions
- deliver services that prioritise improving worker management communications as a sustainable mechanism for promoting continuous improvement in factories

I.2 What are the benefits to buyers of Better Work?

As well as the benefits of being part of a global programme to improve workers lives and increase the competitiveness of the industry in developing countries, there are a number of direct and practical benefits for buyers of engaging with the Better Work programme:

- No need to carry out your own assessments/audits or develop your own CAPs (Improvement Plans)
- Regular and detailed reports that highlight areas to focus on and progress made (Updated Improvement Plans are included with every Progress Report)
- Coordination with buyers in the same factory: one CAP/Improvement Plan that can be used for all registered buyers to ensure effective use of resources through a coordinated response
- Regular follow-up with all factories by well-trained local staff, under international guidance
- Increased factory capacity and ownership, through the self-assessment tool, factory ownership of a single Improvement Plan etc.
- Management/worker committee established in every factory, responsible for improving compliance and workplace cooperation in a sustainable fashion
- Choice of training programmes tailored for the garment/footwear industry
- Access to all the additional services in each country (see Services below)
- Timely updates on national and factory level laws and issues - e.g. new labour laws, strikes etc.

I.3 Which countries does Better Work have programmes in and which sectors does it cover?

Mandatory programmes (required/driven by the government) in which all apparel factories are covered:

- Cambodia
- Haiti
- Jordan

Voluntary programmes (driven by market and industry incentives):

- Bangladesh
- Indonesia
- Lesotho
- Nicaragua
- Vietnam

Better Work programmes cover the apparel sector in all countries and footwear in Cambodia and Vietnam only.

In Cambodia the Assessment Service can be purchased separately for garments only. In all other countries (and in footwear in Cambodia) the Assessment and Advisory come as a package (and are not available separately).

Factory level services will be available in Bangladesh in the second half of 2014

Possible Future Programmes:

- Myanmar - In 2012 the ILO developed a new programme framework with three key objectives: (i) the elimination of forced labour; (ii) the promotion of freedom of association, and (iii) the development of a Decent Work Country Programme by the end of 2015.

As one element of this, during 2014, the ILO is undertaking a garment sector study to provide a clear picture of the current state of the industry and of the situation of garment workers. The results of this study will be used by constituents to design a comprehensive industry development strategy (which may include a Better Work programme if local conditions are right and there is sufficient demand). The study results will also be used to document and guide the GoRUM's reflection on the setting of a minimum wage for the sector.

I.4 What services does Better Work provide in its programme countries?

In all countries, apart from Cambodia, Assessment and Advisory Services are purchased annually as a package (and cannot be purchased separately). The service currently starts with a baseline Assessment (for more information on Assessments see Section II); followed by Advisory Service which includes intensive coaching to allow managers and worker representatives to address the issues they want to focus on in their enterprise (for more information on Advisory Services see Section III). The goal is to focus on root causes of problems and to find systemic solutions that will be sustainable over the long term. The programme focuses on ensuring that managers and workers create strong communication channels to avoid unnecessary disputes.

In Cambodia the assessment model is the same but Advisory Service is purchased separately.

Training services can be purchased separately in all programmes and are available for participating factories as well as those that have not subscribed to Assessment and Advisory Services. Training courses offered are:

- Expert-led participatory training seminars that include sharing of best practices and proven strategies for making practical results-oriented changes.
- Off-the-shelf and custom made training courses (e.g. Supervisory Skills, Workplace Cooperation, Workers Induction TOT, OSH, productivity, preventing child labour etc., Worker Rights and Responsibilities).

Additional services for factories/buyers vary by country but may include:

- Easy to use guide or App on local labour law
- Regular newsletters and or videos as well as social media updates
- Media and/or labour law updates
- Shared Learning Seminars - for factories and buyers to receive technical input as well as share best practice and challenges on issues common across the industry.
- SMS projects for communicating with workers
- Innovative factory grievance systems (giving factories and buyers access to all complaints and follow-up)
- Updates to participating buyers on their suppliers (through email, calls or meetings).

For details of specific country's services visit the country programme website:

Cambodia: <http://betterfactories.org/>
Haiti: <http://betterwork.org/haiti/>
Indonesia: <http://betterwork.org/indonesia/>
Jordan: <http://betterwork.org/jordan/>
Lesotho: http://betterwork.org/global/?page_id=322
Nicaragua: http://betterwork.org/global/?page_id=324
Vietnam: <http://betterwork.org/vietnam/>

II Assessments

II.1 What Standards does Better Work assess factories against?

Better Work uses a Compliance Assessment Tool (CAT) to assess factories on compliance with international Labour Standards (4 clusters) and national law (4 clusters) as follows:

International Core Labour Standards:

- Child Labour
- Forced Labour
- Discrimination
- Freedom of Association and Collective Bargaining

National Labour Law:

- Contracts and Human Resources
- Working Time
- Compensation and Benefits
- Occupational Safety and Health

There are also a very small number of areas where in the absence of local laws Better Work will assess against International Good Practice (e.g. on required numbers of fire-fighters if this is not detailed etc).

The Compliance Assessment Tool is basically the same in each

I.5 How can I promote Better Work to our factories, what are the benefits to them?

Better Work is the most comprehensive and cost effective way for apparel factories to improve both working conditions and business competitiveness. Services are tailored to meet the needs of each participating factory, with a focus on making improvements rather than focusing on problems. By actively participating in Better Work, factories can see a decrease in their number of non-compliance issues, strengthening of their relationships with buyers, improvements in the productivity in their factories, and more stable relationships with their workers.

Other benefits to factories include:

- Reduced audits (one report for all buyers) so saving resource
- One improvement plan (CAP) so less confusion and time to focus on real change
- Regular advisory inputs (advice/training) for continuous improvement
- Support building a sustainable structure/process in the factory for long-term benefit
- Better dialogue in the factory reducing strikes
- Access to Better Work learning seminars, labour law guide, Fun Run
- Best practice from industry leaders
- Good Public Relations - ability to promote factory to buyers (some buyers using info for sourcing decisions)

For sample text on how to communicate to your supply base about Better Work please see Appendix One.

I.6 Who should I contact in the different programmes for more information or to register?

There are buyer contact people in each programme as well as in the global team. For an up to date list of who to contact for what go to: <http://betterwork.org/global/?p=2990>

country but adapted slightly to account for local variations in national law. It contains around 250 individual compliance questions.

The Compliance Assessment Tools for Indonesia and Vietnam are already up on their websites, other countries will be posting their CATs on the websites before the end of 2014 (once they have been updated) but are very similar (just reflecting differences in local law).

Indonesia Compliance Assessment Tool: <http://betterwork.org/indonesia/wp-content/uploads/CAT-Sample1.pdf>

Jordan Compliance Assessment Tool: <http://betterwork.org/jordan/?s=compliance+assessment+tool>

Vietnam Compliance Assessment Tool: <http://betterwork.org/vietnam/?s=compliance+assessment+tool>

II.2 How does Better Work interpret local law and International Labour Standards and what happens if the law is not clear?

Better Work works closely with the relevant Ministries in each country for guidance on how the national law should be interpreted and applied to the garment industry.

In some of its programme countries Better Work publishes a Labour Law Guide as well as a Labour Law App. These are guides to local law and how to interpret it, based on advice from the relevant ministries. They include easy to follow examples and Case Studies.

Better Work receives advice from ILO experts (both local and international) on the correct interpretation and application of International Standards.

II.3 How do Better Work assessments rate factories?

Better Work does not currently rate factories. The Compliance Assessment Tool for each country consists of around 260 questions organized into 'Compliance Points' (e.g. Overtime Wages) which come under one of 8 Clusters (e.g. Compensation, OSH, Hours, Forced Labour etc.). All questions and compliance points are equal with no weighting or score given (since different buyers have different priority issues and rating systems). However all non-compliance issues will be fully reported.

If buyers are using Better Work to rate factories in their own systems they are requested to:

a) use Advisory Progress Reports (rather than simply Assessment Reports) to look at when issues are resolved/closed or when progress is being made

b) note that there are cases where Better Work is assessing against standards higher than buyer codes (primarily where local law is stronger) in which case the factory should not be considered non-compliant against the equivalent buyer question (where the standard is lower). Buyers should contact relevant programme contacts (See Section I.6) for advice of where the Better Work tool is higher than their Code so buyers can adapt as ratings scores as necessary to ensure factories are not penalized for participation in Better Work.

II.4 Can Better Work integrate buyers own Code requirements into its assessment tool?

Better Work cannot tailor its Code to meet the differing requirements of buyer's Codes. In all countries Better Work assesses compliance against national law and international standards. There is considerable overlap between what is covered by a Better Work assessment and buyers Code of Conduct and in many cases Better Work assessment goes beyond what is required by buyers.

Buyers commit to not duplicating audits for factories already in the programme. Buyers with specific requirements that go beyond the Better Work Compliance Assessment Tool are requested to assess these areas separately rather than continue with a full labour assessment. For example buyers should stop doing labour assessments but may still do a separate environmental assessment or use their own staff to check on the one or two provisions above law or standards that the buyer still wishes to check.

Buyers are requested to communicate clearly with factories about where they are using Better Work and where they are assessing a factory against something additional (e.g. environment or CTPAT). In addition buyers are requested to inform the Better Work programme contact (See Section I.6) or factory Advisor when they are auditing

factories (for these additional areas) to ensure Better Work can reinforce the message of complementarity with the factory.

For details of the Compliance Assessment Tool for each country See Section II.1

II.5 What does the Better Work Assessment Report Cover and How Quickly Can I get it?

The assessment report covers:

- Basic information about the facility - e.g. workforce composition, licenses where required, presence of union and strikes etc.
- all issues which were found non-compliant
- all issues that are compliant but where the assessor found something of note/potential concern
- a number of issues that are considered of interest to all buyers e.g. type of contracts, minimum wage paid, standard working hours etc.
- A chart giving year by year comparison of the rate of non-compliance in different areas

Better Work reports are sent to the factory within 22 days. The factory has 7 days to review and discuss/get clarification with Better Work (however, anything other than proven factual errors will not be changed). When the factory has had 7 days to review the report (i.e. by 29 days after the assessment) the report will be released to all buyers the factory has authorized to receive it.

The factory can approve release of the report earlier - anytime from the 22nd day (when it receives the report) if it wishes. Better Work go through a rigorous quality assurance process, to ensure consistency between assessors within countries and between the different country programmes.

II.5 What happens if a having seen the assessment report a factory refuses to approve its release to a buyer?

Better Work reports are only released with the agreement of the factory who in effect 'own' the report and authorize Better Work to release it through authorizing a Third Party Access Form from the Portal. Very occasionally having seen a report a factory will withdraw the Third Party Access Form that it has previously signed. In this case the report cannot be released to the buyer, this needs to be discussed between the buyer and the factory.

II.6 Why do I receive the reports as a PDF, can I receive them in Word or Excel?

All Better Work reports are circulated to both buyers and factories as PDFs. Better Work does this to protect the integrity of the report and so the receiver can be 100% sure they have the correct, un-tampered with version of the report. We will continue to circulate reports in PDF only. Buyers that wish to convert PDFs to Word or Excel documents for internal reasons can do so by using PDF converter software. It can be easily found by searching 'PDF converter license' on the internet (e.g. <http://www.adobe.com/products/acrobat/convert-pdf-converter.html>)

II.7 What are Zero Tolerance Issues for Better Work and how does it treat them?

There is a generic global Zero Tolerance Protocol, See Appendix Two. The Zero Tolerance Protocol requires agreement with the Labour Ministry in each Better Work Country. The exact details of the protocol may vary according to the agreement with the Ministry in each country, but every protocol will include at least the issues

listed in the Appendix, and follow the same basic steps. For details of a country programme specific protocol please contact the relevant programme.

II.8 What are the main non-compliances/issues in a particular country?

Summary reports of the key non-compliance issues in each country are produced every 6-12 months in country Compliance Synthesis Reports. The latest version of these reports (with both a summary and full details) can be found on each country programme's website. See Section 1.4 for links to each country programme website.

II.9 Can buyers shadow a Better Work assessment to see how it works?

Better Work is happy for buyers to shadow an assessment to see in more detail how they work. This should be at a factory for which the buyer has a relationship, has a signed 3rd party access form, and has registered and paid for the reports from that factory.

Due to the volume of requests to shadow assessments, and since having a buyer present changes the nature of the assessment (as factories generally behave differently), a buyer cannot shadow (except in exceptional circumstances) more than once a year in any given country.

To organize a shadowed assessment contact the buyer contact person in the relevant country programme (See Section 1.6)

II.10 How quickly can Better Work assess factories?

Better Work commits to assessing factories within 3 months of receiving registration and payment from the factory. Buyers should factor in this timeframe when asking factories to register particularly if they are on a specific 'audit schedule' or if a report is needed at a particular time.

In exceptional cases, at the request of buyer partners, Better Work will prioritise assessments of particular factories if possible.

II. 11 Can Better Work go in at short notice if I need an assessment report very quickly for sourcing or if I need a quick audit due to a previous critical issue?

For new factories, and on request of buyer partners, Better Work will prioritise urgent assessments if possible.

For factories already in the programme Better Work cannot carry out additional assessments outside of the normal annual assessment cycle. However buyers should note that in all countries apart from Cambodia, Better Work Advisors are visiting factories every 4-8 weeks and producing two Progress Reports per year (5 and 11 months after assessments except in Haiti where it is always 5 months after assessment). Buyers are requested to use these reports wherever possible or contact the Advisors for their factories for updates or to ask them if they can focus on a particular issue during their next Advisory visit.

Buyers should note that Better Work is not usually able to do special visits to investigate particular issues for particular buyers. The exception to this is Cambodia (since not all factories have Advisory Service). Buyers are strongly encouraged to enroll their Cambodia factories in Advisory services to ensure the same level of oversight is provided. However, for factories not enrolled in Advisory Services in Cambodia, and in exceptional circumstances BFC may conduct out-of-schedule visits or verification visits (depending on staffing, issue etc.) for an additional one off payment.

If Better Work is unable to facilitate a buyers need for an additional audit/special visit during the year and the buyer cannot use the Progress Reports for this purpose, the buyer may need to revert to their previous approach (e.g. own staff or 3rd party auditor) but is requested to inform the relevant factory Advisor and coordinate with them to avoid unnecessary duplication and ensure consistency of message and approach.

III Advisory

III.1 What is Advisory Service and how does it work?

Advisory Service is a tailored approach (on an annual cycle) providing factories with both technical advice and capacity building. A designated Better Work Advisor visits the factory between 6 and 10 times a year, depending on how long the factory has participated in the program and how well it has advanced in the improvement process. The Advisor supports the factory to address critical issues quickly but also encourages managers and workers to address the issues they want to focus on in their enterprise. The goal is to focus on root causes of problems and to find systematic solutions that will be sustainable over the long term.

Through advisory services, Better Work helps factories understand and manage risks in the workplace and strengthen their internal problem solving capacity with a strong focus on learning and self-assessment. The programme also ensures that managers and workers create strong communication channels to avoid unnecessary disputes as well as anticipate future risks in advance, which includes establishing and improving mechanisms to address and resolve grievances.

The Performance Improvement Consultative Committee

(PICC), which consists of management and elected trade union representatives and/or independent worker representatives, is the central element of the advisory process. By engaging these different actors in discussions on improvements Better Work effectively strengthens social dialogue between management and workers.

During the first year of the advisory cycle, Better Work EAs provide guidance that helps to build trust with the factory and workers, while also prioritizing and addressing non-compliance and other systems issues. In the second year of the cycle, EAs shift toward a coaching role, increasing training services and establishing systems that support sustainable improvement. By the third year of advisory services, EAs should serve primarily as consultants, helping PICCs take ownership of the improvement process, while continuing to strengthen management systems and monitoring success. Throughout the process, EAs conduct follow-up visits and update buyers, through progress reports, about steps factories have taken to address the various issues at their supplier facilities. The pacing of advisory services and improvement activities may vary from factory to factory.

In addition to individual factory-based services, throughout the

advisory cycle (in most programmes) Better Work organises thematic quarterly "learning seminars", which allow groups of factories to come together to share experiences, identify best practices and learn from one another.

III.2 Can buyers shadow or join a Better Work Advisory visits to see how it works?

Better Work is happy for buyers to shadow an Advisory visit to see in more detail how it works. This will need to be at a factory for which the buyer has a relationship, has a signed 3rd party access form, and has registered and paid for the factory reports.

Better Work also encourages buyers to engage in joint Advisory visits where the buyer and Better Work can prepare and work together to reinforce a consistent message to support the factory in making improvements.

Better Work will notify buyers and request support where a factory is not cooperating fully, or making sufficient progress during the Advisory process.

To shadow or arrange a joint Advisory visit please contact the relevant country contact (See Section 1.6).

III.3 How often will I get a Report on the Advisory Process?

Progress Reports which include a detailed Improvement Plan and report progress against each non-compliance, as well as information on the level of cooperation in a factory, the level of social dialogue etc. are released to buyers in Month 5 and Month 11 after the assessment. Buyers are strongly recommended to use these reports to review progress (rather than simply waiting for assessment reports).

The only exception to this is Haiti where assessments take place every 6 months so Progress Reports are issued 5 months after each assessment.

III.4 How does our own company CAP fit with the Better Work Improvement Plan?

Since reducing duplication and ensuring consistent messages/ advice to promote sustainable improvements are a goal of the Better Work programme, buyers are requested to use the BW Improvement Plan (IP), rather than issuing their own CAP. If buyers have particular priorities they can communicate these directly to factory management who can put the issue on the agenda during the PICC/joint management worker meeting and get it included or prioritized in the Improvement Plan.

It is very confusing and wastes resources where factories are working to several different CAPs/IPs with different formats, competing priorities and differing timelines.

III.5 Can I still interact with my factories if they are participating in Better Work?

Yes. Better Work is trying to stop duplication of effort and ensure consistency of message/ advice on improvements but is not in any way trying to stop buyers encouraging and engaging their factories on improvements or providing training. To ensure consistency and effective coordination Better Work requests buyers to liaise with the relevant Factory Advisor. For details contact the buyer contact in the appropriate country (See Section 1.6).

III.6 How/when will Better Work inform me of problems/issues

and what is Better Work's role?

Better Work encourages factories to inform buyer directly of particular problems/issues e.g. Food poisoning, mass faintings, etc. Where the factory fails to do this (and Better Work is aware of the problem), Better Work will inform the buyer within 72 hours.

A different more detailed process is used in the case of Zero Tolerance Issues or strikes. For more detailed information specifically on Zero Tolerance Issues See Section II.7. For more information on strikes, see Section III.7

III.7 What does Better Work do in the event of a strike?

Better Work promotes social dialogue and sound industrial relations in its strategy to ensure sustainable compliance. While Better Work supports factories in the development of social dialogue and mechanisms to prevent and resolve conflicts, it is beyond the mandate or expertise of Better Work to mediate/advise/help negotiate in the event of a strike.

What Better Work can/will do in the event of a strike is:

- Encourage the factory to engage relevant actors and follow the appropriate legal process.
- Provide information to the parties on the appropriate state institutions responsible for mediating industrial disputes.
- Category A Work Stoppages / Strikes: In case of work stoppages that are limited in duration (1 day or less) and do not involve the use of violence, Better Work will document the information in the next Progress Report, and the next assessment report.
- Category B Work Stoppages/ Strikes: In case of work stoppages that involve the use of violence, go on for multiple days at one factory, or involve multiple factories, illegal or legal strikes, Better Work will ask the factory to proactively inform all registered buyers of any strikes in Category B and provide the factory with guidance on what information they should include as a minimum (e.g. reason for strike, consultations / discussions with workers and their trade unions, duration/number of workers involved, steps being taken etc.).
- If the factory fails to inform its buyers within 48 hours (assuming Better Work is aware of the strike), Better Work will consult with factory management, trade unions, and PICC worker representatives as appropriate and possible, and provide an assessment of the situation to registered buyers providing whatever information they have available.
- Normal Advisory visits will be suspended during the strike, should it fall within Category B.
- During the next Advisory visit Better Work will consult with management and union/worker representatives on the cause of the strike and get an update on the resolution. Again Better Work will encourage the factory to communicate this with their buyers directly but will pass on the information if the factory does not.
- Better Work will include information on the strike in the next Progress Report, as well as the next assessment report.
- The Advisor will work with the factory to help improve systems to prevent the problem from reoccurring.

Better Work is not usually in a position, due to both resource but also remit/mandate, to carry out special investigations in the event of a strike. Buyers are strongly requested to allow time for social dialogue to take place and not to take punitive action against the factory while this is taking place. They are also requested to ask their suppliers to follow the principles of social dialogue and to enhance worker management committees etc. Buyers should let the factory

and Advisor follow the process outlined above. If a buyer needs a special investigation they can use whatever mechanism they would do in any non-Better Work factory but to ensure coordination of effort and consistency of messages etc., are requested to liaise on this first with the factory Advisor. In exceptional circumstances, especially where lives have been lost or under immediate threat, significant violence and/ or property destruction, or strikes that have important national implications and media coverage, Better Work country programmes may activate the Zero Tolerance protocol (as appropriate) and / or conduct special investigations to ascertain facts and identify issues as a way to facilitate solutions.

In addition to the work in factories Better Work is also working in partnership with other units of the ILO to support national constituents including those responsible for investigating and mediating industrial disputes. For more information on national efforts or processes for dispute resolution please contact the

relevant programme (See section I.6)

III.8 What does Better Work do to counter or respond in cases of bribery or corruption?

In order to mitigate against bribery and corruption Better Work has the following systems in place:

- Staff are inducted and reminded of the need to accept nothing from factories - not even lunch or a lift anywhere.
- Factories are required to sign an anti-bribery policy when they register for the programme
- For new factories the anti-bribery policy is referred to in the Opening Meeting
- Any attempts at bribery will be:
- refused by staff with reference again to the policy
- Immediately reported to BW management
- Documented in a logbook

IV Buyer Engagement with Better Work

IV.1 How can buyers engage with Better Work: Overview of Partnership versus Participation?

International buyers sourcing products from factories contribute much to the success of the Better Work programme by helping to drive improvements among their suppliers. Likewise, Better Work can give buyers a one-stop shop for progress in their supply chain conditions with a focus on broad, lasting changes. We have two schemes for working with buyers:

Participants:

Buyers getting to know the programme may work with us as participants. This means they engage some of our services and work with us on conditions in a number of their supplier factories.

Partners:

After becoming familiar with how we work, buyers may like to graduate to become one of our buyer partners. This provides much wider and more strategic benefits than the Participant scheme. Buyer partners are involved with the programme at a deeper level and get to take part in its governance, structure and more. They also have several commitments as part of their partnership with Better Work including stopping other forms of factory auditing.

See Better Work's Buyer Partners at: http://betterwork.org/global/?page_id=361

IV.2 What extra value and services do buyer partners get (beyond participants)?

- Opportunity to help define the future of the programme through participating in its governance and structure (through Advisory Committee)
- PR and marketing opportunities
- Access to national policy debates and engagement with industry stakeholders on strategic and cross-sector issues
- Quarterly calls with country programmes to update on both sectoral, programme and factory specific remediation issues
- Prioritised assessments and reporting on request
- Priority access to special services and pilots e.g. SMS or grievance procedures projects, environmental and footwear pilots
- Participate in factory level activities e.g. Joint Advisory and Training opportunities

- Access to Partner only Buyers Forum Sessions which commonly include deep dive sessions into national issues, discussions with local stakeholders, sessions to define the future priorities and direction of the programme.

IV.3 What do buyer Partners commit to?

- Committing to the programme in spirit and practice
- Engaging in the governance decisions of the **programme** (via a buyer representative on the Advisory Committee)
- Stop auditing factories in Better Work programme
- Support factory in continuous improvement
- Not dropping or downgrading factories based on compliance results (provided the factory is making progress)
- giving sufficient time for sustainable improvements
- Not charging back any of the buyer fees to factories (the factories already pay for the services they receive).
- Establishing clear internal roles and responsibilities and lines of communication with Better Work staff.
- Providing information that allows Better Work to effectively plan, resource and scope services to the benefit of all partners.
- Engaging suppliers and intermediaries to support the programme.

Better Work encourages its Buyer Partners to examine their own sourcing practices to encourage positive alignment between compliance and sourcing.

Buyers unwilling to meet the above commitments are not eligible for partnership and should engage as participants.

IV.4 Who are Better Work's Buyer Partners?

For an up-to-date list of all Buyer Partners go to: http://betterwork.org/global/?page_id=361

Around 35 additional international buyers are not partners with Better Work but engage with the programme and purchase factory reports as participants.

V Pricing and Registration

V.1 What are the Costs for Buyer Partners?

Better Work has created a pricing structure that values the commitment of Buyer Partners, and reflects both their contribution to and benefit from Better Work's operational and strategic goals.

The fee for Partners has two components:

- a membership component based on company turnover in apparel and
- an operational component based on the level of engagement in the global programme.

This pricing structure takes into account diversity in buyers' size and sourcing locations, provides flexibility to buyers in accommodating changes in their supplier base, and enables Better Work's expansion to new countries.

a) Membership component

The membership component ranges from USD 5'000 to USD 20'000, and is based on the official annual turnover in apparel, as stated in the annual report, or provided in good faith to Better Work for those companies that do not report their turnover publicly.

b) Operational component

The operational component of the partnership fee is based on the strategic importance that the sourcing country represents to the buyers. Nominally, Better Work has used the indicator of number of factories that a Partner has in country-based programmes to represent the Level of Commitment, as it is the only reliable indicator available to us. However, it is important to stress that this costing contributes to manage the comprehensive partnership agreement, including the benefits described above, and buyers are not being charged fees per assessment. Stronger and more comprehensive

engagement is valued in this component.

Better Work Partnership Fee—Operational component (USD)

Level of commitment	Price
Above 50	\$ 850
20 to 50	\$ 900
Fewer than 20	\$ 1000

Buyers can bulk purchase credits for factories in advance (to take advantage of discounted fee rate) and provide the factory names later as they wish. Credits are valid for use within a year of purchase.

V.2 What are the costs for Buyer Participants?

Pricing for Participants follows a sliding scale based on the number of assessment reports that the company wants to have access to. The price/value ratio of Better Work assessments and remediation services remains significantly higher than that of commercial auditors.

Fees for Participants (USD)					
Subscriptions	Above 60	40-60	20-40	10-20	Fewer than 10
	1000 USD	1100 USD	1200 USD	1300 USD	1400

Buyers can bulk purchase credits for factories in advance (to take advance of the discounted fee rate) and provide the factory names later as they wish. Credits are valid for use within a year of purchase.

V.3 How can I register my company as a partner or participant?



Appendix One: Sample Letter for Communicating Better Work to your supply base

Dear [Recipient Name]

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

From [Date, Buyer Name] will source only from factories that are registered with the Better Work/ Better Factories Programmes in they cover in Bangladesh, Indonesia, Vietnam, Cambodia, Haiti, Jordan, Lesotho and Nicaragua.

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

[Buyer Name] plans to use the Assessment/Advisory Reports of the BFC/BW programme, and to move away from a separate auditing system wherever possible. However non-BFC/BW audits may still be used:-

when a factory is out of the geographic scope of the BFC/BW programme; or

When [Buyer Name] needs to assess a factory for something not covered by Better Work (e.g. environment, CTPAT etc.).

The programme is not new; many of you are already participating with positive results and we wish to build on this success. Our aim therefore is to consolidate and standardise our approach with all our factories in these countries. Of course [Buyer Name] is not the only international brand requiring this action. We believe that this significant step will result in sustainable benefits for factories and their workers alike. This step will reduce the stress of audit fatigue by the reduction of third party audits. It will also facilitate access to the training resources of Better Work and its experience in work-place improvements and productivity gains.

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

We hope you share our vision.

Should you have any questions regarding this policy, please contact: [insert name and contact details of Buyer contact person]

For more information about the Better Factories/Work programme, and for contact information in your country please go to:

www.betterwork.org

Appendix Two: Generic Global Zero Tolerance Protocol

Zero Tolerance Issues and Protocol agreed to between the [Ministry of Labour] and the International Labour Organization (ILO) and International Finance Corporation's (IFC) Better Work Programme (Better Work)

Background

Better Work Enterprise Advisors may uncover serious rights violations when undertaking factory visits for either assessment or advisory purposes. In general, Better Work staff hold information learned through factory visits confidential, and only share information in line with the Memorandum of Understanding agreed by Better Work and participating factories. However, immediate action must be taken where critical issues, or circumstances that pose an imminent and significant threat to worker health and safety, are found. This note defines which issues will be considered zero tolerance and identifies the procedures that Better Work staff will take when such issues are suspected and/or detected with regard to a participating factory.

Definition of Zero Tolerance Issues

Better Work will consider human rights violations, including child labour, forced labour, sexual violence, and issues that pose an imminent threat to worker health and safety to be zero tolerance issues. In particular, suspected non-compliance on the following issues from the Compliance Assessment Tool will trigger the protocol identified below:

Child Labourers

Workers under the age of 15 (or the minimum age of the country)

Workers under age 18 subjected to worst forms of child labour (forced labour, prostitution, pornography and illegal activities)

Forced Labour

Not allowing workers to leave the workplace at all times, including during overtime in order to force them to work against their will

Use of violence or the threat of violence to intimidate workers and force them to work

Sexual Violence

Sexual violence or imminent threat of sexual violence

Occupational Health and Safety (OSH)

Punishment of workers who remove themselves from work situations they believe present an imminent and serious danger to life or health
OSH violations that pose an imminent and significant threat to worker health and safety.

Freedom of Association (FOA)

Egregious violations of freedom of association may be determined by Better Work Programme Manager to constitute a zero tolerance issue.

This protocol also applies if any of the above conditions are found in employer-provided housing that is checked as part of a factory visit.

Protocol when Zero Tolerance Issues are Identified

Enterprise Advisors will immediately report directly to the Better Work Programme Manager any violations or suspected violations of the zero tolerance issues identified above, which they may find while undertaking factory visits. In the event that Enterprise Advisors identify victims of sexual violence, they inform the victims of their options to seek assistance and provide referral information.

If the Better Work Programme Manager considers that a violation has occurred, s/he will, within 48 hours, inform the Ministry of Labour (MOL) in writing of the violation. Instances of sexual violence and the identity of victims of sexual violence are disclosed only upon their request.

The MOL will initiate investigations into the matter within 48 hours of being informed to determine whether a violation has occurred. The Better Work Programme Manager will follow up with the MOL within 72 hours of informing the MOL of the violation to agree on an action plan. Action Plans will vary dependent on the violation identified and the underlying circumstances, but always include both investigation and remediation. In situations involving possible criminal violations, MOL coordinates with other appropriate governmental authorities. Following the initial investigation, the Better Work Programme Manager will agree with the MOL on the remediation approach. Remediation Approaches vary depending on the violation identified and the underlying circumstances. See Annexes for examples of recommended remediation approaches: a. Annex 1: Recommended approach for remediating cases of underage workers b. Annex 2: Recommended approach for remediating issues relating to forced labour

c. Annex 3: Recommended approach for remediating sexual violence

d. Annex 4: Recommended approach for remediating Occupational Safety and Health (OSH)

Throughout the investigation and remediation efforts, the well-being of the victim(s) of the violation is safeguarded and any action taken must not in any way place the victim in any further danger or make him or her vulnerable to any retribution.

The MOL will inform Better Work in writing of the findings of the investigation and the outcome of the remediation.

The Ministry of Labour will not disclose information provided to it by Better Work in connection with this Protocol, or disclose information collected in connection with the implementation of the Protocol to parties other than Better Work beyond that necessary to implement the Protocol, including carrying out appropriate remediation.

Note: The timeframes stated represent the maximum time frame for action. Where necessary, actions will be completed sooner.

Protocol with Buyers

Better Work will notify all buyers subscribing to the factory at which the violation took place within 48 hours of identifying the issue. Instances of sexual violence and the identity of victims of sexual violence are disclosed only upon their request.

Better Work will notify all buyers subscribing to the factory of the action plan with the Ministry of Labour, within 24 hours of agreeing it with the Ministry.

Better Work will seek to involve buyers in remediation efforts, where appropriate, and will keep buyers regularly updated throughout remediation efforts.

Better Work will notify all buyers subscribing to the factory and seek their active support, if at any point during remediation efforts the factory is not cooperating or making progress.

Nothing in this zero tolerance protocol or relating thereto shall be construed as constituting a waiver of the privileges and immunities of the ILO.

X _____ X _____
Ministry of Labour representative Better Work representative

Name: _____ Name: _____

Date: _____ Date: _____

Annex 1: Recommended approach for remediating cases of underage workers (to be implemented in line with the National Action Plan for Child Labour, if applicable)

1. The case is immediately referred to the relevant department within the MOL. A full investigation is carried out, and the employer is subject to appropriate sanctions. If necessary, the child's age is confirmed through interviews and documentation. If it is not possible to confirm the worker's age, the worker is presumed to be a child.
2. The child immediately ceases to work at the factory.
3. Key people and institutions whose assistance is required for remediation are identified. Depending on the circumstances, these may include relevant departments within the MOL and other ministries, the employer, the recruitment agent (if any), the worker, the child's family, trade union representatives, buyers, NGOs, and healthcare and counselling service providers.
4. If necessary, a guardian is appointed to represent the best interests of the child. Children of sufficient age and maturity participate in any decisions that may affect them.
5. The child is placed in suitable education/vocational training schemes in accordance with the principle of the best interest of the child, until s/he turns 15.
6. The employer pays any fees associated with the placement of the child in the education/vocational training schemes, and housing costs if the child will not reside with family.
7. The employer provides the child with a monthly compensation payment until s/he turns 15, calculated based on previous earnings.
8. Payment of the compensation payment is made directly to the child or her/his parents/legal guardian and takes place one day after each normal monthly pay-day, or on the day after when this falls on a weekly rest day or a public holiday.
9. Any outstanding disciplinary fines or other monies owed by the child to the employer are forgiven.
10. Monitoring is undertaken to verify that the child is attending the educational courses and receiving the relevant payments.
11. Should the child wish, the employer will re-employ her/him when s/he has turned 15.
12. The employer ensures that the age of all workers will be verified against reliable documents prior to recruitment (including workers recruited through agents).
13. The employer ensures that workers who are between 16 and 18 years of age are not subject to the worst forms of child labour, including hazardous work.
14. Better Work works with the factory during advisory services to ensure that noncompliances relating to child labour are addressed in a sustainable manner, and that all measures taken are in the best interest of the child.

Annex 2: Recommended approach for remediating issues relating to forced labour

1. Appropriate remedial action is taken to assist/protect workers, depending on the violation. For example,
 - the employer removes restrictions on workers' freedom of movement, and workers are informed about the change in policy
 - persons accused of threat or violence in the workplace are suspended immediately pending the outcome of the investigation; persons found to be responsible for threat or violence are disciplined appropriately by the employer (and through government prosecution if appropriate).
2. Egregious cases of worker confinement, or physical or psychological abuse are referred to law enforcement authorities and/or NGOs. For example,
 - law enforcement authorities and/or NGOs provide workers a safe place to stay and link them to needed services, including healthcare, counselling, shelter, legal aid and other services; the employer bears the cost of any necessary services, including housing
3. The MOL pursues appropriate enforcement action against the employer, in coordination with other governmental authorities if appropriate under the circumstances.
4. Better Work works with the factory during advisory services to ensure that noncompliances relating to forced labour are addressed in a sustainable manner, and that all measures taken are in the best interest of the victim.

Annex 3: Recommended approach for remediating sexual violence (to be discussed in country to determine how to handle in best interests of victim)

1. Instances of sexual violence and the identity of victims of sexual violence are disclosed only upon the victim's request. If disclosed, confidentiality is maintained to the extent practical and appropriate under the circumstances.
2. Law enforcement authorities are notified (only upon the victim's request).
3. Law enforcement authorities and/or NGOs provide victims a safe place to stay and link them to needed services, including healthcare, counselling, shelter, legal aid and other services; the employer bears the cost of any necessary services, including housing.
4. The worker is given the option of moving to another section of the factory (away from the perpetrator). Any associated costs are covered by the employer.
5. Persons accused of violence in the workplace are suspended immediately pending the outcome of any investigation; persons found to be responsible for violence are disciplined appropriately by the employer (and through government prosecution if appropriate).
6. The employer ensures that all employees, including management and workers, participate in training on sexual harassment/sexual violence.
7. The factory adopts a sexual harassment policy, and develops transparent, impartial and reliable grievance mechanisms to effectively address sexual harassment/sexual violence.

Annex 4: Recommended approach for remediating Occupational Safety and Health (OSH)

1. Workers are removed from situations involving serious and imminent risk.
2. The MOL pursues appropriate enforcement action against the factory, in coordination with other appropriate governmental authorities if appropriate.
3. The factory joint worker/management OSH Committee addresses issues of health and safety and recommends correction of unsafe or harmful conditions and practices, and factory rules and procedures to prevent accidents and disease.
4. Better Work works with the factory during advisory services to ensure that noncompliances relating to occupational safety and health are addressed in a sustainable manner.

Annex 5: Better Work Annual Country-Level Factory Fees 2014

The table below shows the annual country level fees to be paid by factories participating in Better Work programs. These rates are based on the particular circumstances of each country, namely the market prices in each country and political arrangements with social partners. The fees cover a full annual assessment and associated report as well as customized advisory services, including two progress reports per year. In the case of Better Factories Cambodia, service fees for monitoring are covered by The Garment Manufacturers' Association (GMAC) and factories can purchase advisory services on a separate basis. Fees for Better Work training courses are not included in this document.

The below fees can either be paid by factories themselves or can be paid in full or part by buyers.

Country	Fees		Notes
Cambodia	Assessment Services	Factories do not pay direct fees but pay membership fee to GMAC	BFC model slightly different from BW model of packaged advisory/assessment
	Advisory Services		
	< 500 workers	\$2000	
	500 – 2000 workers	\$2500	
	2000 - 3500 workers	\$3000	
	3500-5000 workers	\$3500	
	5000-6500 workers	\$4000	
	6500 – 8000 workers	\$4500	
>8000 workers	\$5000		
	Factories located outside of greater Phnom Penh	Additional \$2000	
Haiti	No fees charged given context of Hope II legislation		Fees to be considered in future
Indonesia	< 500 workers	\$3000	
	500 – 2000 workers	\$3500	
	2000 - 3500 workers	\$4000	
	>3500 workers	\$4500	
Jordan	Year 1: 50% government subsidy	\$3000 for factories of all sizes	Government subsidies provided to factories for first 3 years of their participation in the program .100% government subsidy for factories employing 100% Jordanian workforce
	Year 2: 35% government subsidy		
	Year 3: 20% government subsidy		
	2015: Fees to be paid entirely by factories		
Lesotho	All factories	\$2000	
Nicaragua	< 300 workers	\$1500	
	300 – 1000 workers	\$1900	
	>1000 workers	\$2900	
Vietnam	< 500 workers	\$2000	
	500 – 2000 workers	\$2500	
	2000 - 3500 workers	\$3000	
	>3500 workers	\$3500	